

Meeting of the Board of Governors

MEETING NUMBER FOUR HUNDRED AND NINETY THREE OF THE BOARD OF GOVERNORS OF ALGONQUIN COLLEGE TO BE HELD ON TUESDAY, OCTOBER 13, 2015 AT 4:00 PM, IN ROOM CA105 IN THE ACCE BUILDING, WOODROFFE CAMPUS, OTTAWA.

AGENDA

CELEBRATING STUDENT SUCCESS

BOARD EDUCATION SESSION – <i>Fiscal Realities</i>		D. McNair	Tab
1.	Constitution of the Board Meeting	K. Leroux	
2.	Declarations of Conflicts of Interest		
3.	Approval of the Consent Agenda		
	3.1 Minutes of the June 8, 2015 Board Meeting & AGM		
	3.2 Code of Ethical Conduct		
	3.3 Executive Committee Report - verbal	K. Leroux	
	3.4 Academic & Student Affairs Committee (ASAC) Report	J. Brockbank	
	3.5 Audit & Risk Management (ARM) Committee Report - verbal	N. Cheng	
	3.6 Governance Committee Report	P. Nadeau	
	3.7 Foundation Board Report	L. Clark	
	3.8 1st Quarter 2015/2016 Business Plan Update	D. Wotherspoon	
	3.9 1st Quarter 2015/2016 Financial Report	D. McNair	
	3.10 2017/2022 Strategic Plan Update	C. Jensen/D. Wotherspoon	
4.	Business Arising from the Minutes		
	4.1 Project Fusion Budget	D. McNair/J. Bryan	
	4.2 International Update	D. Wotherspoon	
	4.3 ESCO2 (Energy Services Company) Phase 4 Update	D. McNair	
	4.4 Texidium Investment Update	D. McNair	
	4.5 Healthy Living Education (HLE) Update – verbal	C. Brulé	
5.	New Business - Decision Items & Reports		
	5.1 Algonquin College Corporate Risk Profile	N. Cheng/D. McNair/P. Leland	
6.	Items for Information		
	6.1 Endowment Fund Report	D. McNair	
	6.2 Board of Governors Fall Key Messages	D. Wotherspoon	

	6.3 Report from the Board Chair 6.4 Report from the President 6.5 Management Summary Report	K. Leroux C. Jensen President's Council	
7.	In Camera Session		
8.	Meeting Adjournment		

MINUTES OF MEETING NUMBER FOUR HUNDRED AND NINETY TWO OF THE BOARD OF GOVERNORS OF ALGONQUIN COLLEGE, HELD ON **MONDAY, JUNE 8, 2015 AT 4:00 PM**, IN CA105 ACCE BUILDING, WOODROFFE CAMPUS.

Present:	James McIntosh, Chair	Regrets:	Kyrylo Kasyanenko
	Fred Blackstein, Vice Chair		Michael Waters
	Pam Auchterlonie		
	Jim Brockbank	Senior Management:	Claude Brulé, Academic
	Nancy Cheng		Duane McNair, Finance &
	Lynne Clark		Administration
	Sherryl Fraser		Laura Stanbra, Student Services
	Cheryl Jensen, President		Doug Wotherspoon, International,
	Kathyrn Leroux		Communications & Strategic
	Shawn McBride		Priorities
	Peter Nadeau		
	Dr. Jim Robblee	Recorder:	Suzannah DiMarco
	Kelly Sample		
	Mark Sutcliffe		

Observers: A list of observers is given in Appendix 1

1. CONSTITUTION OF THE MEETING

Chair McIntosh constituted the meeting at 4:05 pm.

Celebrating Success – “Breath of Life” Team

C. Brulé, Senior Vice President Academic, introduced the ‘Breath of Life’ Team. Members were advised that this initiative brought together 17 students and five professors from six disciplines (within the Faculty of Health, Public Safety and Community Studies) to positively impact the health and wellness of communities in rural Tanzania. Two students, Monika Brennan and Ericha Braun, spoke of their experiences in Tanzania and the impact these have had on their lives and future career paths. The Board of Governors congratulated the Breath of Life Team for their efforts to help save lives overseas.

2. CONFLICT OF INTEREST DECLARATION

Members were asked to declare conflicts of interest with any items on the Agenda. No conflicts of interest were declared. Governor Nadeau introduced new external Governors-Elect Shellee Evans and Michael Tremblay and the Board’s new student Governor-Elect Shubham Bawa. The Board’s new internal Governor-Elect and faculty representative, Stephen Heckbert, was unable to attend the meeting. The Governors-Elect were welcomed to the Board.

3. APPROVAL OF THE CONSENT AGENDA

Chair McIntosh asked whether any Governor wished to remove an item from the Consent Agenda. Governor Cheng asked that item 3.2 "Academic & Student Affairs Committee Terms of Reference" be removed from the consent agenda. The Chairs of the Governance, Audit & Risk Management and Academic and Student Affairs committees took the opportunity to update Governors on the activities that have occurred since the last Board of Governors meeting. Members were referred to the reports included in their materials.

RESOLUTION

MOVED & SECONDED K. Leroux & N. Cheng

THAT the Board of Governors approves the Consent Agenda items, including the amendment to item 3.2 "Academic & Student Affairs Committee Terms of Reference".

CARRIED.

3.1 Minutes of the April 13, 2015 Board of Governors Meeting

RESOLUTION

THAT the Board of Governors approves the Minutes of the April 13, 2015 meeting as presented.

3.2 Academic & Student Affairs Committee (ASAC) Report

Program Review

a) Retirement Communities Management, Ontario College Graduate Certificate

RESOLUTION

THAT the Board of Governors approves the Retirement Communities Management, Ontario College Graduate Certificate program effective Winter 2016 and seek validation of the program title and outcomes from the Credential Validation Service and approval for funding from the Ministry of Training, Colleges and Universities.

b) Regulatory Affairs – Sciences, Ontario College Graduate Certificate

RESOLUTION

THAT the Board of Governors approves the Regulatory Affairs - Sciences, Ontario College Graduate Certificate program effective Fall 2016 and seek validation of the program title and outcomes from the Credential Validation Service and approval for funding from the Ministry of Training, Colleges and Universities.

c) Energy Management, Ontario College Graduate Certificate

RESOLUTION

THAT the Board of Governors approves the Energy Management, Ontario College Graduate Certificate program effective Fall 2016 and seek validation of the program title and outcomes from the Credential Validation Service and approval for funding from the Ministry of Training, Colleges and Universities.

d) Bachelor of Technology – Business Systems Development

e) Bachelor of Technology – Digital Health

Both degree programs were reviewed together as they have been designed to have a significant number of common courses and terms.

RESOLUTION

THAT the Board of Governors approves the Bachelor of Technology (Business Systems Development) program and the Bachelor of Technology (Digital Health) program, both effective Fall 2017 and submit an application for Ministerial Consent to the Postsecondary Education Quality Assessment Board and seek approval for funding from the Ministry of Training, Colleges and Universities.

f) Revised Academic & Student Affairs Terms of Reference

Members concurred with a minor change to language at the meeting with respect to Board oversight. With this amendment to the Terms of Reference:

RESOLUTION

THAT the Board of Governors approves the revised ASAC Terms of Reference, as amended at the Board meeting.

3.3 Audit & Risk Management (ARM) Committee

A report from the Audit & Risk Management Committee was submitted for information. A recommendation to the Board to appoint the auditors for 2015/2016 was made at the June 4th Audit & Risk Management Committee meeting. Board materials had already been circulated by June 4th, therefore Governors were provided with the ARM Committee's recommendation in hardcopy at the meeting.

RESOLUTION

THAT the Board of Governors appoints Deloitte as the audit firm for Algonquin College for the 2015/2016 fiscal year.

3.4 Governance Committee Report

The Governance Committee report was provided for information.

3.5 Banking Officers Resolution

RESOLUTION

THAT for banking purposes, the following are the officers of Algonquin College of Applied Arts and Technology, effective September 1, 2015:

THE BOARD OF GOVERNORS OF ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

POSITION
Chair

CURRENT INCUMBENT
Kathryn Leroux

Vice Chair	Mark Sutcliffe
Secretary	Cheryl Jensen
Treasurer	Duane McNair

SENIOR OFFICIALS OF THE COLLEGE

POSITION	CURRENT INCUMBENT
President	Cheryl Jensen
Senior Vice President, Academic	Claude Brulé
Vice President, Finance & Administration	Duane McNair
Vice President, Human Resources	vacant
Vice President, Student Services	Laura Stanbra
Vice President, International, Communications & Strategic Priorities	Doug Wotherspoon
Vice President, Digital Technologies & Innovation	vacant
Director, Finance and Administrative Services	Cathy Dempsey
Manager, Financial Services	Grant Perry

3.6 Section 28 Approval for TD Bank

RESOLUTION

THAT Algonquin College’s Board of Governors authorizes Algonquin College Administration to seek approval from the Ministry of Training Colleges and Universities and the Ministry of Finance for Algonquin College to acquire a \$15.0 million operating line of credit from Toronto-Dominion Bank.

3.7 4th Quarter 2014/2015 Business Plan Update

RESOLUTION

THAT the Board of Governors accepts the 4th Quarter 2014/2015 Business Plan Update as presented.

3.8 2017 – 2022 Strategic Plan Update

RESOLUTION

THAT the Board of Governors accepts the 2017-2022 Strategic Plan Update as presented.

3.9 Algonquin College Armorial Bearing

RESOLUTION

THAT the Board of Governors approves the College’s intent to petition the Canadian Heraldic Authority for a grant of armorial bearings.

4. BUSINESS ARISING

4.1 Five Year Woodroffe Master Development Plan

D. McNair introduced J. Tattersall, Director of Physical Resources, who referred members to the materials in their packages. The Five Year Woodroffe Campus Master Development Plan (ICDP) was prepared consistent with the principles developed in the ICDP framework of College-wide development strategies and principles guiding short, mid, and long-term planning. The plan establishes a vision and guiding principles that form the framework for the long-term physical transformation of the Woodroffe Campus and identifies short-term priority projects and directions. The plan will be revisited and updated in response to changing needs and conditions and to ensure timely alignment with other relevant strategic initiatives under development, such as the 2017-2022 College Strategic Plan and Digital Strategy 2.0. Discussion of the development plan occurred and members congratulated management on the work to date, in particular the inclusion of the village concept. Although the College is at the leading edge of campus planning, similar concepts are being seen, such as the University of Ottawa campus development plan. Of note, the plan takes into consideration potential declining student populations by creating an innovative campus that will attract non-traditional, older students whose focus will be on re-skilling. The plans are also in alignment with international student recruitment efforts. Members congratulated J. Tattersall and P. Rouble for producing an innovative planning document that sets an impressive direction for the campus.

RESOLUTION

MOVED & SECONDED

THAT the Board of Governors accepts the report on Five Year Woodroffe Campus Master Development for information.

CARRIED.

4.2 Energy Services Contract 2 (ESCO 2) Phase 4

J. Tattersall briefed members on the Energy Services Contract 2 Phase 4 and referred members to the information in their packages. Members were briefed on the status of ESCO 2, which is the final phase of the project (Phase 4). Final documentation for Phase 4 was not available for this Board meeting but is expected by the end of June. Of note, Board approval is needed before the fall 2015 term, in order to meet the project completion date of May 2017. A summary of all ESCO2 phases, including preliminary Phase 4 assessment was presented.

Discussion occurred and members were briefed on the academic program opportunities that are planned for the final phase of the ESCO2 project. Of note, the co-generation model is in place in two Canadian hospitals, one of which is in Ottawa. The business plan and the 20-year payback for the project were discussed, as were the financial risks and contingent liabilities. These will be tracked in the Enterprise Risk Management Profile and reported to ARM Committee regularly. Due diligence has been completed and it was confirmed that the College does not need prior Ministry approval to enter into this contract and a letter of full disclosure has been submitted to Ministry of Finance. Management is currently working with the Ministry of the Environment to ensure the College remains within acceptable noise and emission levels.

Discussion occurred regarding the timing of Board approval for the fourth and final phase of the project, as a result of documentation not being finalized until the end of June. Members agreed that Board approval for Phase 4 would be granted today, on condition that technical, financial and legal due diligence checks are completed, and with the understanding that a status report on those conditions be submitted to the Board of Governors at the October 13, 2015 meeting.

MOVED & SECONDED F. Blackstein & N. Cheng

THAT the Board of Governors approves the fourth and final phase of the Energy Services Company Performance Contract 2 (ESCO2) once Management confirms that satisfactory technical, financial and legal due diligence checks are completed. Subject to satisfactory due diligence checks, the following enabling motions are approved:

THAT the Board of Governors approves the investment of up to \$4.2M in the Energy Services Company Performance Contract 2 Phase 4 from the College's Internally Restricted Net Assets in FY 2016/17.

THAT the Board of Governors approves the following resolution to amend the Energy Performance Contract. The resolution is in three parts:

- 1. The College is hereby authorized to enter into the Amendment to the Energy Performance Contract with Siemens Canada Limited ("Siemens") so that the Energy Performance Contract relates to and includes phases 1, 2, 3 and 4;**
- 2. The President or Vice President, Finance and Administration of the College is authorized and directed on behalf of the College to execute and to deliver the Amendment to the Energy Performance Contract to Siemens; and**
- 3. The President or Vice President, Finance and Administration of the College is hereby authorized and directed to do all acts and things and to execute and deliver on behalf of the College such documents and instruments as may be necessary or desirable to give legal and binding effect to the foregoing.**

THAT the Board of Governors approves the following resolution to amend the Tri-party Agreement. The resolution is in three parts:

- 1. The College is authorized to enter into the Phase Four Tri-Party Agreement with the Manufacturers Life Insurance Company ("Manulife") and Siemens Canada Limited ("Siemens") so that the Tri-Party Agreement as amended relates to and includes phases 1, 2, 3 and 4 of the Energy Performance Contract with Siemens;**
- 2. The President or Vice President, Finance and Administration is authorized and directed on behalf of the College to execute and to deliver the Phase Four Tri-Party Agreement to Manulife and Siemens; and**
- 3. The President or Vice President, Finance and Administration is authorized and directed to do all acts and things and to execute and deliver on behalf of the College such documents and instruments as may be necessary or desirable to give legal and binding effect to the foregoing.**

CARRIED.

4.3 Healthy Living Education (HLE) Proposal

C. Brulé introduced B. Foulds, Dean, Faculty of Health, Public Safety & Community Studies, who joined J. Tattersall in briefing members on the development of the Healthy Living Education (HLE) proposal. The HLE initiative will create a high profile community-integrated learning and innovation hub that will address the skills and capacity needs of Ontario's health, wellness and long-term care sectors, with a mission to help Ontarians and all Canadians live healthier lives. Discussion occurred and members agreed on the importance of and necessity for this initiative. With fifteen percent of Canadians working in the health industry and with the west of Ottawa having the second-largest aging community in Canada, the healthcare market is growing. There is a projected need for workers in complex medical care, which provides opportunities for Algonquin in new programming as well as in the re-training of existing healthcare workers. In addition, opportunities are expected in applied research and work integrated learning. The project has benefitted from the expertise of a strong advisory committee, partnerships with area health providers and support from industry and the College community. Chair McIntosh congratulated Management on the work to date which pulls together several schools across the College. Members agreed that advocacy efforts will include discussions and engagement at the provincial and federal levels to ensure alignment of College strategies with political directions for community-based healthcare. The Board asked that a status update be provided at the October 13, 2015 Board meeting. B. Foulds, J. Tattersall and the planning team were congratulated on their planning and advocacy efforts to date.

RESOLUTION

MOVED & SECONDED

**THAT the Board of Governors endorses the Healthy Living Education (HLE) Project as presented.
CARRIED.**

5. DECISION ITEMS & REPORTS

5.1 International Update – Jazan, Saudi Arabia

D. Wotherspoon, Vice President International, Communications and Strategic Priorities, referred members to the report included in their packages. Members were briefed on operations in the Jazan, Saudi Arabia campus. This included a review of the 2014-15 projected financial results; a security update, recruitment of a new campus Principal, and new opportunities in the region. A formal business plan for Jazan will be presented in the fall, 2015. New opportunities for a female campus in Jazan and partnership with the Saudi Aramco-led Jazan Construction Consortium are being investigated. Discussion occurred regarding other education organizations that are also experiencing difficulties in the first several years of operation. President Jensen reported that the Jazan campus has seen a marked turn-around this year, thanks to the tireless efforts of D. Wotherspoon, M. Doyle and the rest of the International team in Canada and in Saudi Arabia. Operations have moved from a loss to a moderate profit as a result of concerted efforts and strategies. Governors congratulated Management on their efforts.

RESOLUTION

MOVED AND SECONDED

**THAT the Board of Governors accepts the Jazan Campus Update report for information.
CARRIED.**

5.2 4th Quarter Financial Results & Audited Financial Statements

N. Cheng, Chair of the Board's Audit & Risk Management Committee, referred members to the materials included in their packages. Members were briefed on the draft audited financial statements for Algonquin College, Algonquin College Saudi - Arabia, 2364193 Ontario Inc. and the Algonquin College 4th Quarter Financial Report to the Board of Governors.

RESOLUTION

MOVED AND SECONDED N. Cheng & K. Leroux

- 1. THAT the Board of Governors approves the audited 2014/15 Algonquin College Financial Statements (presented in APPENDIX A).**
- 2. THAT the Board of Governors approves the transfer of \$10,092,210 from unrestricted net assets to internally restricted net assets.**
- 3. THAT the Board of Governors receives the 4th Quarter 2014/15 Financial Report (presented in APPENDIX B).**
- 4. THAT the Board of Governors approves the audited Financial Statements for Algonquin College-Saudi Arabia for the year ended August 31, 2014 (presented in APPENDIX C-1).**
- 5. THAT the Board of Governors approves the audited Financial Statements for 2364193 Ontario Inc. for the year ended March 31, 2015 (presented in APPENDIX D).**

CARRIED.

5.3 Annual Report and Progress Against Strategic Plan 2012-2017

D. Wotherspoon referred members to the Annual Report in the meeting packages. Each year, the College is required under the Ministry of Training, Colleges and Universities (MTCU)'s Binding Policy Directive on Governance and Accountability to prepare, approve and submit an Annual report to the Minister and make it available to the public. The primary purpose of the Annual Report is to provide stakeholders with information on how the organization has performed against expectations and how it expects to grow in the future. Governors congratulated Management on the document, especially the at-a-glance statistics page. Discussion occurred regarding the need to investigate the lower employer satisfaction scores and the very small Key Performance Indicator (KPI) sample size for this category.

RESOLUTION

MOVED & SECONDED J. Brockbank & M. Sutcliffe

THAT the Board of Governors approves the 2014-15 Annual Report.

CARRIED.

6 FOR INFORMATION

6.1 AC Digital Strategy

The report was accepted as presented.

6.2 Capital Projects Summary

The report was accepted as presented.

6.3 Freedom of Information Annual Report

D. McNair noted that the College was 'non-compliant' in two FOI requests due to a delay in providing the requested information to the requesting party. This was an oversight and steps have been put into place to mitigate any reoccurrence. The report was accepted as presented.

6.4 Colleges of Applied Arts and Technology (CAAT) Retirement Compensation Annual Report to Sponsors

The report was accepted as presented.

6.5 Report from the Board Chair

Chair McIntosh took the opportunity to thank Governors, President's Council and the College's senior staff for their expertise during his term as Chair. In particular, Chair McIntosh thanked the internal Governors noting that they have a difficult role to play and have always shown great professionalism and excellence in their positions. Governor McBride was presented with a parting gift in honour of his service to the Board of Governors and the College. Vice Chair Blackstein honoured Chair McIntosh by reminding members of the excellent achievements that have occurred during Chair McIntosh's term of office. During his term Chair McIntosh has navigated a number of challenges including hiring two new Presidents, the completion of the Pembroke Campus and the Algonquin Centre for Construction Excellence (ACCE) project and the establishment of the Jazan, Saudi Arabia campus. On behalf of the Board of Governors and the College, Governor Blackstein thanked Chair McIntosh for the time and energy he has dedicated over the past five years. Chair McIntosh was presented with a small token of appreciation.

6.6 Report from the President

President Jensen noted that many Algonquin College leaders were presenters at this year's CiCan conference in Winnipeg with presentations showcasing the College's innovation and leading edge practices. President Jensen proudly noted that J. Tattersall was awarded the CiCan Leadership Excellence Award, Alexander Yang was awarded the CiCan Staff Excellence Award and M. Hoddenbagh accepted the CiCan Innovation in Applied Research Excellence Award on behalf of the AC team. Congratulations were offered to the award recipients and the Applied Research Team.

6.7 Vice President Recruitment Update

The report was accepted as presented.

6.8 Management Summary Report

The report was accepted as presented.

7 IN CAMERA SESSION

An In Camera Session was not required.

8 MEETING ADJOURNMENT

There being no further business, the meeting was adjourned at 6:35 pm.

Jim McIntosh, Chair

Suzannah DiMarco, Recorder

APPENDIX 1

Observers:

Chloe Allin, GRC Architects
Jo-Ann Aubut, Director Academic Development
Shubham Bawa, Governor-Elect, student representative
Ericha Braun, Student
Monika Brennan, Student
Brent Brownlee, Director, Ancillary Services
John Cook, GRC Architects
Wayne Dalrymple, Professor,
Cathy Dempsey, Director Finance & Administration
Dave Donaldson, Dean, School of Business
Martin Doyle, Country Director, AC-Saudi Arabia
Steve Dulmage, Build Green Solutions
Shellee Evans, Governor-Elect
Peter Fortura, Executive Director (Acting) Academic Operations & Planning
Barbara Foulds, Dean, Faculty of Health, Public Safety and Community Studies
Michael Gawargy, Director, Information Technology Services
Sara Grainger, President Student's Association
Vicki Grisim, Professor, Child & Youth Worker
Mark Hoddenbagh, Executive Director, Partnerships and Applied Research
Bassam Hamini, Director, Transportation and Planning, Morrison Hershfield
Robyn Heaton, Dean, Faculty of Arts, Media and Design
Eric Hollebhone, Director, Marketing and Recruitment
Chris Janzen, Dean, Faculty of Technology & Trades
Jim Kyte, Dean, School of Hospitality and Tourism
George Langill, Langill Consulting
Sandra Larwell, Acting Dean, Centre for Continuing & Online Learning
Tracy McDougall, Executive Assistant to the President
Grant Perry, Manager, Financial Services
Sherry Poirier, Professor, Nursing
Andrew Pridham, Chair, Information & Communications Technology
Joe Ranieri, Director, Business Development
Phillip Rouble, Associate Director, Facilities Planning and Sustainability
Lynn Schuman, Acting Registrar
Sandra Sousa, Build Green Solutions
Shelley Styles, Director, Student Services
John Tattersall, Director, Physical Resources
Susan Thompson, Education Technology Support
Jane Trakalo, Acting Dean, Faculty of Health, Public Safety and Community Studies
Michael Tremblay, Governor-Elect

Code of Ethical Conduct and Governors' Agreement

Algonquin College of Applied Arts and Technology has an outstanding reputation in the community for its integrity, loyalty, dedication and commitment as well as its high quality training and educational programs. In support of this positive image, it is expected and required that the Governors conduct themselves in a professional, respectful and collegial manner while carrying out their responsibilities as Board Members.

As a Governor of Algonquin College, I hereby commit myself to the highest ethical conduct as an individual and a member of the Board and will strive at all times to:

1. Comply with the Minister's Binding Policy Directive on Conflict of Interest issued under the Act, the Governor's Code of Conduct being Appendix A to Bylaw #1 and this Code of Ethical Conduct.
2. Work with fellow Governors and the College President in a co-operative and respectful manner, remembering that I am accountable to the community as a whole, and not any special interest group(s).
3. Support my fellow Governors in fulfilling ethical, fiscal and professional obligations.
4. Participate actively in Board and committee meetings, respecting the opinions of others.
5. Practice and uphold openness and transparency in the conduct of Board business as demanded by the legislation and regulations governing colleges in Ontario while respecting confidentiality when required by law, regulation or policy.
6. Honour and follow the rules of order and procedure adopted by the Board to facilitate meetings and decision-making.
7. Base my decisions on the facts of each situation, vote with honest conviction, unswayed by any special interests and honour and uphold all majority decisions taken by the Board.
8. Ensure the College's mission, values and strategic plan and objectives are achieved in a democratic and fiscally responsible manner which meets the needs of learners and enables staff to carry out their responsibilities competently and ethically and which enhance the College's public image.
9. Treat my fellow Governors, College staff, students and the general public in a fair and equitable manner, regardless of race, religion, gender, sexual orientation, disabilities, age or national origin.

10. Accept the consequences of any of my actions which violate this Code of Ethical Conduct, the Governors' Code of Conduct or the MTCU Minister's Binding Policy Directives on Conflict of Interest and abide by the resulting decisions.
11. Participate fully in any review conducted under this Code of Ethical Conduct, the Governors' Code of Conduct or the MTCU Minister's Binding Policy Directives on Conflict of Interest and any revisions decided upon.
12. Generally be guided by high ethical standards in my performance of Board responsibilities.

I, _____ hereby acknowledge receipt of a copy of and agree to abide by this Algonquin College Code of Ethical Conduct, the Governors' Code of Conduct and the MTCU Minister's Binding Policy Directives on Conflict of Interest at all times in exercising my responsibilities as a Governor.

Signature of Governor: _____

Date: _____

To ensure that Governors have been duly informed of their obligation and that they understand this obligation and the consequences associated with violating the Code of Ethical Conduct and supporting policies and guidelines, the following written sign off is required:

This is to confirm that a copy of the Code of Ethical Conduct, Governors' Code of Conduct and the MTCU Minister's Binding Policy Directives on Conflict of Interest have been provided, reviewed and explained to _____ who has pledged to honour all obligations under it, and has provided his/her signature as confirmation of that pledge.

Signature of Board Chair: _____

Date: _____

MEMO

DATE: October 13, 2015

TO: Board of Governors

FROM: Governor Brockbank, Chair, Academic & Student Affairs Committee (ASAC)

SUBJECT: ASAC Report to the Board from the meeting of September 17, 2015

For documentation in support of the agenda items, please visit the Board's SharePoint site; choose the ASAC meeting folder – September 17, 2015 meeting materials.

A. ITEMS REQUIRING BOARD OF GOVERNORS' APPROVAL

Program Review

a) Customer Experience Management – Ontario College Graduate Certificate (OCGC)

RESOLUTION

MOVED & SECONDED S. Heckbert and Dr. J. Robblee

THAT the Academic and Student Affairs Committee of the Board of Governors approve the Customer Experience Management, Ontario College Graduate Certificate program effective Spring 2016 and seek validation of the program title and outcomes from the Credential Validation Service and approval for funding from the Ministry of Training, Colleges and Universities.

CARRIED.

B. ITEMS THE COMMITTEE HAS REVIEWED – FOR INFORMATION TO THE BOARD

- a) ASAC Terms of Reference
- b) ASAC draft Work Plan 2015/2016
- c) Quality Assurance Framework
- d) Enrolment Update Report – *Appendices attached to the report*
- e) Program Advisory Committees' Annual Report 2014/2015
- f) Students' Association 2015/2016 Priorities

Report title:	Enrolment Update Report
Report to:	Board of Governors
Date:	October 13, 2015
Authors/Presenters:	Claude Brulé, Senior Vice President Academic Laura Stanbra, Vice President, Student Services

1. RECOMMENDATION:

THAT the Board of Governors accepts this report for information.

2. PURPOSE / EXECUTIVE SUMMARY:

To present to the Board the final post-secondary and graduate certificates enrolment information for the Spring 2015 Term and provide an update on current enrolment information for the Fall 2015 Term.

3. BACKGROUND:

The Enrolment Update Report is intended to monitor the achievement of enrolment targets for the 2015-16 academic year in order to optimize enrolment and sustain institutional financial health.

4. DISCUSSION:

2015 Spring:

As of the audit date of 30 June 2015, Algonquin College full time registrants (Post-Secondary & Graduate Certificates) were 2,837. This represents a minor variance of 21 students (-0.7%) lower than budgeted enrolment.

2015 Fall:

As of 25 September 2015, enrolment for Level 1 and Returning Students (Post-Secondary & Graduate Certificates) of 17,799 is on track to achieve budgeted enrolments for Fall 2015 (17,522). Current net registration is a 277 student (1.6%) increase over budget and 425 students (2.4%) more than last year at this time. Level 1 registrants are trending very well at 10,073 or 4.6% better than budget and 302 students (3.1%) more than last year. Returning student registrations of 7,726 are trailing budget by 170 students (-2.2%) however there has been an increase of 123 students (1.6%) over last year. Schools, Faculties, Student Services and Marketing have expended considerable effort over the summer months contacting students to encourage them to register for their applicable programs. These efforts have shown positive results as evidenced by the decline in the number of Returning Students Not Paid from 857 at this time last year to 557 as of 25 September, representing a reduction of 35% year over year. International enrolment of 1,305 students continues to perform well against budget (+ 48 / +3.8%) and last year's enrolment (+145 /+12.5%).

5. LINK TO STRATEGIC PLAN:

Goal 2: Create a unique suite of programs, products and services geared to meet the needs and expectations of our clients and students.

6. STUDENT IMPACT:

N/A

7. FINANCIAL IMPACT:

N/A

8. HUMAN RESOURCES IMPACT:

N/A

9. GOVERNMENT / REGULATORY / LEGAL IMPACT:

N/A

10. COMMUNICATIONS:

The report will be submitted to the Board (13 October meeting) as part of the ASAC consent agenda item.

11. CONCLUSION:

Spring 2015 final enrolment was in line with budget targets. Current enrolment outlook for Fall 2015 is on track to achieve budget. No further action required by the Board.

Respectfully submitted:

Approved for submission:



Senior Vice President Academic

Vice President Student Services

Appendices:

03.4.2 Enrolment Update Report (ppt)

ENROLMENT UPDATE REPORT

Academic and Student Affairs Committee

Sep 17, 2015

Updated for the Board of Governors

September 25, 2015)

Final Enrolment - Spring 2015

ALGONQUIN COLLEGE ENROLMENT - 2015 SPRING

(Post Secondary & Graduate Certificates)

	Actual (Audit Date - 30 June '15)	Approved Budget	Variance (#)	Variance (%)	Status
Level 1 Student	280	273	7	2.6%	●
Returning Student	<u>2,557</u>	<u>2,585</u>	<u>(28)</u>	<u>(1.1%)</u>	●
Enrolment - Level 1 & Returning	<u><u>2,837</u></u>	<u><u>2,858</u></u>	<u><u>(21)</u></u>	<u><u>(0.7%)</u></u>	●
Domestic	2,522	2,578	(56)	(2.2%)	●
International	<u>315</u>	<u>280</u>	<u>35</u>	12.5%	●
Enrolment - Domestic & International	<u><u>2,837</u></u>	<u><u>2,858</u></u>	<u><u>(21)</u></u>	<u><u>(0.7%)</u></u>	●

Enrolment Update - Fall 2015

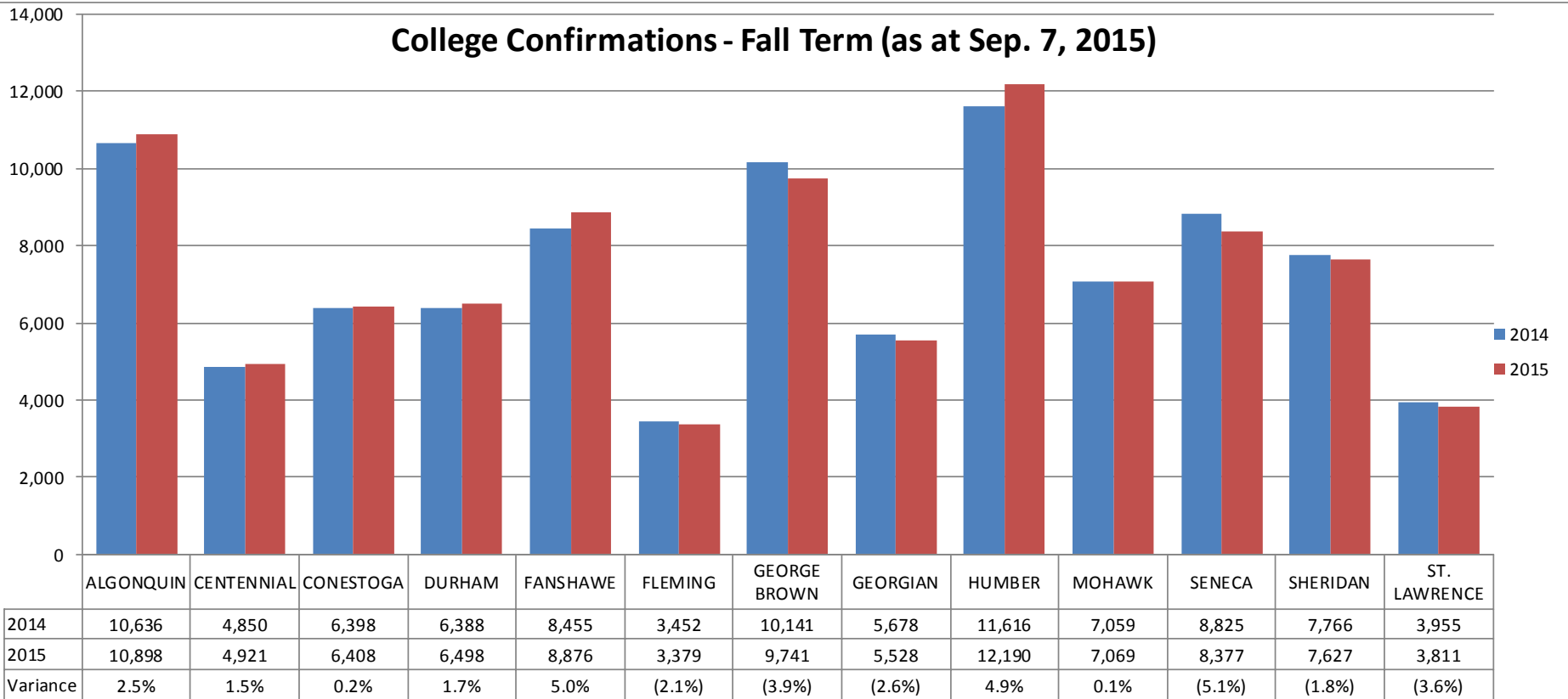
Updated as at 25 Sep. 2015

ALGONQUIN COLLEGE ENROLMENT - 2015 FALL

(Post Secondary & Graduate Certificates)

	Actual (as of 25 Sep. '15)	Approved Budget	Over / (Under)	Over / (Under) (%)	Status
Level 1 Student	10,073	9,626	447	4.6%	●
Returning Student	<u>7,726</u>	<u>7,896</u>	<u>(170)</u>	<u>(2.2%)</u>	●
Enrolment - Level 1 & Returning	<u><u>17,799</u></u>	<u><u>17,522</u></u>	<u><u>277</u></u>	1.6%	●
Domestic	16,494	16,265	229	1.4%	●
International	<u>1,305</u>	<u>1,257</u>	<u>48</u>	3.8%	●
Enrolment - Domestic & International	<u><u>17,799</u></u>	<u><u>17,522</u></u>	<u><u>277</u></u>	1.6%	●

Ontario College Application Service - Enrolment Update Fall 2015



Note: reference colleges were selected based upon comparability to Algonquin College in either enrolment size, program offerings or geographical proximity

MEMO

DATE: October 13, 2015
TO: Board of Governors
FROM: Governance Committee
SUBJECT: Governance Committee meeting September 15, 2015

A. ITEMS REQUIRING BOARD OF GOVERNORS APPROVAL

There were no items approved by the Committee for submission to the Board.

B. ITEMS THE COMMITTEE HAS REVIEWED AND ACTIONED – FOR INFORMATION TO THE BOARD

1) Lieutenant Governor in Council (LGIC) Appointments

Governance Committee was advised that Dr. James Robblee was recently appointed to Algonquin College's Board of Governors as a Lieutenant Governor in Council appointee, with a two-year term until August 31, 2017. The candidate submission was a year-long process, and efforts by Colleges Ontario and by Chair Leroux were leveraged to expedite the process.

2) Orientation for New Governors

Governance Committee reviewed the two, half-day orientation sessions on August 27 and September 27. In response to feedback from last year's attendees, the existing program was revised to provide a broader review of academic programs and more information regarding the College's rural and offshore campuses. An evaluation survey will be circulated to new members, with results to be reviewed and discussed by Governance Committee.

3) Governance Committee Terms of Reference and draft work plan 2015/2016

Governance Committee reviewed the role and responsibilities of the committee and the activities planned for the coming academic year.

4) Professional Development Applications

Governance Committee reviewed and approved the applications that were submitted related to the Colleges Ontario 2015 Higher Education Summit.

MEMO

5) Governor Terms of Office & Recruitment of New Governors

Members reviewed Governors' terms of office to determine vacancies on the Board next year, and the type of recruitment required. Members considered the regulations associated with Lieutenant Governor in Council appointees and the need to prepare applications during fall, 2015.

MEMO

DATE: September 30, 2015

TO: Board of Governors

FROM: Algonquin College Foundation Board of Directors

SUBJECT: Foundation Update

Background

At a recent meeting of the Chairs of both the College Board of Governors and the Foundation Board of Directors, it was agreed that there would be a move towards further collaboration between the two boards. One such initiative will be a Foundation update at each meeting of the College Board of Governors. The update will be a written one with the opportunity for the designate Governor on the Foundation Board, in this case Lynne Clark, to answer any questions that may arise from Governors at the meeting. The intention of these reports is to update, engage and inspire College leadership in its philanthropic activities.

Annual General Meeting

The Foundation Board of Directors had its Annual General Meeting on June 18, 2015. Directors thanked Michael Tremblay for his guidance and leadership as Chair, and welcomed John Owens (Revay & Assoc.) as its new Chair. Lynne Clark (AC BoG designate), Michael O'Byrne (CTV Host, News at Noon), Sara Grainger (SA President) were also welcomed as new members. At the meeting, audited financial statements were approved that showed revenues in excess of \$3 M with disbursements to the College of \$2.9 M.

Q1 Results

Q1 report for the 2015-2016 Business Plan would indicate that fundraising efforts are on track with \$1.9 M of anticipated \$3.6 M raised (as of Aug. 31, 2015). Highlights include \$333 K (of \$550K) from past campaign pledge fulfillments, \$329 K (of \$1.05M) from alumni revenue, annual and endowment contributions, as well as \$407 K (of \$850K) from gifts in kind and major gifts.

MEMO

October 1st Foundation Board Retreat

John Owens, Chair of the Algonquin College Foundation Board will host a Board Retreat on October 1st, 2015 at the College. The purpose of the retreat will be to provide an update on the Foundation's 5 year plan, set direction for the coming year and to engage, inspire and educate board members on College priorities. Discussion will also take place on the Cornerstone projects and on the HLE initiative.

Gay Cook's 85th Birthday

Family and friends are celebrating well known community leader and foodie, Gay Cook's 85th Birthday on Sunday November 8th, 2015. The event will take place at the College, with students preparing a sumptuous feast for the "Baker's Daughter." To order tickets please visit gaycook85celebration.eventbrite.ca or call the Algonquin College Foundation.

Alumni Engagement

This fall, six Algonquin College Alumni were nominated for outstanding career achievement for the 2015 College's Ontario Premier Awards. The nominees are Greg Kells, Business Administration, Class of 1970 (Business Category); Christine Gaitens, Child and Youth Worker, Class 1991 (Community Services); Janice Dean, Radio and TV Broadcasting, Class of 1992 (Creative Arts and Design); Dean Dimonte, Paramedic, Class 1986 (Health Sciences); Derek Lothian, Public Relations, Class of 2011 (Recent Graduate); and Phillippe Smith, Heritage Masonry, Class of 2004 (Technology). The Nominees will be celebrated in November at the Higher Education Summit in Toronto.

Alumni Relations has hired the services of McGill Buckley, award winning marketing and communications firm and Algonquin alumni, to work with the department to develop an alumni communications plan that will guide the department and engage alumni leading up to Algonquin's 50th Anniversary and beyond.

Report title:	1 st Quarter 2015/2016 Business Plan Update
Report to:	Board of Governors
Date:	October 13, 2015
Author/Presenter:	Doug Wotherspoon, Vice President International, Communications & Strategic Priorities

1. RECOMMENDATION:

THAT the Board of Governors accepts the first quarter 2015/2016 Business Plan update for information.

2. PURPOSE / EXECUTIVE SUMMARY:

The Board of Governors is responsible for monitoring the College's progress against key metric and performance outcomes as they relate to the organization's strategic directions. The annual business plan is a tool used by Management to set the direction for the College to achieve annual goals and targets in the context of the Strategic Plan.

3. BACKGROUND:

The Board of Governors is provided with quarterly updates on progress being made against the annual Business Plan. A legend of colours identifies the status of individual measures: green identifies measures in progress to reach target; yellow identifies measures that may be at risk of reaching target; and red identifies measures not anticipated to reach target by March 31, 2016.

4. DISCUSSION:

Contingency action plans are implemented for all measures that have a yellow or red status.

5. LINK TO STRATEGIC PLAN:

The Business Plan is the annual plan driving the College's strategic directions, and as such, is fully linked with the Strategic Plan 2017-2022.

6. STUDENT IMPACT:

No negative student impact is identified at this time. Students will ultimately benefit from the achievement of targets on the annual Business Plan.

7. FINANCIAL IMPACT:

No current financial impact identified at this time.

8. HUMAN RESOURCES IMPACT:

No current human resources impact identified at this time.

9. GOVERNMENT / REGULATORY / LEGAL IMPACT:

No current government/regulatory/legal impact identified at this time.

10. COMMUNICATIONS:

The first quarter update is made available to the public on the Board of Governors website prior to the Board of Governors October 13, 2015 meeting.

11. CONCLUSION:

The first quarter report is presented for information. Items identified as yellow indicate measures that may be at risk and items in red indicate measures that are not anticipated to reach target. In each case, the responsible President's Council member has been asked to report on mitigation strategies in the Q2 report.

Respectfully submitted:



Vice President, International, Communications &
Strategic Priorities

Approved for submission:



President

Appendices:

03.8.1 1st Quarter 2015/2016 Business Plan Update

2015-2016 Business Plan (Sept 24 version)



Q1 Update to the Board of Governors

2012-17 Strategic Goals	2015-16 Initiative/Leveraged Action		2015-16 Measure	Q1 Update	Status Green, Yellow, Red
Goal 1: Deliver an exemplary applied education and training experience.	ACADEMIC Develop and pilot a program completion strategy for final semester students who are missing one or two courses to graduate.	1	ACADEMIC 200 students provided a program completion plan during their final semester.	Plan under development.	
	STUDENT SERVICES & ACADEMIC Implement cross-College intervention initiatives in 1st. term classes to assist students experiencing academic challenges.	2	STUDENT SERVICES & ACADEMIC (1) First term retention increased by 1.5%. (2) Top three Strategic Enrolment Management projects completed. (3) College-wide Strategic Enrolment Management conference held with 300 in attendance.	(1) Manager of retention hired. Deans provided with retention targets. Weekly enrolment meetings to monitor and mitigate student attrition. (2) Academic Advising program has been enhanced, targeted enrolment interventions have been employed and monitored, early-alert systems for students at risk are being reviewed. (3) The second annual College-wide Strategic Enrolment Management conference was held on May 22, 2015 with 297 conference registrants.	
	INTERNATIONAL & STRATEGIC PRIORITIES, ACADEMIC & STUDENT SERVICES Create a one-stop physical and digital environment for onshore international students.	3	INTERNATIONAL & STRATEGIC PRIORITIES, ACADEMIC & STUDENT SERVICES (1) International student retention increased from 92% to 93%. (2) International Student Support Case Management system piloted using Client Relationship Management platform with final report to be presented to College Technology Committee and Strategic Enrolment Management Committee. (3) Two International sessions presented at Strategic Enrolment Management Conference. (4) 35% of new to Algonquin international students attend the International Orientation Session.	(1a) International Student Mentor Pilot program designed. 12 student mentors selected. Matching with new international students to begin in September, 2015. (1b) Expanded arrival services for international students from Asia launched in Spring 2015. (2) Salesforce Case Management Tracking system put in place for walk in and phone requests. Currently using the data to improve student services using automated rules and web service. Report in progress for presentation to the College Technologies Committee and Strategic Enrolment Management Committee. (3) Two Strategic Enrolment Management Conference sessions hosted by International Education Centre. (<i>Highlights of the International Student Satisfaction Barometer & An Introduction to International Student Services</i>). (4) Two of three international orientation sessions held with an attendance rate of 33% (215/642). Also hosted an online orientation session welcoming 35.5% (189/532).	

Green - IN PROGRESS TO REACH GOAL

Yellow - MAY NOT REACH GOAL

Red - NOT ANTICIPATED TO REACH GOAL

2015-2016 Business Plan (Sept 24 version)



Q1 Update to the Board of Governors

2012-17 Strategic Goals	2015-16 Initiative/Leveraged Action		2015-16 Measure	Q1 Update	Status Green, Yellow, Red
	ACADEMIC Assess and validate College hybrid and online offerings against the Hybrid and Online Quality Assurance Standards (HOQAS), adapted from the Quality Matters TM (QM) rubric.	4	ACADEMIC 300 hybrid and online offerings assessed and validated against the Hybrid and Online Quality Assurance Standards (HOQAS).	To date, 31 hybrid and online offerings assessed and validated against the HOQAS, with more in progress during the second quarter.	
	ACADEMIC Prepare for the institutional-level Program Quality Assurance Process Accreditation in 2016.	5	ACADEMIC (1) Application for accreditation quality assessment and completed self-audit document submitted by December 2015. (2) Preparation by relevant academic and service areas completed in time for site visit.	(1) Accreditation application submission date deferred by the Ontario College Quality Assurance Service (OCQAS) to January 1, 2016. Self-audit documentation completion is projected for February 1, 2016, to be confirmed by OCQAS. (2) Program Quality Review (PQR) and implementation plan follow-ups in process within each Faculty/School.	

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2015-2016 Business Plan (Sept 24 version)



Q1 Update to the Board of Governors

2012-17 Strategic Goals	2015-16 Initiative/Leveraged Action		2015-16 Measure	Q1 Update	Status Green, Yellow, Red
<p>Goal 2: Create a unique suite of programs, products and services geared to meet the needs and expectations of our clients and students.</p>	<p>ACADEMIC & STUDENT SERVICES Coordinate marketing, recruitment and admission efforts across 25 targeted programs.</p>	<p>6</p>	<p>ACADEMIC & STUDENT SERVICES (1) 10% increase in website visits to 25 targeted programs. (2) 5% increase in email open rates to 25 targeted programs. (3) 5% increase in applications to 25 targeted programs. (4) 10% increase in confirmations to 25 targeted programs. (5) Six postsecondary programs to be launched. (6) Two off-campus promotional visits completed per program by Academic Area employees. (7) A prospect-to-registrant customer journey map presented to SEMC.</p>	<p>(1) Improved web template designed and tested. Implementation proceeding with 6 of 25 programs complete. (2) Email nurture campaign content has been updated and ready for Fall 2016 recruitment cycle. (3) Incorporated 25 identified programs into the annual Recruiters presentations. (4) Identified stakeholders at each campus, in development of an action plan for the next admissions cycle Fall 2016 (May 1, 2016 confirmation date). (5) Four programs launched to date. (6) On track to meet target. (7) Communications report commissioned as a working group from Strategic Enrolment Management Committee (SEMC), results due in third quarter.</p>	<p style="background-color: #90EE90;"></p>
	<p>ACADEMIC, FINANCE & ADMINISTRATION AND STUDENT SERVICES Healthy Living Education (HLE) initiative establishes a planned Centre of Excellence with learning enterprises that will enhance the health and wellness of the College community and National Capital Region through the provision of academic programming, products, services, training and graduates.</p>	<p>7</p>	<p>ACADEMIC, FINANCE & ADMINISTRATION AND STUDENT SERVICES (1) Infrastructure funding model for a new College Healthy Living Education facility developed. (2) Healthy Living Education Project submitted to the Ministry of Training Colleges & Universities and the Ministry of Finance. (3) Functional program requirements for the Healthy Living Education facility completed. (4) Plan developed to restructure School of Health and Community Studies and the School of Hospitality and Tourism to reflect health and wellness program clusters. (5) Healthy Living Education Capital Campaign concept presented to the Algonquin College Foundation Board of Directors for approval.</p>	<p>(1) Alternative development and funding model incorporated into project plan. (2) Healthy Living Education project submitted August 31, 2015 as a priority in the Capital Inventory Refresh submission to the Ministry of Training, Colleges and Universities. (3) Functional program planning in progress. (4) Phase One of the Faculty of Health, Public Safety and Community Studies restructuring completed. (5) Healthy Living Education Capital Campaign concept scheduled to be presented to Foundation Board on Oct 1, 2015.</p>	<p style="background-color: #90EE90;"></p>

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2015-2016 Business Plan (Sept 24 version)



Q1 Update to the Board of Governors

2012-17 Strategic Goals	2015-16 Initiative/Leveraged Action	2015-16 Measure	Q1 Update	Status Green, Yellow, Red
	<p>ACADEMIC Enhance the choice and flexibility of student learning options by increasing the availability of fully online offerings.</p>	<p>8 ACADEMIC (1) Five online Graduate certificate programs developed and delivered (Centre for Continuing & Online Learning (CCOL)). (2) Three stackable programs developed by Winter 2016 (CCOL). <i>(A stackable credential is part of a sequence of credentials that can be accumulated over time to build qualifications and move along a career pathway.)</i> (3) 200 additional online full-time equivalents (Full Time Equivalents (FTEs)) (FT: 150 FTEs, PT: 50 FTEs) (CCOL).</p>	<p>(1) Selected program delivery deferred due to development delay and change for two graduate certificate programs which will impact launch dates and therefore complete achievement of this initiative for 2015-16. (2) Development on track. (3) Will be determined after Day 10 of the Fall Term and reported at the Q2 update.</p>	

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2015-2016 Business Plan (Sept 24 version)



Q1 Update to the Board of Governors

2012-17 Strategic Goals	2015-16 Initiative/Leveraged Action		2015-16 Measure	Q1 Update	Status Green, Yellow, Red
	<p>INTERNATIONAL & STRATEGIC PRIORITIES</p> <p>(1) Expand recruitment and business development efforts in China, India & Nigeria.</p> <p>(2) Improve student recruitment conversion processes.</p> <p>(3) Pilot the use of remote technologies to deliver EAP overseas.</p> <p>(4) Increase international student access to bursaries & scholarships.</p>	9	<p>INTERNATIONAL & STRATEGIC PRIORITIES</p> <p>(1a) 10% Increase in enrolment from designated countries.</p> <p>(1b) Website analytics benchmarks established for designated countries.</p> <p>(2a) 1.5% increase in international student conversion rate (confirmed to registered).</p> <p>(2b) Three international pre-orientation webinars hosted.</p> <p>(2c) Secret shopper report presented to Strategic Enrolment Management Committee.</p> <p>(3) Online English as a Second Language program launched with a minimum of 10 students.</p> <p>(4) 1% of international tuition premium revenues used to establish international scholarship fund.</p>	<p>(1a) International enrolments to post-secondary programs currently sitting at 7.9% above target, with 1% increase from China, 6% increase from India and 7% increase from Nigeria.</p> <p>(1b) Web analytics report completed and monthly benchmarks established.</p> <p>(2a) New designated country landing pages and application form under development</p> <p>(2b) Three webinars hosted reaching 49 counsellors, in 35 offices, across Korea, the Philippines, China and India.</p> <p>(2c) Secret Shopper report completed.</p> <p>(3) Target markets identified: China, Mexico, Brazil, Columbia. Proposals for the online English for Academic Purposes (EAP) program have been submitted to 4 potential clients (the Government of Colombia, the Government of Ecuador, and two professional organizations in Mexico and Brazil).</p> <p>(4) 13 International Student Entry Scholarships awarded for September (4 to students in the English for Academic Purposes program and 9 to students in Post-secondary programs)</p>	
	<p>ACADEMIC & STUDENT SERVICES</p> <p>(1) Continue the development of new degree programs.</p> <p>(2) Create and implement a degree marketing and recruitment plan.</p>	10	<p>ACADEMIC & STUDENT SERVICES</p> <p>(1) Four degree programs submitted to the Ministry/Postsecondary Education Quality Assessment Board.</p> <p>(2a) Degree bridging programs promoted in Fall 2015 to students in final year of diploma studies.</p> <p>(2b) Dedicated degree marketing strategy reflective of competitive analysis and best practices developed and implemented by November, 2015 .</p>	<p>(1) Bachelor of Public Safety Application for Ministerial Consent submitted to MTCU on July 23, 2015. Bachelor of Technology (Digital Health) and Bachelor of Technology (Business Systems Development) Applications for Ministerial Consent in process. Bachelor of Commerce (Human Resources) under development.</p> <p>(2a) Bridging programs promoted in program publications, for example: a dedicated page on degrees in the Grade 12 recruitment presentation; booking Grade 12 U English class presentations (University stream classes) for November 2015; and Webinar on degrees in progress. Bridging programs will be highlighted in class later this Fall.</p> <p>(2b) Degree competitive analysis and report completed. Based on recommendations, a degree marketing plan is in development with a dedicated degree landing page planned to be implemented in 2015/2016.</p>	
	<p>ACADEMIC</p> <p>Develop four on-campus graduate certificates.</p>	11	<p>ACADEMIC</p> <p>Four on-campus graduate certificates launched.</p>	<p>Two Graduate Certificates launched Fall 2015: Entrepreneurship Acceleration, and Brand Management. Retirement Communities Management, and Digital Health graduate certificate launches projected Winter 2016.</p>	

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2015-2016 Business Plan (Sept 24 version)



Q1 Update to the Board of Governors

2012-17 Strategic Goals	2015-16 Initiative/Leveraged Action		2015-16 Measure	Q1 Update	Status Green, Yellow, Red
Goal 3: Leverage technology to enhance the educational experience	ACADEMIC Implement Curriculum Services hybrid and online program development plan.	12	ACADEMIC 13 new (non Centre for Continuing and Online Learning) online courses offered.	Nine online courses in process of development. Four degree-breadth online courses completed.	
	ACADEMIC Implement Curriculum Services hybrid and online program development plan.	13	ACADEMIC 150 new hybrid courses created.	To date, 61 hybrid courses are being supported and developed. Four courses were completed during the summer.	
	ACADEMIC Continue to build on past experience to enhance and expand the Bring-Your-Own-Device initiative as a program delivery format.	14	ACADEMIC 175 full-time day programs (95%) offered in Bring Your Own Device format.	To date, 175 full-time day programs offered in Bring Your Own Device format.	
	ACADEMIC Continue to build on past experience to enhance and expand the eText initiative to additional programs.	15	ACADEMIC 100 programs participating in the eText initiative.	To date, 125 programs participated in the eText initiative.	
Goal 4: Provide opportunities for every full-time student in Ontario College Credentialed programs to have a work-integrated learning experience.	ACADEMIC Implement Year-3 roll-out of the Work-Integrated Learning (WIL) program initiative.	16	ACADEMIC Curriculum amended during Annual Curriculum Review cycle to reflect the addition of work-integrated learning activities in 13 eligible programs of study.	The Annual Curriculum Review is in progress and the addition of work-integrated learning activities in eligible programs of study will be logged throughout this year's review.	
	ACADEMIC Establish five new stand-alone and 18 new in-class applied research projects.	17	ACADEMIC 65 additional students involved in applied research projects.	Compared to last year, we are on track to meet target.	

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2015-2016 Business Plan (Sept 24 version)



Q1 Update to the Board of Governors

2012-17 Strategic Goals	2015-16 Initiative/Leveraged Action		2015-16 Measure	Q1 Update	Status Green, Yellow, Red
<p>Goal 5: Deliver exceptional service to our diverse student and client populations.</p>	<p><u>STUDENT SERVICES, ACADEMIC & FINANCE AND ADMINISTRATION</u> Align initiatives with Key Performance Indicators (KPI) survey questions and results to enhance student satisfaction.</p>	18	<p><u>STUDENT SERVICES, ACADEMIC & FINANCE AND ADMINISTRATION</u> (1) A cross-College task group established to provide on-going guidance and support of leveraged actions. (2) Initiatives created as appropriate for questions in sub-categories under the capstone related to "Student Satisfaction". (3) Library refurbishment process launched. (4) Student awareness campaign enhanced for "Student Satisfaction" KPI questions.</p>	<p>(1) Membership in cross-College task group identified. Meetings to begin in October. (2) Student satisfaction questions will be a result of meetings from item 1 above. (3) Refurbishing of the Library took place over the summer months. The paint has been refreshed and the installation of new carpet in some areas and new furniture have enhanced the environment. The visioning process for a new library is underway. <u>ACADEMIC</u> (4) Planning for awareness campaign enhancements for 2015 Fall term underway.</p>	
	<p><u>STUDENT SERVICES</u> Increase number of employers in the annual survey pool.</p>	19	<p><u>STUDENT SERVICES</u> Awareness campaign for graduating students completed explaining the importance of providing employer information for employer survey.</p>	<p>Spring graduates will receive an awareness e-mail in the coming weeks. Fall graduates, will also receive an awareness campaign post-convocation.</p>	
	<p><u>FOUNDATION</u> Enhance alumni awareness and engagement.</p>	20	<p><u>FOUNDATION</u> (1) Alumni Awareness Campaign developed. (2) 5% increase in affinity program participation. (3) 3% increase in alumni participation in alumni benefit program. (4) Fifty additional alumni prospects identified to engage as donors.</p>	<p>(1) McGill Buckley Inc. hired to support the creation of an Alumni Communications Plan. (2) Affinity program outreach with Johnsons Insurance and MBNA is underway. (3) Promoted alumni benefits in welcome to alumni email in early July 2015. Data collection will continue throughout the year at various benefit locations. (4) Fifty alumni prospects identified, additional research and rating taking place.</p>	
21		<p><u>INTERNATIONAL & STRATEGIC PRIORITIES</u> (1) International students alumni database created. (2) International alumni chapter created with a minimum of ten participants.</p>	<p>(1) First draft of database created. (2) Initial meeting with the Alumni Office/Foundation scheduled. International Alumni Chapter Best Practices Report underway.</p>		

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Red - NOT ANTICIPATED TO REACH GOAL

2015-2016 Business Plan (Sept 24 version)



Q1 Update to the Board of Governors

2012-17 Strategic Goals	2015-16 Initiative/Leveraged Action		2015-16 Measure	Q1 Update	Status Green, Yellow, Red
<p>Goal 6: Leverage technology to automate and modernize our business processes, fostering an environment of continuous improvement.</p>	<p>FINANCE & ADMINISTRATION, HUMAN RESOURCES, STUDENT SERVICES, ACADEMIC, DIGITAL TECHNOLOGIES & INNOVATION Informed by the College's Digital Strategy, complete the College's IT Strategy</p>	<p>22</p>	<p>FINANCE & ADMINISTRATION, HUMAN RESOURCES, STUDENT SERVICES, ACADEMIC, DIGITAL TECHNOLOGIES & INNOVATION (1) HR Pay phase of Enterprise Resource Planning Project Fusion completed on-time and on-budget. (2) Student Information System Advisory Committee established, Request for Information completed, and options presented to College community for review and feedback. (3) Revised governance model for automation projects and business process re-engineering presented to President's Council. (4) 10 business process automation projects completed. (5) IT Strategy presented to President's Council for approval.</p>	<p>(1) Project Fusion plan re-set in Q4 of 2014/15 due to no qualified bids during 2014 Request for Proposal process. New Request for Proposals for HR/Pay/Finance ERP issued Spring/Summer 2015. Proposals currently being reviewed and assessed. Significant work completed during the first quarter to establish the team; engage the transformation partners across the College and hire the Senior Project Manager for the project. (2) College Technology Committee-Corporate (CTC-C) has been tasked with gathering college-wide input from stakeholder through an open facilitation series of events. (3) In progress. (4) Five automation initiatives have been delivered to date for grade entry and review, U-pass, dual credit reporting, peer tutoring and onecard integration and uploading of the room inventory to the exam scheduler. Five other automation processes are currently underway. (5) In progress.</p>	<p style="background-color: #92d050;"></p>
	<p>FINANCE & ADMINISTRATION, STUDENT SERVICES, HUMAN RESOURCES Initiate applied research project in collaboration with KPMG to review College services and identify opportunities to enhance student and client experience, improve efficiencies, implement service metrics and achieve sustainable efficiencies.</p>	<p>23</p>	<p>FINANCE & ADMINISTRATION, STUDENT SERVICES, HUMAN RESOURCES (1) Complete first phase of execution of the project and achieve milestones established during the planning phase. (2) Identify and present to PC opportunities for service operation savings equivalent to 0.5% of total 2015/2016 operating budget. (3) Identify and present to PC opportunities to enhance measureable value to students and clients for services provided by at least four service departments. (4) Key service metrics identified and implemented for each department participating in first phase of execution upon President's Council approval.</p>	<p>All initiatives currently in progress.</p>	<p style="background-color: #92d050;"></p>

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2015-2016 Business Plan (Sept 24 version)



Q1 Update to the Board of Governors

2012-17 Strategic Goals	2015-16 Initiative/Leveraged Action		2015-16 Measure	Q1 Update	Status Green, Yellow, Red
Goal 7: Attract, develop and retain employees who have the knowledge and skills to be fully contributing members of the College.	HUMAN RESOURCES Implement the top three initiatives/priorities determined by the 2014-15 Employee Engagement Survey.	24	HUMAN RESOURCES (1) New Employee Engagement Tiger Team constituted. (2) Three Employee Engagement Town Halls hosted to analyze 2014-15 survey results. (3) Top three priorities identified and presented at the President's BBQ. (4) Plan to address top three priorities drafted and presented, with funding requirements, to College community and Board of Governors.	(1) Completion of the Employee Engagement Survey and work with the survey provider was completed in the first quarter. The release of the results to the College community was completed in June. (2) The first Open Forum will be hosted by the Tiger Team on September 30, where the top three priorities will be identified and presented. (3) Completed. (4) A draft plan will be written upon compiling the feedback received from Open Forums.	
	HUMAN RESOURCES Ensure Professional Development opportunities support all employee groups.	25	HUMAN RESOURCES Needs analysis survey of college-wide professional development offerings completed and reported to President's Council.	Deferred to be covered by the development of a People Plan/HR Strategy in 2016/2017.	
	HUMAN RESOURCES Implement direction and guidance to meet the HR priorities of the College.	26	HUMAN RESOURCES "Year of our Employee" Plan developed and presented to President's Council and the College community.	This initiative was cancelled due to budget constraints.	
Goal 8: Create and foster an environment in which the College's model of leadership competencies and behaviours is supported.	HUMAN RESOURCES Continue to offer modules of leadership through the Management Academy to all Administrators.	27	HUMAN RESOURCES (1) Year 2 of the Management Academy completed. (2) All levels of Algonquin Leadership Education Institute training continue to be offered.	(1) Year 2 of the Management Academy workshops have been scheduled and registration is in progress. (2) Algonquin Leadership Education Institute levels I and II are being offered during the Fall and Winter semesters. Algonquin Leadership Education Institute III is deferred to June 2016, due to insufficient expression of interest.	

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2015-2016 Business Plan (Sept 24 version)



Q1 Update to the Board of Governors

2012-17 Strategic Goals	2015-16 Initiative/Leveraged Action		2015-16 Measure	Q1 Update	Status Green, Yellow, Red
	FINANCE & ADMINISTRATION Implement first full fiscal year framework of Responsibility Centre Management model, based on approved Responsibility Centre Management principles to encourage innovation and align academic authority with financial accountability.	28	FINANCE & ADMINISTRATION (1) Faculties and Schools received allocation of grant revenues and central administration costs. (2) Development of Service Level Agreements for 50% of the non-academic departments and their administrative support services for schools are completed.	(1) Completed Responsibility Centre Management allocations for Fiscal Year 2015/2016 Budget. (2) Four of 19 Service Level Agreement are completed as of August 2015. Remaining Service Level Agreements are in in progress.	
Goal 9: Align our funded operational expenditures with provincial funding.	Completed. Standard operating procedure at the College.				
Goal 10: Expand non-funded opportunities to increase revenue.	ACADEMIC Deploy an account management sales model, implement a suite of educational technology options for the corporate audience, and enhance self-service capacity to increase the number of Corporate Training client organizations served.	29	ACADEMIC 375 client organizations have received training through Corporate Training resulting in net \$200,000 contribution.	To date, 139 organizations provided with Corporate Training Services.	

Green - IN PROGRESS TO REACH GOAL

Yellow - MAY NOT REACH GOAL

Red - NOT ANTICIPATED TO REACH GOAL

2015-2016 Business Plan (Sept 24 version)



Q1 Update to the Board of Governors

2012-17 Strategic Goals	2015-16 Initiative/Leveraged Action	2015-16 Measure	Q1 Update	Status Green, Yellow, Red
	INTERNATIONAL & STRATEGIC PRIORITIES Implement Year 2 of the College's International Education Strategic Plan.	30 INTERNATIONAL & STRATEGIC PRIORITIES (1) \$8,038,654 in net contribution raised from international efforts: - \$5,392,872 Post-Secondary Education (PSE) - \$1,733,675 English for Academic Purposes (EAP) - \$231,756 Jazan - \$449,572 Kuwait - \$230,779 Contract Training & Program Licensing (2) Two new offshore campus opportunities presented to President's Council for consideration.	(1) On target for overall net contribution with some units overcontributing and other undercontributing. - Post Secondary Education (PSE): Above target. 317 international students enrolled in 2015 Spring Term PSE programs, 13% over 2014 Spring Term. - English for Academic Purposes (EAP): Below target. 296 students enrolled in May 2015 EAP programs, 13% under 2014. 211 students enrolled in June EAP programs, 29% under 2014. - Kuwait: Below target. College will open its doors on September 29th, 2015. 70 students currently registered to attend AC-Kuwait, below the 200 target. - Jazan: Below target. Negotiated an increase in the College's minimum student guarantee to 635 students for the 2015-16 academic year. Received a "Satisfactory" Quality Assessment ranking from Colleges of Excellence, below the expected "Good" ranking. Met the first term target of 500 new AC-Jazan of first-year students. - Contract and Program Licensing: On target. Signed three contracts in Q1 totalling \$64,000 providing services ranging from student exchanges to professional development with Shaoxing University, Jinan Vocational College, and Huaihua Medical University in China. (2) Organized site visits to two potential Chinese partner colleges, interested in establishing an independent "Algonquin International School" on their campuses.	
	FINANCE & ADMINISTRATION Develop College Ancillary Services roadmap to achieve strategic objectives that enhance services to students and employees, increase sales, improves productivity and provides more resources for strategic investment priorities.	31 FINANCE & ADMINISTRATION College Ancillary Services net contribution increased by 25% over 2012/13 baseline net contribution.	College Ancillary Services financial performance is trending as anticipated as of Q1.	

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2015-2016 Business Plan (Sept 24 version)



Q1 Update to the Board of Governors

2012-17 Strategic Goals	2015-16 Initiative/Leveraged Action	2015-16 Measure	Q1 Update	Status Green, Yellow, Red
<p>Goal 11: Leverage strategic business partnerships to meet the capital needs of the College.</p>	<p>FOUNDATION Complete Year 2 of the 5 Year Fundraising Plan.</p>	<p>32 FOUNDATION (1) \$3.6M in total contributed from fundraising: - \$500,000 secured from previous campaign pledge fulfillment. - \$1,050,000 raised from alumni revenue, annual and endowment contributions. - \$850,000 raised from gifts-in-kind and major gift cash and pledges. - \$500,000 raised in cash and pledges for new capital campaign. - \$715,000 disbursed from endowment funds. (2) Upon approval of a multi-million dollar College Capital Project, a Capital Campaign Plan will be completed. (3) Prospect module linked to Cornerstone funds and 300 prospects identified. (4) Donor appreciation and recognition programs updated. (5) Fundraising training delivered to College Leadership Council.</p>	<p>(1) \$1.9M of \$3.6M raised (54% as of August 31, 2015) N.B. this includes \$184K (1% total endowment portfolio administrative fees - \$176K (96%) raised to date). -\$333K of \$500K goal received (67%) through past campaign pledge fulfillment. -\$329K of \$1.05M received (31%) from alumni revenue, annual and endowment contributions. -\$407K of \$850K raised (48%) in gifts-in kind and major gift cash and pledges. - \$0 of \$500K target recieved due to Capital Campiagn fundraising project (Healthy Living Education) has not commenced. - \$705K of \$715K (98%) generated and pending disbursement from endowment funds. (2) Consultant hired. Healthy Living Education feasibility meetings to commence in November 2015. (3) Foundation weekly meetings occurring to identify prospects. (4) Donor recognition grid being created based on best practices from other post-secondary institutions. (5) Executive Director meeting directly with Deans on regular basis.</p>	
	<p>FINANCE & ADMINISTRATION Lead the implementation of the second Energy Savings Contract (ESCO2) facility improvement measures to achieve energy savings, reduce greenhouse gas emissions and encourage a culture of sustainability.</p>	<p>33 FINANCE AND ADMINISTRATION (1) \$12.2M in total contributed from ESCO2 measures (2) \$1,426,846 in annual savings achieved in 2015-16. (3) Greenhouse gas emssions reduced by 1,687 metric tonnes. (4) Co-generation plant installed and in service by December 2015.</p>	<p>All initiatives currently in progress.</p>	

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Yellow - MAY NOT REACH GOAL

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2015-2016 Business Plan (Sept 24 version)



Q1 Update to the Board of Governors

2012-17 Strategic Goals	2015-16 Initiative/Leveraged Action		2015-16 Measure	Q1 Update	Status Green, Yellow, Red
Goal 12: Create the technological foundation to align with the digital direction.	DIGITAL TECHNOLOGIES & INNOVATION Increase the College's capacity to leverage Business Intelligence (BI) enabling decisions that are supported by data.	34	DIGITAL TECHNOLOGIES & INNOVATION Business Intelligence reports are available and utilized by targeted College departments.	In progress.	
	PRESIDENT'S COUNCIL Improve the College's capacity to define, collect, analyze and disseminate institutional data, information and research in service of the institution's planning, decision-making and performance measurement needs.	35	PRESIDENT'S COUNCIL A formal Institutional Research and Planning function is established in the College with dedicated leadership and operating resources.	Institutional Research and Planning position requirements developed, to be followed by a Fall job posting.	
	DIGITAL TECHNOLOGIES & INNOVATION Ensure a consistent level of internet, wireless and network connectivity to students and employees.	36	DIGITAL TECHNOLOGIES & INNOVATION 1) Network upgrades are completed through implementation of a new architectural model including: switch virtualization technologies and a technology refresh of the College's network access layer. 2) Wireless network performance and availability is improved through upgrades of existing access points to higher capacity systems to support the 802.11ac standard. 3) Internet infrastructure is upgraded, providing capacity and performance for increased demands of online learning and use of external services. 4) System stability and integrity is ensured through the development of predictable, defined maintenance windows for key infrastructure.	1) Majority of network upgrades completed prior to start of 2015 Fall term. 2) Wireless (802.11ac) enhancements completed as planned. 3) Internet upgrades completed as planned. 4) IT maintenance windows communicated in advance to impacted parties.	

Green - IN PROGRESS TO REACH GOAL

Yellow - MAY NOT REACH GOAL

Red - NOT ANTICIPATED TO REACH GOAL

Report title:	1st Quarter 2015/16 Financial Report
Report to:	Board of Governors
Date:	October 13, 2015
Author/Presenter:	Duane McNair, Vice-President, Finance and Administration

1. RECOMMENDATION:

THAT the Board of Governors approves the 1st Quarter 2015/16 Financial Report.

2. PURPOSE / EXECUTIVE SUMMARY:

To present the 1st Quarter 2015/16 Financial Report including a summary of funded positions.

3. BACKGROUND:

When the budget is approved each spring, there are unknown factors affecting the revenue and expenditure forecasts that must be estimated. The quarterly financial reporting process provides updated projections based on the most current information.

On February 2, 2015, the Board of Governors approved the 2015/16 Annual Budget. This annual budget maintained the commitment to balance government funded activities with expenses with an estimated net contribution of \$1.5 million. The net contribution has increased by \$1.6 million to \$3.1 million, as outlined in this report.

4. DISCUSSION:

At the conclusion of the first fiscal quarter, management updates its financial projections for significant items that require adjustments (See APPENDIX A attached).

Finance staff has updated the revenue and expenditure forecasts with revised information that materially affects the budget projection as follows:

- Revised revenue projections for the General Purpose Operating grant, Enrolment Growth funding and various other grants for an increase of \$2.1 million based on updated information provided by the Ministry of Training, Colleges, and Universities.
- International Education Centre – Increase in international student enrolment resulting in increased international fees of \$991,000. Actual enrolment and attrition for Algonquin College — Saudi Arabia has proven to be different than originally forecasted resulting in the reduction in net

income of \$232,000. In addition, there has been a decrease in contract revenue of \$233,000 due to the delayed start of operations at the Kuwait campus.

- An increase of \$1.7 million for Apprenticeship Enhancement Funding (AEF), with corresponding expenses, and the Ministry (MTCU) has indicated that Algonquin can anticipate funding to be provided at the same level as previous years for the College Equipment Renewal grant (CERF).
- The mandated student aid has been forecasted to be \$869,000 higher than originally budgeted due to the results of the 2013/14 Ministry of Training, Colleges, and Universities (MTCU) academic year filing that was due in July 2015. The \$869,000 is comprised of \$629,000 under-spend that must be added to the current year budget, and \$240,000 to increase the annual base to the higher requirement.
- Miscellaneous adjustments of \$588,000 to non-cash revenue and expenditures for AEF funding and carryovers of Strategic Investment Priorities (SIP) expenditures.

At the time the budget was approved, final results for 2014/15 were not yet known; year-end net asset balances were subsequently determined and a portion of the net assets were allocated to fund various projects and initiatives in support of the strategic plan. The net assets schedule has been updated showing an increase of \$11.5 million, which reflects the year end results that include carryovers of 2014/15 Strategic Investment Projects (SIP). These carryovers are reflected in the SIP schedule.

Revised SIP projections will be completed at Q2 after consultation with each Area Vice President and the College Space and Infrastructure Committee (CSIC), College Technology Committee (CTC) and College Budget Committee (CBC). Other significant factors that will impact the 2015/16 Budget projection include September enrolment numbers that will be available in mid-September.

Compliance

The attached APPENDIX B is provided as a summary of the compliance status of BG11- 02 Board Financial Management Policy as of Q1 2015-16.

5. LINK TO STRATEGIC PLAN:

The budget supports the strategic plan initiatives, most of which are reported on the Strategic Priorities Schedule on page 9 and 10. In addition, the College continues to manage its budget in accordance with Strategic Plan Goal 9: Align our funded operational expenditures with provincial funding.

6. STUDENT IMPACT:

Students will benefit from the revised forecast for mandated student aid.

7. FINANCIAL IMPACT:

The revised forecast net contribution has improved by \$1.6 million from \$1.5 million to \$3.1 million.

8. HUMAN RESOURCES IMPACT:

Since the 2015/16 Annual Budget was presented to the Board in February 2015, there were 9 new positions created and 6 vacant positions closed as part of regular college operations.

9. GOVERNMENT / REGULATORY / LEGAL IMPACT:

These financial projections continue to be compliant with applicable Ministry binding operating directives.

10. COMMUNICATIONS:

N/A

11. CONCLUSION:

These estimates will be revised further once the enrolment numbers are confirmed in September 2015. The 2nd Quarter 2015/16 Financial Report will be presented to the Board of Governors at its December meeting.

Respectfully submitted:



Vice President

Approved for submission:



President

Appendices:

03.9.1 APPENDIX A: 1st Quarter 2015/16 Financial Report

03.9.2 APPENDIX B: Annual Budget and Quarterly Financial Projections Compliance Scorecard

1st QUARTER FINANCIAL REPORT



2015
2016

**A Presentation to the Board of Governors
October 13, 2015**



2015/2016 1st Quarter Financial Report

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	Approved Annual Budget	Q1 Year-End Projection	Q1 vs. Approved Variance Favourable/ (Unfavourable)	Variance as % of Budget
Funded Activity/College Operations				
Revenue	\$ 222,264	\$ 224,909	\$ 2,645	1%
Expenditures	213,930	214,437	(507)	0%
Net Contribution	8,334	10,472	2,138	26%
Contracts & Other Non-Funded Activity				
Revenue	24,822	24,822	-	0%
Expenditures	23,189	23,189	-	0%
Net Contribution	1,633	1,633	-	0%
College Ancillary Services				
Revenue	43,420	43,420	-	0%
Expenditures	36,458	36,458	-	0%
Net Contribution	6,962	6,962	-	0%
International Education Centre				
Revenue	21,089	21,540	451	2%
Expenditures	16,068	16,631	(563)	-4%
Net Contribution	5,021	4,909	(112)	-2%
Strategic Investment Priorities				
Revenue	1,479	3,236	1,757	119%
Expenditures	19,565	20,356	(791)	-4%
Net Contribution	(18,086)	(17,120)	966	5%
Non-Cash Revenue Adjustments				
Capital Grants recorded as Deferred Capital Contributions	(1,000)	(2,000)	(1,000)	-100%
Amortization of Deferred Capital Contributions	7,500	8,000	500	7%
Non-Cash Expenditure Adjustments				
Expenditures to be Capitalized	4,500	4,500	-	0%
Amortization Expense	(14,000)	(15,000)	(1,000)	-7%
Change in Vacation, Sick Leave & Post-Employment Benefits	624	712	88	14%
Net Contribution as per Public Sector Accounting Standards (PSAS)				
	\$ 1,488	\$ 3,068	\$ 1,580	

	Year-End Actual March 31, 2015	March 31, 2016 Approved Annual Budget	March 31, 2016 Q1 Projected	Q1 vs. Approved Variance
ASSETS				
Current Assets				
Cash	\$ 31,598	\$ 29,679	\$ 34,058	\$ 4,379
Accounts Receivable	18,674	15,000	16,000	1,000
Inventory	1,973	2,000	2,000	-
Prepaid Expenses	2,903	1,400	2,000	600
	<u>55,148</u>	<u>48,079</u>	<u>54,058</u>	<u>5,979</u>
Investments	62,492	57,115	65,247	8,132
Endowment Assets	24,708	22,010	25,308	3,298
Capital Assets	<u>266,178</u>	<u>255,993</u>	<u>255,678</u>	<u>(315)</u>
TOTAL ASSETS	\$ 408,526	\$ 383,197	\$ 400,291	\$ 17,094
LIABILITIES & NET ASSETS				
Current Liabilities				
Accounts Payable & Accrued Liabilities	\$ 17,768	\$ 14,500	\$ 16,000	\$ 1,500
Accrued Salaries & Employee Deductions Payable	6,338	7,000	7,000	-
Deferred Revenue	25,487	22,000	24,000	2,000
Current Portion of Long Term Debt	2,599	2,758	2,758	-
	<u>52,192</u>	<u>46,258</u>	<u>49,758</u>	<u>3,500</u>
Long Term Debt	53,960	51,202	51,202	-
Vacation, Sick Leave & Post-Employment Benefits	18,974	17,892	18,262	370
Deferred Capital Contributions	155,689	149,102	149,689	587
Interest Rate Swaps	11,444	8,994	11,444	2,450
Net Assets				
Unrestricted	1,000	1,000	1,000	-
Investment in Capital Assets	53,930	52,931	52,029	(902)
Vacation, Sick Leave & Post-Employment Benefits	(18,974)	(17,892)	(18,262)	(370)
Internally Restricted	67,047	60,694	71,305	10,611
Interest Rate Swaps	(11,444)	(8,994)	(11,444)	(2,450)
Endowment Fund	24,708	22,010	25,308	3,298
	<u>116,267</u>	<u>109,749</u>	<u>119,936</u>	<u>10,187</u>
TOTAL LIABILITIES & NET ASSETS	\$ 408,526	\$ 383,197	\$ 400,291	\$ 17,094

	Approved Annual Budget	Q1 Year-End Projection	Q1 vs. Approved Variance Favourable/ (Unfavourable)
FUNDED ACTIVITY/COLLEGE OPERATIONS			
Grants			
Post Secondary Activity	\$ 102,599	\$ 104,718	\$ 2,119
Apprentice	4,476	4,476	-
Flow-Through Student Aid	1,343	1,343	-
TOTAL GRANTS	108,418	110,537	2,119
Tuition Fees			
Full-Time Post Secondary	63,432	63,432	-
Part-Time	9,359	9,359	-
Adult Training	1,097	1,097	-
Student IT & Mobile Computing Fees	9,050	9,050	-
TOTAL TUITION FEES	82,938	82,938	-
Contract Educational Services			
Corporate & Other Programs	3,549	3,549	-
TOTAL CONTRACT EDUCATIONAL SERVICES	3,549	3,549	-
Other			
Early Learning Centre	950	950	-
Student Ancillary Fees	5,650	5,650	-
Investment Income	2,008	2,008	-
Transfer from International Education Centre ¹	8,770	9,296	526
Miscellaneous	9,981	9,981	-
TOTAL OTHER	27,359	27,885	526
TOTAL FUNDED ACTIVITY/COLLEGE OPERATIONS	222,264	224,909	2,645
CONTRACTS & OTHER NON-FUNDED ACTIVITY	24,822	24,822	-
COLLEGE ANCILLARY SERVICES	43,420	43,420	-
INTERNATIONAL EDUCATION CENTRE	21,089	21,540	451
STRATEGIC INVESTMENT PRIORITIES	1,479	3,236	1,757
TOTAL REVENUE	\$ 313,074	\$ 317,927	\$ 4,853

¹ 50% of full-time tuition fees from International Students is shared with Academic Services (part of Funded Activity/College Operations).

Description	Variance Favourable/ (Unfavourable)	Comments
Post Secondary Activity	\$ 2,119	Favourable variance is due to the following: Updated information received from the Ministry of Training, Colleges and Universities. \$1556K - General Purpose Operating Grant adjusted to align with Ministry preliminary funding allocation provided in April 2015. \$600K - Enrollment Growth funding, \$115K - Performance Funding, \$75K - International Student Recovery, (\$227K) - Municipal Tax Grant.
Transfer from International Education Centre	\$ 526	Increase in revenue due to increase in international student enrollment.
International Education Centre	\$ 451	Favourable variance is due to the following: \$991K - Increase in international fees and premium, (\$233K) - Delay of the start up of the Kuwait campus, (\$232K) - Decrease in net income Algonquin College Saudi Arabia - Jazan, (\$75K) - Other minor adjustments.
Strategic Investment Priorities	\$ 1,757	<i>See Strategic Investment Priorities Variances page for details.</i>
Total Explained Variances	\$ 4,853	
Other Minor Variances	\$ -	
Total Variance	\$ 4,853	

	Approved Annual Budget	Q1 Year-End Projection	Q1 vs. Approved Variance Favourable/ (Unfavourable)
FUNDED ACTIVITY/COLLEGE OPERATIONS			
TOTAL SALARIES & BENEFITS	\$ 149,808	\$ 149,808	\$ -
Other Operating Costs			
Mandated Student Aid	5,773	6,642	(869)
Contingencies	6,686	6,186	500
Long Term Debt Interest	890	890	-
Contract Services	9,954	9,974	(20)
Instructional Supplies & Equipment	4,151	4,151	-
Information Technology	6,000	6,000	-
Promotion	2,471	2,471	-
Building Maintenance & Utilities	11,667	11,667	-
Flow-Through Student Aid	1,351	1,351	-
Cost of Goods Sold	1,101	1,101	-
Other	14,078	14,196	(118)
TOTAL OTHER OPERATING	64,122	64,629	(507)
TOTAL FUNDED ACTIVITY/COLLEGE OPERATIONS	213,930	214,437	(507)
CONTRACTS & OTHER NON-FUNDED ACTIVITY	23,189	23,189	-
COLLEGE ANCILLARY SERVICES	36,458	36,458	-
INTERNATIONAL EDUCATION CENTRE	16,068	16,631	(563)
STRATEGIC INVESTMENT PRIORITIES	19,565	20,356	(791)
TOTAL EXPENDITURES	\$ 309,210	\$ 311,071	\$ (1,861)



2015/2016 1st Quarter Financial Report
 EXPENDITURES SCHEDULE
 Variance Analysis (all figures in \$ 000's)

Description	Variance Favourable/ (Unfavourable)	Comments
Mandated Student Aid	\$ (869)	Increased provision based on previous year spending and current year commitments.
Contingencies	\$ 500	Reduced provision to reflect updated requirements based on year end analysis.
Other	\$ (118)	Revised projection for municipal tax expense based on updated information.
International Education Centre	\$ (563)	(\$526K) - Fee share due to increased international enrollment, (\$37K) - Other minor adjustments.
Strategic Investment Priorities	\$ (791)	See <i>Strategic Investment Priorities Variances</i> page for details.
Total Explained Variances	\$ (1,841)	
Other Minor Variances	\$ (20)	
Total Variance	\$ (1,861)	

STRATEGIC INVESTMENT PRIORITIES SCHEDULE

(all figures in \$ 000's)

	Approved Annual Budget	Q1 Year-End Projection	Q1 vs. Approved Variance Favourable/ (Unfavourable)
Source of Funds			
Facilities Renewal Grant	\$ 927	\$ 927	\$ -
College Equipment Renewal Fund Grant	-	559	559
Apprenticeship Enhancement Fund Grant	-	1,198	1,198
Capital Campaign	552	552	-
Miscellaneous	-	-	-
TOTAL SOURCE OF FUNDS	1,479	3,236	1,757
EXPENDITURES:			
<i>Campus Expansion</i>			
<i>Total Campus Expansion</i>	-	-	-
<i>Other</i>			
College Technologies	6,713	7,513	(800)
College Space & Infrastructure	5,402	5,706	(304)
New Program Initiatives	1,000	700	300
Academic & Other Equipment	1,500	1,500	-
Initiatives & Opportunities	3,300	5,213	(1,913)
College Ancillary Services	1,400	1,400	-
Apprenticeship Enhancement Fund (AEF)	-	1,198	(1,198)
Appropriations	250	60	190
Adjustment for Anticipated Underspend	-	(2,934)	2,934
<i>Total Other</i>	19,565	20,356	(791)
TOTAL EXPENDITURES	19,565	20,356	(791)
TOTAL NET CONTRIBUTION	\$ (18,086)	\$ (17,120)	\$ 966



2015/2016 1st Quarter Financial Report
 STRATEGIC INVESTMENT PRIORITIES SCHEDULE
 Variance Analysis (all figures in \$000's)

Description	Variance Favourable/ (Unfavourable)	Comments
College Equipment Renewal Fund Grant	\$ 559	Ministry (MTCU) has indicated that funding will be provided at the same level as previous years.
Apprenticeship Enhancement Fund Grant	\$ 1,198	Apprenticeship Enhancement fund grant announced after the budget was prepared (offset by equivalent expenditures) .
College Technologies	\$ (800)	Reflects revised project costs, provision adjustments and carry forwards from 2014-15.
College Space & Infrastructure	\$ (304)	Reflects revised project costs, provision adjustments and carry forwards from 2014-15.
New Program Initiatives	\$ 300	Revised projection to reflect updated requirements.
Initiatives & Opportunities	\$ (1,913)	Reflects revised project costs, provision adjustments and carry forwards from 2014-15.
Apprenticeship Enhancement Fund (AEF)	\$ (1,198)	Apprenticeship Enhancement fund announced after the budget was prepared (offset by equivalent grant).
Appropriations	\$ 190	Revised projection based on actual requirements.
Adjustment for Anticipated Underspend	\$ 2,934	15% provision for anticipated underspending in SIP.
Total Explained Variances	\$ 966	
Other Minor Variances	\$ -	
Total Variance	\$ 966	

	Year-End Actual March 31, 2015	Projected In-Year Use of Funds (2015/16)	Projected Year- End Adjustments (2015/16)	Projected March 31, 2016
Appropriations	\$ 250	\$ 55	\$ 55	\$ 250
Specific Reserves:				
Other Projects & Initiatives	24,669	6,144	7,110	25,635
Ancillary Services Reserve Fund	5,525	1,400	1,141	5,266
Employment Stabilization Funds	540	50	60	550
Other Student Aid	27	95	99	31
	<u>30,761</u>	<u>7,689</u>	<u>8,410</u>	<u>31,482</u>
Contingency Reserve Fund	7,773		270	8,043
Reserve Funds:				
Future Capital Expansion	28,263		3,267	31,530
	<u>28,263</u>	<u>-</u>	<u>3,267</u>	<u>31,530</u>
TOTAL INTERNALLY RESTRICTED NET ASSETS*	\$ 67,047	\$ 7,744	\$ 12,002	\$ 71,305
TOTAL UNRESTRICTED NET ASSETS	\$ 1,000			\$ 1,000
Investment in Capital Assets	53,930		(1,901)	52,029
Vacation, Sick Leave & Post-Employment Benefits	(18,974)		712	(18,262)
Interest Rate Swaps	(11,444)			(11,444)
Endowment Fund	24,708		600	25,308
TOTAL NET ASSETS	\$ 116,267	\$ 7,744	\$ 11,413	\$ 119,936

* Budgeted balances of Internally Restricted Net Assets and Unrestricted Net Assets includes the impact of budgeted expenditures from Appropriations, Specific Reserves and Reserve Funds, and contributions to Reserve Funds for the fiscal year 2015/2016. The Board of Governors Financial Management Policy requires that the Board of Governors approve any spending from Reserve Funds.

	Approved Annual Budget 2015/16				Position Changes			Full-Time Funded at Q1 2015/2016				Total Staffed at June 30/15	Total Vacant at June 30/15
	Admin	Support	Academic	Total	Positions Opened	Positions Closed	Positions Transferred	Admin	Support	Academic	Total		
President & Board of Governors													
President's Office	4	-	-	4				4	-	-	4	4	-
Human Resources													
Human Resources	22	2	1	25				22	2	1	25	25	-
Finance and Administration													
Vice-President's Office	2	-	-	2				2	-	-	2	2	-
College Ancillary Services	17	72	-	89	1	(1)	(1)	17	71	-	88	80	8
Finance & Administrative Services	10	28	-	38				10	28	-	38	34	4
Information Technology Services	12	76	-	88	1		1	13	77	-	90	81	9
Physical Resources	16	40	-	56				16	40	-	56	48	8
Total	57	216	-	273	2	(1)	-	58	216	-	274	245	29
Student Services													
Vice-President's Office	2	-	-	2				2	-	-	2	2	-
Student Support Services	10	41	18	69	2			10	42	19	71	67	4
Algonquin College Foundation	3	2	-	5				3	2	-	5	4	1
Marketing and Recruitment ¹							22	3	19		22	20	2
Registrar	11	59	-	70	1	(1)		10	60		70	64	6
Total	26	102	18	146	3	(1)	22	28	123	19	170	157	13
International, Communications, and Strategic Priorities													
Vice-President's Office	3	1	-	4				3	1	-	4	3	1
International & Corporate Business Development	8	10	21	39				8	10	21	39	35	4
Public Relations and Communications ²					1		6	4	3		7	4	3
Total	11	11	21	43	1	-	6	15	14	21	50	42	8
Academic Services													
Vice-President's Office	13	12	13	38		(1)		13	11	13	37	22	15
Partnerships and Applied Research ³	1	2	-	3	1	(1)	1	2	2	-	4	2	-
School/College Work Initiative	1			1			(1)	-			-	2	-
Faculty of Arts, Media & Design	6	28	116	150				6	28	116	150	134	16
School of Business	5	9	87	101				5	9	87	101	95	6
School of Hospitality & Tourism	3	10	41	54				3	10	41	54	49	5
Faculty of Technology & Trades	6	27	149	182				6	27	149	182	167	15
Algonquin College Heritage Institute	3	10	13	26				3	10	13	26	26	-
Faculty of Health, Public Safety & Community Studies	8	31	124	163	1	(1)		8	31	124	163	151	12
Mobile Learning & Teaching Services ⁴	2	10	-	12	1		(1)	2	10	-	12	10	2
Centre for Continuing and Online Learning	8	18	-	26				8	18	-	26	24	2
Personal Development Institute	-	1	-	1				-	1	-	1	1	-
Applied Research & Development	2	1	-	3				2	1	-	3	1	2
Business Development & Corporate Training	5	3	-	8				5	3	-	8	7	1
Algonquin College in the Ottawa Valley	6	29	28	63				6	29	28	63	61	2
Total	69	191	571	831	3	(3)	(1)	69	190	571	830	752	78
Advancement													
Executive Director's Office ²	3	3	-	6			(6)	-	-	-	-	-	-
Recruitment ¹	2	7	-	9		(1)	(8)	-	-	-	-	-	-
College Marketing ¹	2	11	-	13			(13)	-	-	-	-	-	-
Total	7	21	-	28	-	(1)	(27)	-	-	-	-	-	-
COLLEGE TOTAL	196	543	611	1,350	9	(6)	-	196	545	612	1,353	1,225	128

The complement report represents the total number of positions for each of the College's major areas.

Not all positions are 100% funded in the budget as some positions are vacant at the start of the year and other positions have a start date projected for other than April 1st.

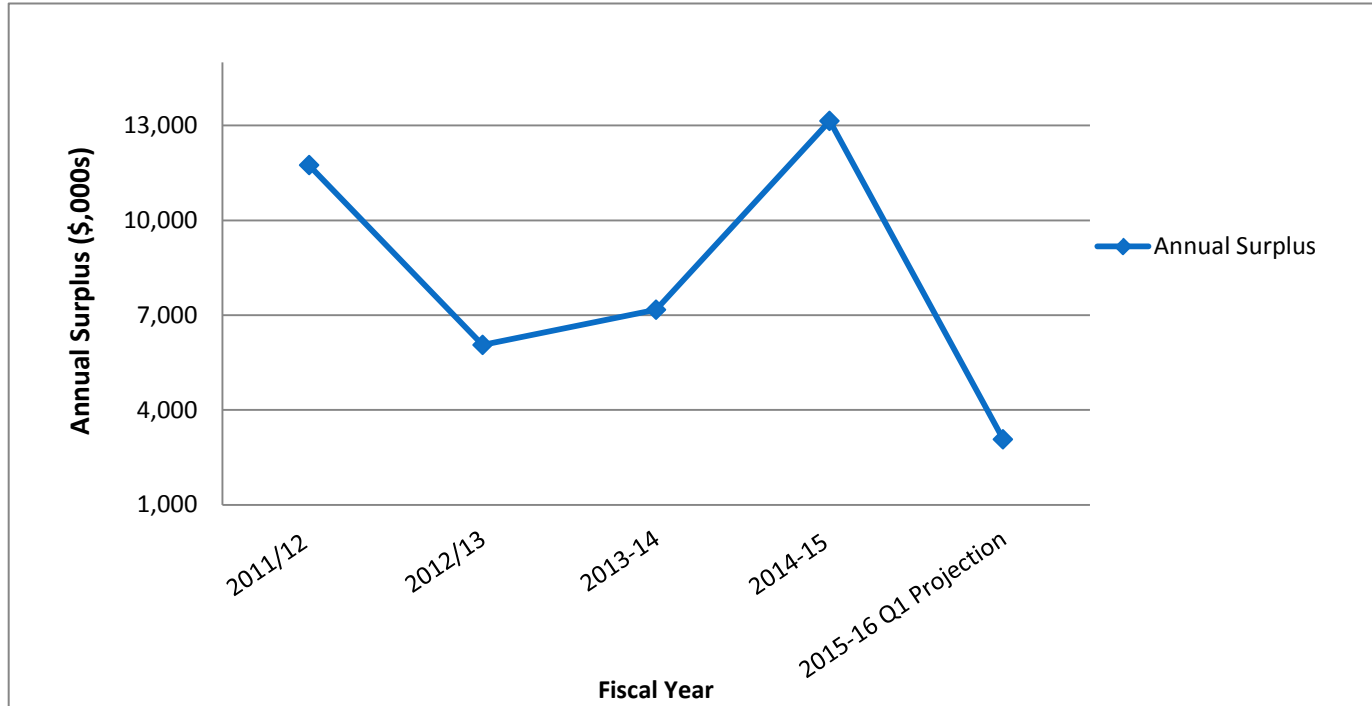
¹ Marketing and Recruitment was reported under Advancement at Approved Budget. The college was restructured in-year resulting in the change of 21 positions from Advancement to Student Services.

² Public Relations and Communications was reported under Advancement as Executive Director's Office at Approved Budget. The college was restructured in-year resulting in the change of six positions from Advancement to International, Communications, and Strategic Priorities.

³ Partnerships and Applied Research was renamed from Associate Vice-President Academic at Approved Budget.

⁴ Mobile Learning and Teaching Services was amalgamated and previously reported as Mobile Computing and Learning and Teaching Services at Approved Budget.

Operating Results: Annual Surplus



Objective:

Measures the excess of revenues over expenses in a given year.

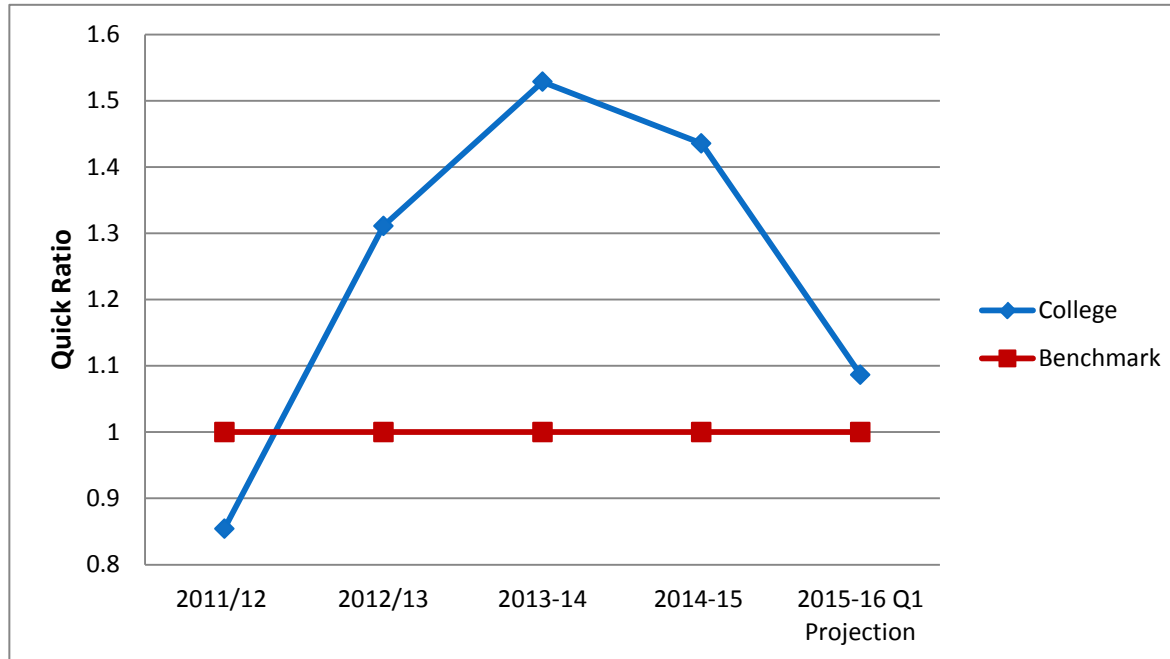
Benchmark:

Must be greater than \$0.

Rationale:

An annual deficit or declining surpluses may indicate a decline in an institution's financial health.

Measuring Liquidity: Quick Ratio



Objective:

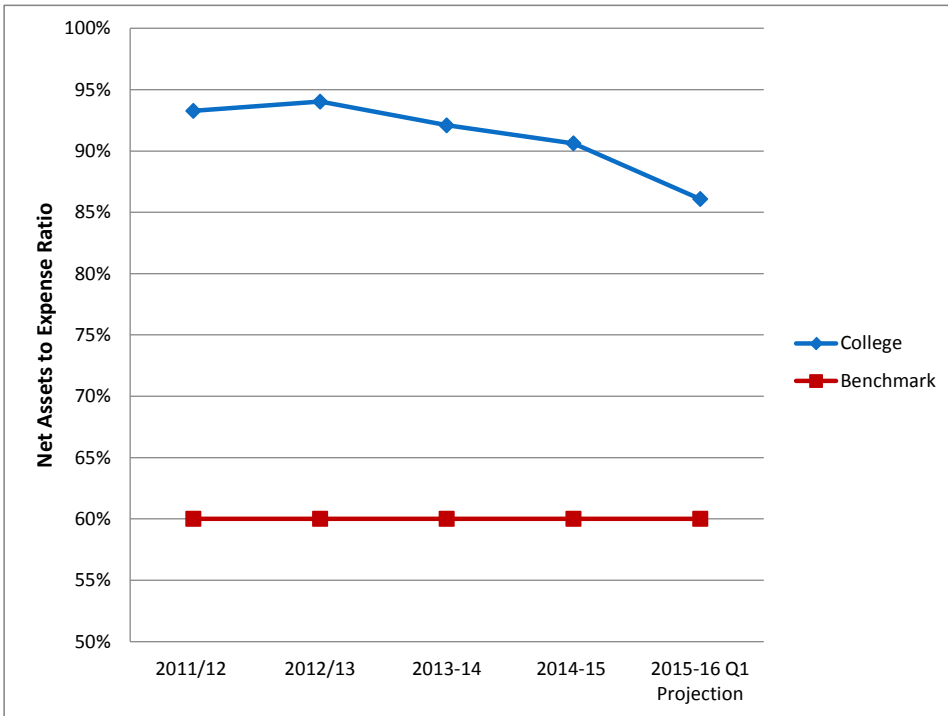
Fiscal performance indicator testing the college's ability to pay its short term maturing obligations (e.g. biweekly payroll payments).

Benchmark:

A ratio of 1 or higher indicates that a college should be able to meet its short term obligations.

Rationale: A ratio of 1 is a typical business standard. Less than 1 may indicate that a college is not able to meet its short term obligations. When including surplus cash invested in longer term investments (greater than 1 year) Algonquin's Quick Ratio is at 2:4 for Q1 2015/16.

Operating Results: Net Assets to Expense Ratio



Objective:

A traditional indicator to ascertain the ability of a college to continue operations in the event there is a delay in revenue streams.

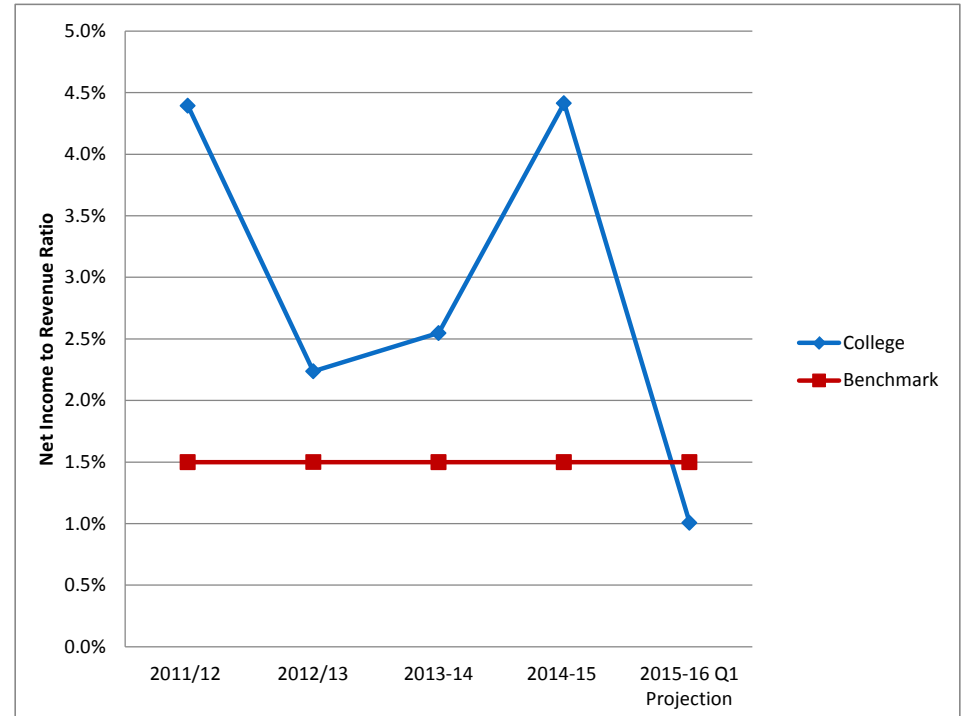
Benchmark:

60% or higher.

Rationale:

A net balance that is less than 60% of annual expenses may indicate a lower tolerance for variable or volatile revenues.

Operating Results: Net Income to Revenue Ratio



Objective:

This ratio measures the return an institution generates on each dollar of revenue.

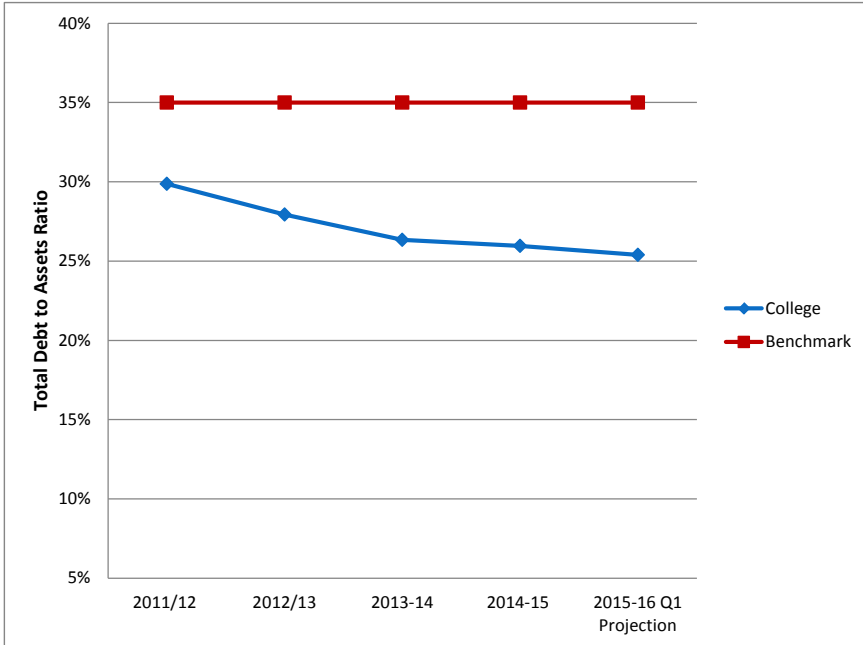
Benchmark:

Less than 1.5% may be a concern because it may indicate that the college may not be able to recover from a deficit position in a reasonable period of time.

Rationale:

A surplus less than 1.5% of revenues indicates that small changes in expenses or revenues may result in annual deficits for the institution.

Managing Debt: Total Debt to Assets Ratio



Objective:

Measures the proportion of total assets that are financed by debt. A high or increasing value may be predictive of future liquidity problems or a reduced ability to borrow money in the future.

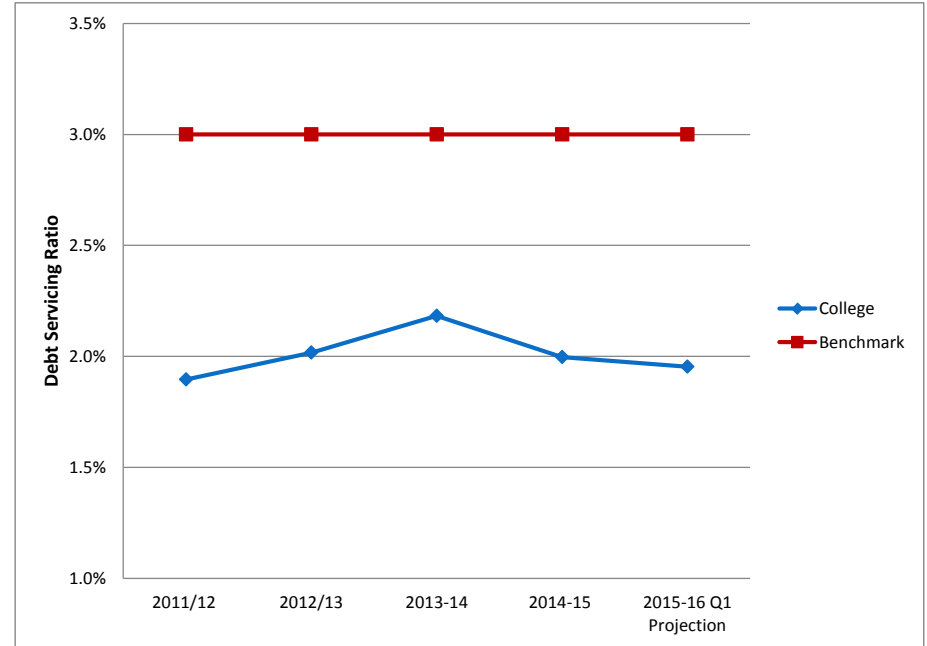
Benchmark:

Greater than 35% leads to a concern as this may indicate that a college will not be able to finance their ongoing operations due to the debt burden.

Rationale:

A high debt burden may indicate that the institution is vulnerable to its creditors, or will have reduced liquidity or a reduced ability to borrow in the future.

Managing Debt: Debt Servicing Ratio



Objective:

This ratio measures the College's spending on servicing the debt portfolio .

Benchmark:

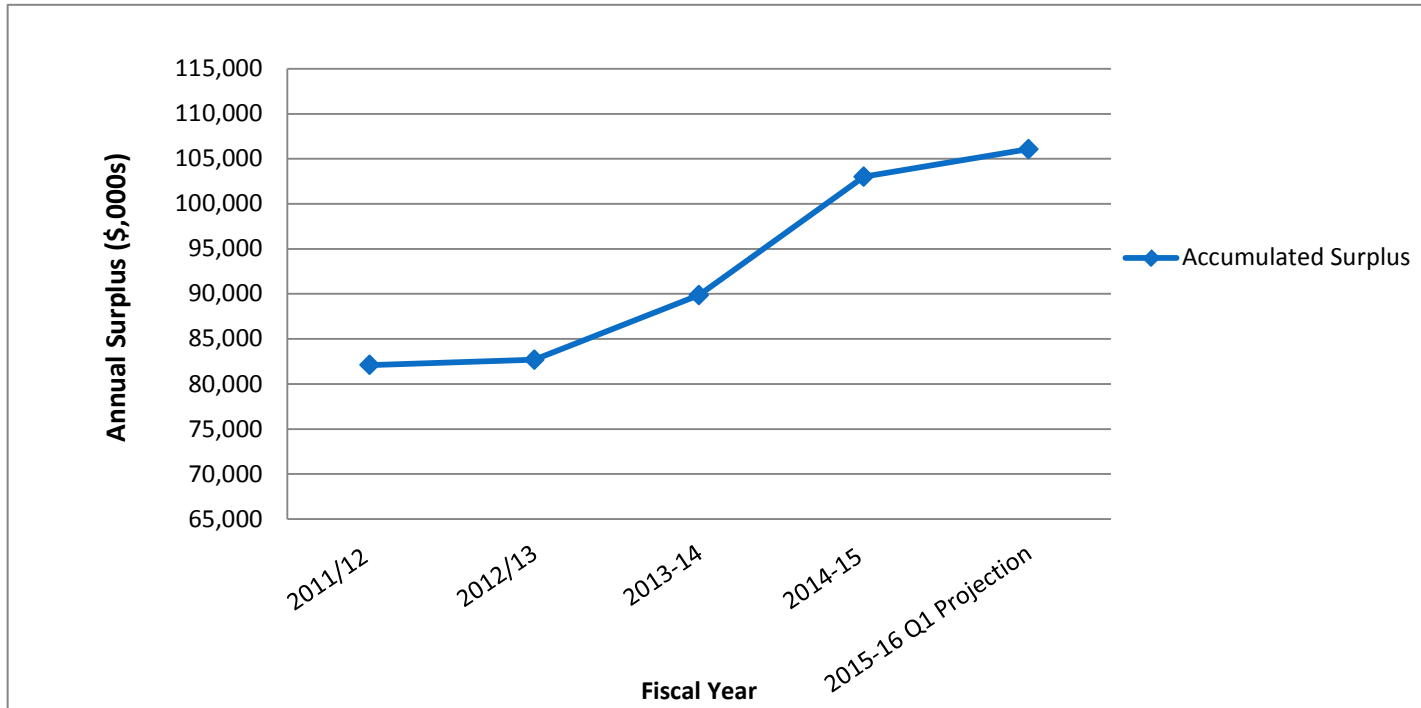
A ratio of 3% or lower, based on historical trend analysis and industry standard.

Rationale:

A ratio of greater than 3% may indicate a reduced or restricted cash flow as the College is spending less than 97% of revenues on core services.

Note: Compare with 2003-04 Debt Servicing Ratio of 2.7%.

Accumulated Surplus/(Deficit)



Objective:

Represents the cumulative wealth that an institution has under its own control to assist with ongoing operations.

Benchmark:

Must be greater than \$0.

Rationale:

An accumulated deficit indicates that the College may have borrowed to support its past operations and will have to make up this difference in the future.

ANNUAL BUDGET AND QUARTERLY FINANCIAL PROJECTIONS COMPLIANCE SCORECARD			
	<u>Source</u>	<u>Budget/Projection Requirement</u>	<u>Compliant (Y/N)</u>
1	BGII-02 Board Financial Management Policy	1.2 The annual budget [and Quarterly Projections] ... shall: 1.2.2 Have expenditures not exceeding revenues unless the Board has approved ... to spend from reserve funds;	Y
2	BGII-02 Board Financial Management Policy	1.2 The annual budget [and Quarterly Projections] ... shall: 1.2.3 Have ancillary expenditures not exceeding ancillary revenues unless the Board has specifically directed otherwise.	Y
3	BGII-02 Board Financial Management Policy	2.3 Quarterly projections of the annual budget shall be presented to the Board, ensuring the College's projected surplus or deficit are at least equal to or better than the Approved Budget.	Y
4	BGII-02 Board Financial Management Policy	4.2 The President may not approve an unbudgeted expenditure or commitment that will result in the College's fiscal year-end total balance of unrestricted net assets plus internally restricted net assets being lower than budgeted without the approval of the Board.	Y
5	Strategic Plan 2012-2017	'Goal 9 - Align our funded operational expenditures with provincial funding' - we must ensure we budget and project 'Funded Activity' with balanced or surplus results	Y
6	President's Budget Overview - Annual Budget	President's Overview: 'We will be aggressively pursuing further opportunities in the non-funded area which will provide funds for investment in all of the things that are currently not funded through government sources such as technology upgrades, infrastructure improvements, equipment for faculty and staff etc.' we must ensure that our SIP expenditures (budgeted and projected) do not exceed the sum of: - Non-Funded Activities net contributions; - Specific grants and contributions; and - Allocations from Internally Restricted Net Assets such that the ending balance of Internally Restricted Net Assets is at least equal to or greater than the balance approved by the Board in the Annual Budget (see #4 above).	Y

Report title:	2017-2022 Strategic Plan Update
Report to:	Board of Governors
Date:	October 13, 2015
Author/Presenter:	Doug Wotherspoon, Vice President International, Communications & Strategic Priorities

1. RECOMMENDATION:

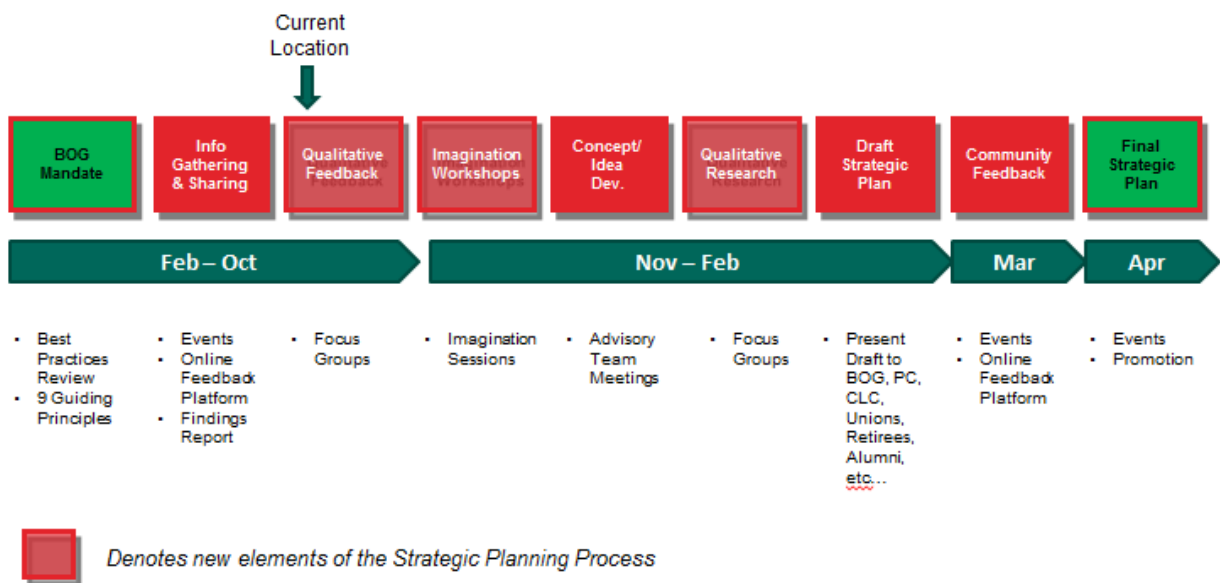
THAT the Board of Governors accepts the 2017-2022 Strategic Plan update for information.

2. PURPOSE / EXECUTIVE SUMMARY:

The purpose of this report is to inform the members of the Board of Governors of the ongoing efforts of the Strategic Plan Working Group in delivering a new 5-year strategic plan to the Board of Governors, for approval in June of 2016.

3. BACKGROUND:

At its December 2014 meeting, the Board of Governors approved the launch of an 18-month engagement process, involving four central phases and nine specific steps.



At its February 2015 meeting, the Board of Governors approved nine guiding principles to direct the College in the development of the new strategic plan: mission-driven; aspirational; inspirational; inclusive; transparent; accountable; evidence-based; sustainable; and integrated.

In May 2015, the College issued a call for volunteers willing to serve on the Strategic Plan Advisory Team, a cross-college group tasked with synthesizing the college's thoughts into a draft Strategic Plan for review by the college community.

In June 2015, the College released an Interim Findings Report: a summary of the issues, opportunities and ideas raised by stakeholders. The information gathering and sharing phase will culminate in early November, 2015.

4. DISCUSSION:

Immediate next steps in the process include:

- Completion of an Request for Proposals to secure a facilitator for additional qualitative research and the hosting our imagination workshops (October)
- Launch of the online Strategic Plan Ideas Platform, a place for stakeholder to share ideas on the future of Algonquin College (October– November)
- Distribution of a final Findings Report (November)
- Hosting of three (or more) Imagination Workshops (November)
- Continued meeting of the Strategic Plan Advisory Team (November – February)

5. LINK TO STRATEGIC PLAN:

The 2017-2022 Strategic Plan builds off of the existing Strategic Plan 2012-2017.

6. STUDENT IMPACT:

There is no student impact identified at this stage of the engagement process.

7. FINANCIAL IMPACT:

There is no financial impact identified at this stage of the engagement process.

8. HUMAN RESOURCES IMPACT:

There is no human resources impact identified at this stage of the engagement process.

9. GOVERNMENT / REGULATORY / LEGAL IMPACT:

There is no impact identified at this stage of the engagement process.

10. COMMUNICATIONS:

The Strategic Plan efforts are continuously covered in Good Morning Algonquin and the myAC employee portal.

11. CONCLUSION:

The College is on track to release a draft version of the 2017-2022 Strategic Plan to the community in February, 2016 and present a final version to the Board no later than June, 2016.

Respectfully submitted:



Vice President, International, Communications &
Strategic Priorities

Approved for submission:



President

Appendices:

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Report title:	Project Fusion Update and Budget Approval
Report to:	Board of Governors
Date:	October 13, 2015
Authors/Presenters:	Duane McNair, Vice President, Finance and Administration Jill Bryan, Senior Project Manager Project Fusion

1. RECOMMENDATION:

THAT the Board of Governors approves \$1.36M in funding to complete the planning and preparation phases of the Human Resources, Finance and Payroll enterprise resource planning (ERP) Project Fusion.

2. PURPOSE / EXECUTIVE SUMMARY:

Project Fusion is a major business transformation initiative for Human Resources, Finance and Payroll, with the catalyst being the replacement of the supporting systems with an integrated enterprise resource planning (ERP) solution, using a Software as a Service (SaaS) approach.

This report provides an update on the project progress since the last Board presentation in February 2014 and the upcoming priority activities that the team will complete in order to be ready to launch implementation with the winning vendor in January 2016. Updates relate to the preparation activities, including the RFP evaluation, business process transformation, change management and resources.

Cumulative project costs are approaching \$1M and management is required to obtain Board of Governors approval to exceed \$1M in spending. Project Fusion is using a gated approach to funding approvals so that the most accurate costs may be presented for each phase given the information available.

3. BACKGROUND:

The ERP Strategy for the College was endorsed by President’s Council in January 2014. The strategic vision includes:

- Creates college-wide technological foundation and alignment with the digital direction
- Enables a sustainable, automated and modernized business processes
- Enables data integration (student, employee & administration) for data-driven decisions
- Fosters an environment of continuous improvement.

Project Fusion is part of the ERP strategy to replace the 25 year old Human Resources/Payroll System (custom developed) and the 13 year old Financial system (PeopleSoft), leveraging technology to transform business processes. Work began in 2013-14 to develop a request proposal (RFP) to select a vendor to implement the ERP using a SaaS provider approach. Vendors responding to this RFP were deemed non-compliant in November 2014. Through extensive consultation with the vendor community using a Request for Information (RFI) and a formal assessment of lessons learned from the previous RFP, a revised RFP was issued on June 26, 2015. This RFP was a result of a business focus to the requirements and strong integration and collaboration between the Finance, Human Resources and Information Technology Services directors, managers and staff. The revamped RFP closed on August 19, 2015 and is currently being evaluated.

Section 3.1 of the Board of Governors Financial Management Policy (BGII-02) states:

“The President shall not permit:

- 3.1.1 The purchase, sale or encumbrance of any college property or facility in excess of \$1,000,000 without prior Board approval; “

The 2015-16 Annual Budget includes a total provision of \$2.5M to support Project Fusion within the Strategic Investment Priorities allocation (College Technologies) which is sufficient to fund the Preparation Phase and the beginning of the Implementation Phase in Q4 of 2015-16.

4. DISCUSSION:

The Project is currently focused on completing the RFP evaluation, with contract completion targeted for late November-early December 2015 (timing is subject to change depending upon the discussions with the Vendor). Parallel activities include change management planning (including communications plan); business process baselining and target process finalization (preliminary, subject to vendor results) with associated metrics; data definition and data cleansing in current legacy systems ; business case development, including substantive estimation of the implementation phase and on-going operating costs/savings with target metrics by implementation year (Year one to be included in estimates; subsequent years to be provided via structured updates). In addition, the project team is being resourced to prepare for implementation and project management processes are being developed and entrenched in order to have a stable and disciplined project management approach.

There are significant risks associated with a decision not to upgrade these corporate systems at this time. The 2015 Corporate Risk Profile identifies the second highest risk as “IT Efficiency: That the IT systems are not properly implemented to create operational efficiencies or increase automation.” Other risks with not proceeding with this project include:

- Attrition of IT resources who develop and support existing legacy systems, could result in significant loss of application/system knowledge; dependency is on a small group of subject matter experts
- Continued investment in aging legacy infrastructure provides limited value
- Risk to deliver on mandatory system changes (i.e. Canada Revenue Agency, Colleges of Applied Arts and Technology Pension Plan)
- Risk of data integrity issues across disparate systems
- Increased risk to personal information and data privacy information (e.g. FIPPA, PIPEDA)
- Risk of data breaches & fraud due to internal controls that are not current best practice

Funding approval is required to complete the preparation activities in order to ensure that the College is ready to immediately and effectively start implementation activities with the winning vendor in January 2016. A substantive estimate, once the RFP vendor results are known (pricing and approach), will be developed and the results brought forward to the Board of Governors on December 14, 2015 (refer to section 7, Financial Impact, below).

5. LINK TO STRATEGIC PLAN:

The project supports Algonquin College's Strategic Plan (Goal 6, Goal 12) to provide the foundational technology to automate and modernize our business processes, fostering an environment of continuous improvement. It also contributes to the College's goal of attracting, developing and retaining employees (Goal 7) through the implementation of modern technology tools to support their responsibilities and enable redirection of effort to value-add activities and, ultimately, to better serve our students.

6. STUDENT IMPACT:

By aligning the college's internal systems for human resources, payroll and finance with the latest technology, employees at the College are expected to experience efficiencies in time devoted to completing activities such as leave forms, time entry, travel and expense, purchasing, various approvals for Human Resources and Finance transactions and accessing information. Academic and non-academic employees should realize efficiencies that enable a redirection of effort towards value-added services that focus on enhancing the student experience at the College.

7. FINANCIAL IMPACT:

Project Fusion is taking a gated approach to budget estimation and funding approvals. The following summarizes the costs of the project for the first two phases:

CAPITAL EXPENDITURES (Funded from Strategic Investment Priorities allocations):

PHASE	COSTS
Planning – completed March 31, 2015	\$579,497
Preparation – April 2015 to December 2015	\$781,984
TOTAL CAPITAL EXPENDITURES UP TO Q3 2015/16	\$1,361,481

During Q3 of 2015-16, the project team will develop the substantive estimate and on-going operating expenditures based upon the pricing from the winning vendor, preliminary benefit estimation of target process improvements (a maximum of four target metrics per year) and refinement of College resource requirements. The details of the substantive estimate of the implementation phase and a Project Fusion update will be presented to the Board of Governors on December 14, 2015, with a recommendation to proceed with the implementation phase (prior to contract signing with the vendor).

8. HUMAN RESOURCES IMPACT:

As part of the preparation activities, a preliminary assessment of the impact on roles and responsibilities for target processes is being conducted. The impacts will be refined as part of the implementation activities. It is expected that there will be process efficiencies that then allow for a re-direction of effort to more value-added services (reduction of time due to elimination of manual processes, ease of completion using mobile and online access to human resource and financial processes and information, etc.). As part of the development and refinement of the business case for Project Fusion’s implementation phase, both a qualitative and quantitative assessment of the impact on human resources will be completed (a preliminary assessment by December 2015; and refinement of the business case by March 2016).

The Support Staff Union College Committee received an update of Project Fusion as of August 2015 and a briefing is scheduled for January 2016. Future activities will also include briefings to the Union College Committee for Academic employees. Regular briefings will be identified as part of the Communications Plan for Project Fusion.

9. GOVERNMENT / REGULATORY / LEGAL IMPACT:

Project Fusion does not have a material impact on specific government or regulatory requirements. From a legal perspective, the finalization of the contract will be completed with the assistance of legal counsel (Low Murchison Radnoff) in order to ensure that the interests of the College are met. With the procurement of a SaaS solution, information security requirements of the College have been identified and measures are in place to ensure these concerns are addressed as part of the contract finalization.

For details related to security, please refer to the attachment 4.1.1 “Project Fusion Information Security and Data Privacy”

10. COMMUNICATIONS:

A change management and communication plan will be refined as part of the preparation activities in Q3 of 2015-16. The project governance structure and a transformation partner network are currently in place but require updates and re-alignment to prepare for the pace of implementation. August 2015 discussions with the communications department at the College have advised to limit College-wide communications until the winning SaaS Provider and Implementation provider are selected and the contract process is completed. Contract discussions are scheduled for completion in November 2015. Formal communications will launch in January 2016 and coordination with Corporate Communications will continue.

11. CONCLUSION:

Staff request approval for \$1.36 M in funding is required to complete the preparation phase (substantive estimate) for Project Fusion activities and select the winning vendor for the ERP SaaS implementation, with a return to the Board of Governors meeting on December 14, 2015 with the substantive estimate for implementation, business case and on-going annual operating estimates.

Respectfully submitted:

Approved for submission:



Vice President

President

Appendices:

4.1.1 Project Fusion Information Security and Data Privacy
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PROJECT FUSION

INFORMATION SECURITY AND DATA PRIVACY

Craig Delmage, CISSP

Senior Manager, Information Security and Data Privacy
Information Technology Services (ITS)

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1. INTRODUCTION

The high level purpose of this document is to provide awareness on how Algonquin College is meeting legislative, regulatory, policy, contractual and risk requirements related to Information Security and Data Privacy in support of Project Fusion. It is important that our new Finance, Human Resources and Pay systems comply with these requirements since they will hold significant amounts of personally identifiable information (PII). An accidental or deliberate data breach could lead to harm of those affected as well as the College's reputation, goodwill and brand.

This document specifically addresses:

- Providing responses to two informational requests received from the Chair of ARM Committee (Section 2);
- Identifying Federal and Provincial data privacy legislation and regulation that impacts Project Fusion (Section 3);
- Identifying Algonquin College policy requirements that impact Project Fusion (Section 4);
- Addressing out of country data residency concerns, requirements and determinations (Section 5);
- Documenting how a USA Freedom Act lawful access request for Project Fusion data might occur (Section 6);
- Documenting required End User data privacy notifications under the Acts (Section 7);
- Algonquin College's legal counsel opinion regarding the transmission and storage of Financial and Human Resources data outside of Canada (Section 8);
- A set of twenty-one (21) Security and Data Privacy clauses that the College hopes to negotiate into the eventual Project Fusion contract (Section 9); and
- The Mandatory and Rated Security and Data Privacy requirements that Project Fusion RFP bidders must meet (Section 10).

2. CHAIR, ARM (BOG) REQUESTS

1. "I would ask that, in assessing the bids, the evaluation team asks specifically about how they address the question of privacy, both externally (including legislative requirements – Patriot Act?) as well as internally (ensuring no cross access by other clients)."

This is covered by the Rated Security and Data Privacy Requirements:

1. The Proponent **should (R)** provide detail how the proposed Solution supports Canadian data privacy legislation - specifically Ontario Freedom of Information and Protection of Privacy Act (FIPPA);

It is also covered by the proposed contract security clauses:

"The Service Provider must restrict access to records containing personal and other College information received, collected or retained in the course of providing the Services to only those persons who are authorized to use the information in the course of their duties in providing the Services, and then only if the information is necessary for the performances of those duties. Access by those persons must be limited to the types of personal and other information necessary for the performance of the Services. "

"Before allowing an employee to have access to any personal or other College information, the Service Provider must ensure that each employee signs an undertaking of confidentiality. The undertaking must cover all personal and other College information the employee may become aware of in performing the Services and must include the employee's consent to the disclosure of the undertaking to the College, if requested."

"The Service Provider must keep separate from all its other records and information all personal and other College information transferred to it by the College or collected, created, maintained, or stored under this contract."

“The Service Provider is responsible for ensuring that its employees, officers, agents and subcontractors are aware of and understand the requirements of FIPPA and PIPEDA as it relates to this Agreement before the employees, officers, agents or subcontractors perform duties that require access to personal or other College information received, collected or retained under this Agreement.”

“Unless otherwise expressly authorized in writing by the College, the Service Provider may only collect, use and disclose personal or other information on behalf of the College only for the purpose of providing the Services, and may collect, use and disclose no more personal information than is necessary for that purpose.”

“For the purposes of this contract, data matching is the comparison of personal information obtained from different sources, including both electronic and paper-based formats, for the purpose of making decisions about the person to whom the data pertains. The Service Provider agrees that it will not engage in data matching between data about an individual which is received, collected, or retained in the course of providing the Services and data about the same individual which is collected or retained by the Service Provider independently of providing the Services.”

2. “On the second point, assurance about the cloud environment will be needed, whether it is SAS70 or SOCs (if vendor is US-based) or section 3416 if Canadian.”

Please note that SAS70 was replaced by SSAE 16 and ISAE 3402 (CSAE 3416 in Canada) in 2011.

This is covered by the Mandatory Security and Data Privacy Requirements:

“The Solution **shall** meet Statement on Standards for Attestation Engagements (SSAE) 16 or International Standards for Assurance Engagements (ISAE) 3402, Service Organizational Controls (SOC) 2 compliancy, with detailed externally audited results available under Mutual Non-Disclosure Agreement (MNDA), at a minimum, on an annual basis and at the Supplier’s expense.”

“The data centres, including primary and backup locations **shall** be located in Canada, the United States or any member country of the European Union.”

It is also covered by the proposed contract security clauses:

“The Service Provider must provide an externally audited SSAE 16 SOC 2 report to the College or its authorized agents, no less than once per year.”

3. APPLICABLE LEGISLATION

Algonquin College is subject to three primary Acts that drive information security and data privacy personally identifiable information (PII) requirements, whether the information is stored on premises or with SaaS providers:

1. PIPEDA (Personal Information and Protection of Electronic Documents Act) – Federal
 - Recently amended by Bill S.4, Digital Privacy Act.
2. FIPPA (Freedom of Information and Protection of Privacy Act) - Provincial
3. PHIPA (Personal Health Information Protection Act) - Provincial

4. APPLICABLE POLICY

Algonquin College has three (3) primary Directives and a Data Privacy Statement that include outsourced provider security requirements that must be met, namely:

1. Academic Affairs AA-35 (Confidentiality of Student Records)

1.5 All online or web accessible student information will reside on secure College owned and operated servers or on approved external third party operated servers, and be readily accessible to College employees responsible for the administration of such information.

1.6 The use of an external Application Service Provider (ASP) to house Algonquin student information must include an agreement with clear indications on security, privacy, retention, deletion and backup procedures, signed by the Director, Information, Institutional Research and Technology Services (IIRTS) (now ITS), the Registrar, the VP Administration (Freedom of Information Coordinator) and the Vice President, Academic.

2. Administration AD-02 (Freedom of Information and Protection of Privacy)

3.4 The College remains accountable for personal information under its control, including personal information which is disclosed to third parties for processing. The College will use contractual or other means to protect personal information that has been transferred to service providers for processing.

3.5 Personal information collected by the College may be collected, used and/or disclosed in other jurisdictions for processing, including in some cases to service providers located in the United States of America.

3. Information Technology IT-05 (Information Sensitivity and Security)

6.2 All employees and third parties who have access to sensitive information will be asked to sign a written acknowledgement of having read this policy, and agreeing to comply with its provisions.

7.2 All online or web accessible Student Information will reside on secure College owned and operated servers or on approved external third party operated servers, and be readily accessible only to College employees responsible for the administration of such information.

7.3 The use of an external ASP other than the College owned and operated servers to house Algonquin student information must include an agreement with clear indications on security, privacy and backup procedures, signed by the Director, IIRTS (now ITS), the Vice President, Administration and the Vice President, Academic.

5. Algonquin College Data Privacy Statement

"The College will take all reasonable measures to safeguard personal information in its control, including but not limited to physical, technical, and operational measures. The College will require, by contract or otherwise, that any third party service provider to whom personal information is transferred has adequate policies and safeguards in place to protect that information."

5. OUT OF COUNTRY DATA RESIDENCY CONSIDERATIONS

There are no laws that prevent Canadian private sector organizations from ‘exporting’ personally identifiable information (PII), and few laws that prevent public sector organizations from doing the same. Currently, only B.C. and Nova Scotia have legislation that restricts public sector PII export. With all other provinces - Ontario included – public sector export is allowed. Organizations should ensure a similar level of security for PII whether it is managed by a Canadian or a non-Canadian company and whether the information resides within or outside Canada.

Often, individuals will express concern relative to the outsourcing applications and PII to SaaS service providers outside of Canada, with the most common concern being the potential application of the *USA Patriot Act* (recently sunset and replaced by the *USA Freedom Act*). Research undertaken by the Office of the Privacy Commissioner and the Canadian Department of Justice concluded that the *Patriot Act* was *not likely used* in the normal course of events to obtain Canadian PII held in the United States. This will likely continue under the *USA Freedom Act*. The VP of Information Security at Salesforce (a major SaaS provider that Algonquin College uses) recently stated that they have *never* received a request for customer data from a US security agency relative to terrorism (e.g. a *Patriot Act* request) in their entire corporate history. However, Salesforce receives approximately 10 lawful access requests for customer information per annum. In most instances, customers agree to provide the information because they often relate to insider fraud and the organizations wish to assist with prosecution.

It is important to understand that keeping information within Canada *does not* guarantee protection from US ‘lawful access’. The reality is that it doesn't matter which country the information resides, it will most always be subject to access by law enforcement and national security organizations through various informal and formal means. Canada and the US, along with most other western democracies, have long cooperated (even before the *Patriot Act*) with these agreements. In fact, the National Security Agency's (NSA's) information-sharing with Canadian security agencies dates back 75 years to the 1940s. US police and security agencies can obtain information held in the Canada, just as Canadian police and security agencies can obtain records held in the US, through various information-sharing agreements, protocols and a bilateral treaty between the US and Canada known as the *Mutual Legal Assistance Treaty (MLAT)*. These agreements including MLAT were formed outside of the *USA Freedom*, *FISA* and other acts. Furthermore, most Canadian privacy laws actually *permit* this sort of information sharing. Some even argue that it is easier for US authorities to access Canadian information if it is held in Canada due to these ‘backroom’ agreements. European countries typically permit even *broader* access.

It is equally important to understand that US Intelligence agencies such as the NSA already and routinely captures vast volumes of unencrypted Canadian traffic (including any personally identifiable information) in “boomerang routed” data transfers, whereby sensitive information transferred between Canadian locations, is routed through major internet NSA interception points within the US. This often occurs even when transferring data within a particular city. Interested persons should visit www.ixmaps.ca if they wish to understand where their own data is routed. The key to protecting information access by NSA in this way is through the use of encryption ‘while in transit’.

In the US, the *Foreign Intelligence Surveillance Act (FISA)* permits secret court orders for the production of “any tangible thing” in connection with terrorism investigations. Unfortunately, these orders are often inclusive of a ‘gag order’ that prevents the company from notifying its customer that the government is accessing its information. The Act also permits the US government to intercept foreign communications and international communications without a warrant.

In Canada, lawful access includes search warrants under the *Criminal Code of Canada* and the *Canadian Security Intelligence Service Act*, and administrative subpoenas such as those issued under the *Income Tax Act*. As well, Canada's *National Defence Act* has similar intercept powers as *US FISA*.

In summary, there are many informal and formal ways in which state governments can access corporate PII in support of law enforcement and terrorism protection efforts. Storing PII in one country over another won't likely impede this access. Individuals concerned about state governments' accessing their PII in support of law enforcement efforts, which ordinarily has a very low risk of occurring, should consider whether they have other concerns more serious.

6. USA FREEDOM ACT LAWFUL ACCESS

The *USA Freedom Act* strengthens judicial oversight of US information access requests, making modest changes to the Foreign Intelligence Surveillance Court by now requiring enhanced specificity in requests (e.g. request for a record tied to a specific name), thus significantly preventing bulk collection of records. Under the Act, the government may make requests from the private sector (e.g. a cloud SaaS provider) for the production of “tangible things” (including books, records, papers, documents, and other items) related to foreign intelligence, counterterrorism, and criminal investigations. There are new protections to the recipients of access requests, including a new right to consult with a lawyer before responding to the confidential request.

While most legal counsel will agree that the *USA Freedom Act* is a complex, difficult to discern web of rules, a typical lawful access request for a US SaaS provider’s customer information might occur as per the following:

1. A US law enforcement or security agency requests a specific record(s) from the US SaaS provider.
2. SaaS provider management will consult with its legal counsel.
3. Providing there is no ‘gag order’ (forced inability to notify the customer), the SaaS provider legal counsel will normally advise the customer management of the request. If there is a gag order, the SaaS provider must follow pre-agreed customer contractual requirements – this may include a requirement to resist the request through all legal means.
4. The customer management will consult with its legal counsel and Chief Information Security Officer (CISO) to decide appropriate direction.
5. The customer legal counsel will confer with and advise the SaaS provider legal counsel on wanted direction. In most instances, this will likely include direction and approval to release the information, particularly in cases of suspected insider fraud. In rare cases, instruction may include a request to resist the request through all legal means.

7. END USER NOTIFICATION CONSIDERATIONS

The Privacy Commissioner of Canada believes that organizations processing Personally Identifiable Information (PII) outside of Canada should give notice to its end users. It is important to note that 'notice' does not mean 'request for consent', allowing an 'opt out' situation.

To meet this requirement, Algonquin College's Data Privacy Statement, often associated with College websites (some of which may be located in the Cloud, outside of Canada), contains the following: *"On occasions, personal information may be collected, used and/or disclosed in jurisdictions outside of Ontario."*

8. ALGONQUIN COLLEGE LEGAL COUNSEL REVIEW

Algonquin College consulted its legal counsel regarding the storage of sensitive Human Resources and Financial related information in the cloud (and in particular in the US) by SaaS providers. Our legal counsel provided several key legal opinions including the following summary statements:

1. “There is nothing that prohibits the College from storing even human resources and financial information in the cloud and in the United States, provided that it takes appropriate steps to protect the privacy of that information by contract.”;
2. “We believe that your existing documents are sufficient to provide notice to employees about the move to a new US based system”;
3. “We agree that stipulating “US or EU countries only” would be appropriate.” (Note: In addition to Canada).

Our legal counsel also provided an excellent set of recommended contract clauses that we will include in our eventual Project Fusion contract (see Section 7 below).

9. SECURITY AND DATA PRIVACY CONTRACT CLAUSES (PROPOSED)

The following security and data privacy clauses are proposed to be incorporated into the resulting contract with the winning Project Fusion SaaS Service Provider.

1. The Service Provider acknowledges that all College specific information, documents, and any and all other materials related to the services provided under this contract are the sole property of the College. They must be given to the College immediately upon request or when the contract ends, whichever occurs first.
2. Under this Agreement, all personal information transferred to the Service Provider by the College or collected, created, maintained, or stored by the Service Provider in the course of providing the Services, remains under the control of the College and may be subject to the Freedom of Information and Protection of Privacy Act (FIPPA) and the Personal Information Protection and Electronic Documents Act (PIPEDA). All such information is at all times held in trust for the College by the Service Provider.
3. The Service Provider acknowledges that the College has obligations under FIPPA and PIPEDA with respect to protecting personal information in its custody or under its control. This includes an obligation to take all reasonable precautions to protect such personal information from inadvertent use or disclosure. The Service Provider agrees that it will comply with the provisions of FIPPA and PIPEDA in its collection, use and disclosure of personal information pursuant to the contract.
4. Without limiting the generality of the foregoing, the Service Provider specifically agrees that it will implement and maintain all reasonable safeguards to protect the confidentiality, integrity and availability of College information in its control. This includes but is not limited to administrative, technical and physical safeguards.
5. The Service Provider agrees that personal and other College information transferred or collected under this contract will at no time be stored on removable media, including but not limited to USB drives, portable hard drives, and optical media.
6. The Service Provider must restrict access to records containing personal and other College information received, collected or retained in the course of providing the Services to only those persons who are authorized to use the information in the course of their duties in providing the Services, and then only if the information is necessary for the performances of those duties. Access by those persons must be limited to the types of personal and other information necessary for the performance of the Services.
7. Before allowing an employee to have access to any personal or other College information, the Service Provider must ensure that each employee signs an undertaking of confidentiality. The undertaking must cover all personal and other College information the employee may become aware of in performing the Services and must include the employee's consent to the disclosure of the undertaking to the College, if requested.
8. The Service Provider must provide an externally audited SSAE SOC 2 report to the College or its authorized agents, no less than once per year.
9. The Service Provider must keep separate from all its other records and information all personal and other College information transferred to it by the College or collected, created, maintained, or stored under this contract.

10. The Service Provider is responsible for ensuring that its employees, officers, agents and subcontractors are aware of and understand the requirements of FIPPA and PIPEDA as it relates to this Agreement before the employees, officers, agents or subcontractors perform duties that require access to personal or other College information received, collected or retained under this Agreement.
11. Unless otherwise expressly authorized in writing by the College, the Service Provider may only collect, use and disclose personal or other information on behalf of the College only for the purpose of providing the Services, and may collect, use and disclose no more personal information than is necessary for that purpose.
12. For the purposes of this contract, data matching is the comparison of personal information obtained from different sources, including both electronic and paper-based formats, for the purpose of making decisions about the person to whom the data pertains. The Service Provider agrees that it will not engage in data matching between data about an individual which is received, collected, or retained in the course of providing the Services and data about the same individual which is collected or retained by the Service Provider independently of providing the Services.
13. Any request by the College for data secured on the cloud services must be responded to within 48 hours, with a full resolution within 72 hours. Should the Service Provider be unable to meet these obligations due to circumstances outside of its control (including, for example, power outages) immediate notice shall be provided to the College.
14. The Service Provider undertakes that, if it receives a demand for disclosure of personal information it has received or collected, created, maintained, or stored on behalf of the College under this contract, whether the request is from a person, a government, a non-government organization, a court of law, or from any other source, and the disclosure is not for a purpose authorized under this Agreement, the Service Provider
 - (a) must require that any demand be made in writing setting out the authority of the person making the demand;
 - (b) must immediately advise the College of the demand made to the Service Provider and forward a copy of the demand to the College; and
 - (c) must not disclose the information until authorized to do so by the College, or, if the disclosure is required by law, until the College has had an opportunity to seek standing to object to the disclosure, to seek a protection order, or to take such other steps as it sees fit to protect the confidentiality of the information.
15. Where the Service Provider is prohibited by law from notifying the College of a request for information or other legal process seeking access to personal information held under the Contract, the Service Provider must take all lawfully permitted steps to resist the order before releasing the information.
16. In the event that the Service Provider anticipates a breach of privacy or becomes aware of a breach relating to the personal or other information received, collected, retained, or stored by the Service Provider in the course of performing the Services, the Service Provider must immediately notify the College in writing of the following, to the extent known:

- (a) the nature of the information that was breached (type and date of the information, name(s) of the person(s) whose information is affected);
- (b) when the breach occurred;
- (c) how the breach occurred;
- (d) who was responsible for the breach;
- (e) what steps the Service Provider has taken to mitigate the matter; and
- (f) what measures the Service Provider has taken to prevent reoccurrence.

17. The Service Provider agrees to cooperate fully, at its own cost, in any investigation into a breach or alleged breach by the College or its officers, agents or employees, or by any public office, including but not limited to the Office of the Information and Privacy Commissioner of Ontario and the Office of the Information and Privacy Commissioner of Canada.

18. The Service Provider agrees to indemnify the College for any and all losses, including damages, legal or other costs, charges, fines, penalties or interest which the College incurs as a result of breaches of this Agreement by the Service Provider, and/or breaches of privacy in respect of personal information in the Service Provider's possession which the Service Provider receives, collects, uses or discloses in the course of providing the Services. This indemnification shall not apply where the Service Provider complied with this Agreement and took all reasonable precautions to limit the risk of a privacy breach.

19. Should there be any use or disclosure of the information by the Service Provider, its employees, agents, or subcontractors contrary to this contract, or should the Service Provider change its privacy policies or practices without providing the College with notice of such change sufficient to permit the College to withdraw from the Contract if it should wish to do so, the College may, at its sole discretion and without prejudice to any other rights which the College may have pursuant to this contract or at law:

- (a) immediately terminate or suspend this Agreement and/or any contract pursuant to which the Services are provided;
- (b) demand immediate return of all personal and other information retained by the Service Provider on behalf of the College, at the expense of the Service Provider;
- (c) require that the Service Provider issue notice, at its own expense, to any third party whose information was improperly used or disclosed; and/or
- (d) take any other action that the College, in its sole discretion, considers appropriate.

20. At the expiry or termination of the contract, or at such time as the College may direct, the Service Provider must do any or all of the following with respect to records containing personal and other information received, collected, or retained on behalf of the College in the course of providing the Services:

- (a) return to the College all original records transferred to or collected, created, maintained, or stored by the Service Provider in the course of providing the Services;
- (b) destroy all copies (including electronic copies) of records transferred to or collected, created, maintained, or stored by the Service Provider in relation to this contract in the manner specified by the College, and provide confirmation of the destruction to the College in a manner specified by the College; and

(c) wipe the hard drive used for the storage of information in electronic format and otherwise destroy the information in a manner specified by the College, and provide confirmation of the destruction to the College in a manner specified by the College.

21. In the event that any record or part of a record transferred to or collected, created, maintained or stored by the Service Provider in relation to this contract is located at a future date, the Service Provider must immediately notify the College that the record or part of a record has been found and return, destroy or dispose of the record or part of a record in a manner specified by the College. This obligation survives this contract.

10. INFORMATION SECURITY AND DATA PRIVACY REQUIREMENTS

Within the Algonquin College Project Fusion team, the Senior Manager of Information Security and Data Privacy led the development of security and data privacy provisions. These address SaaS deployment security and data privacy concerns such as secure data transport, country of data storage, Secure Organizational Controls (SOC), FIPPA data privacy compliance, system uptime, secure data backup and disaster recovery. The specific requirements are detailed below:

Mandatory Information Security and Data Privacy Requirements

1. The Solution **shall** provide robust, standards-based, data encryption at all times while in transit (e.g. between the Solution and the College software client i.e. browser),
2. The Solution **shall** support web browser Transport Layer Security (TLS) 1.1 protocol.
3. The Solution **shall** disallow web browser connections via SSL V1, V2 and SSL V3; TLS 1.0; as well as disallow web browser DES CBC block cipher and RC4 stream cipher.
4. If the Solution provides a mobile application, then the following requirements **shall** be met:
 - a. Sensitive application data **shall** always be stored in standards-based encrypted form;
 - b. The application **shall** not hard code passwords or keys;
 - c. The mobile application **shall** utilize TLS 1.1 for the secure transmission of information; and,
 - d. The application **shall** not override the trust manager of the underlying operating system.
5. The Solution **shall** meet Statement on Standards for Attestation Engagements (SSAE) 16 or International Standards for Assurance Engagements (ISAE) 3402, Service Organizational Controls (SOC) 2 compliancy, with detailed externally audited results available under (Mutual Non-Disclosure Agreement) MNDA, at a minimum, on an annual basis and at the Supplier's expense.
6. The data centres, including primary and backup locations **shall** be located in Canada, the United States or any member country of the European Union.
7. The Solution **shall** be fault-tolerant, resilient, highly available, and provide a disaster recovery capability meeting an overall uptime of 99.5% (or higher) excluding a planned schedule maintenance window. The uptime **shall** be measured monthly.
8. The Solution **shall** be backed up from a disaster recovery perspective utilizing one or more Tier 2 (or higher) backup data centre(s) a minimum of 100 km away from the primary data centre, and not subject to the same regional environmental threats including (but not limited to) earthquakes, tornados, tsunamis, and flooding.
9. The Solution **shall** support a disaster recovery time objective (RTO) of a maximum of 24 hours and a recovery point objective (RPO) of a maximum of 4 hours.

Rated Information Security and Data Privacy Requirements

1. The Proponent **should (R)** provide detail how the proposed Solution supports Canadian data privacy legislation - specifically Ontario Freedom of Information and Protection of Privacy Act (FIPPA);
2. The Proponent **should (R)** identify whether the Solution is:
 - 2.1. ISO/IEC 27001:2013 compliant, externally certified, and whether detailed results are available to customers under a Mutual Non-Disclosure Agreement (MNDA) (Yes/No);
 - 2.2. ISO/IEC 27018:2014 compliant, externally certified, and whether detailed results are available to customers under a Mutual Non-Disclosure Agreement (MNDA) (Yes/No);
3. The Solution **should (R)** be managed within a Tier 2 (or higher) data centre, in accordance with Uptime Institute definitions at <http://uptimeinstitute.com/>. All data centres housing backup data and disaster recovery components **shall** also be in a Tier 2 (or higher) data centre. Self-assessment only, certification not required.
4. Please substantiate when the Solution will support web browser Transport Layer Security (TLS) 1.2 protocol (or higher).
5. The Proponent **should (R)** confirm that the Solution does not require the use of client-side (e.g. application) Java.

Rated Identity and Access Management (IAM) Requirements

1. The Proponent **should (R)** identify whether the Unified ERP SaaS has the capability to store information associating each unique identifier with an identity (person) in the organization (in a 1:1 or many-to-1 relationship). (Yes/No)
2. The Proponent **should (R)** identify whether the Unified ERP SaaS has the capability to consume information to support the mapping of unique identifiers to identities from an authoritative source. (Yes/No)
3. The Proponent **should (R)** identify whether the Unified ERP SaaS has the capability to export or report on information associating each unique identifier for consumption by the Identity platform for the purposes of reconciliation and Access Validation. (Yes/No)
4. The Proponent **should (R)** identify whether the Unified ERP SaaS has the capability to store the unique reference associated with each identity as Meta data to each assigned application identifier or Login ID. (Yes/No)
5. The Proponent **should (R)** identify whether the Unified ERP SaaS has the capability to identify Toxic Combinations of Fine Grained entitlements dynamically and in real time. (Yes/No)
6. The Proponent **should (R)** identify whether the Unified ERP SaaS has the capability to define and implement Technology Entitlement roles. (Yes/No)
7. The Proponent **should (R)** identify whether the Unified ERP SaaS has the capability to define and implement organizational Entitlement roles. (Yes/No)
8. The Proponent **should (R)** identify whether the Unified ERP SaaS has the capability to support a centralized externalized authentication model (AD authentication); or support an open interface allowing limited controlled automated account creation, and disables. (Yes/No)
9. The Proponent **should (R)** identify whether the Unified ERP SaaS has the capability to support emergency termination (immediate) requirements as defined by human resources, with appropriate controls preventing account inappropriate account reactivation. (Yes/No)
10. The Proponent **should (R)** identify whether the Unified ERP SaaS has the capability to provide, through direct access (integration) or frequent periodic reporting, all identifier information with any associated identity information and associated status to the identity platform for the purposes of reconciliation, orphan identifier identification and out of band status changes. (Yes/No)
11. The Proponent **should (R)** identify whether the Unified ERP SaaS has the capability to support SSO authentication for internal and external access. (Yes/No)
12. The Proponent **should (R)** identify whether the Unified ERP SaaS has the capability to report, through direct integration or periodic frequent reporting, Account identifiers and their associated security profiles to the identity management platform for the purposes of access validation. (Yes/No)

GLOSSARY OF TERMS

Freedom of Information and Protection of Privacy Act (FIPPA)

Ontario FIPPA provides a right of access to information in the custody or under the control of institutions subject to the Act (including Colleges) and, provides a right to the protection of personal information under the custody or control of the institution. FIPPA regulates the collection, use, disclosure, retention, destruction, security and accuracy of personal information. FIPPA applies to the College as a whole.

Identity and Access Management (IAM)

IAM is the security discipline that enables the right individuals to access the right computing resources at the right times for the right reasons. Organizations that develop mature IAM capabilities reduce their identity management costs and become significantly more agile within their supporting business processes.

ISO/IEC 27000 Series of Security Standards

ISO/IEC 27000 series is a series of best practice recommendations on information security management, risks and controls within the context of an overall information security management system (ISMS), similar in design to management systems for quality assurance (the ISO 9000 series) and environmental protection (the ISO 14000 series).

ISO/IEC 27001:2013

ISO 27001:2013 is an information security standard published in 2013 that provides a specification for an information security management system (ISMS).

ISO/IEC 27002:2013

ISO/IEC 27002:2013 provides best practice recommendations on information security for use by those responsible for initiating, implementing or maintaining information security management systems (ISMS). Information security is defined within the standard in the context of Confidentiality, Integrity and Availability (CIA).

ISO/IEC 27018:2014

ISO/IEC 27018:2014 provides best practice recommendations for protection of personally identifiable information (PII) in public clouds acting as PII processors. To date only one organization (Microsoft) has been certified as meeting this standard.

Mutual Non-Disclosure Agreement (MNDA)

An agreement formed between two parties that identifies the confidentiality provisions of a working relationship, project, program, contractual relationship or joint venture. It is “mutual” because the requirement applies equally to both parties (i.e. not favoring one party over another).

Personal Information Protection and Electronic Documents Act (PIPEDA)

Federal PIPEDA governs how private sector organizations collect, use and disclose personal information in the course of commercial business. The law gives individuals the right to access and request correction of the personal information these organizations may have collected about them. In addition, the Act contains various provisions to facilitate the use of electronic documents. PIPEDA was recently amended by Bill S-4 the Digital Privacy Act, and includes significant amendments such as a new requirement related to mandatory breach notification. PIPEDA only applies to the commercial areas of the College (e.g. Ancillary Services).

Personally Identifiable Information (PII)

Any information that is personal in nature and which can identify a specific person. Examples of PII include name, address, telephone number, social insurance number (SIN), eye colour, unique assigned numbers, tattoos, blood type and genetic information.

Personal Health Information Protection Act (PHIPA)

Provincial PHIPA provides a set of rules for the collection, use and disclosure of personal health information, and includes requirements pertaining to mandatory breach notification and remedies for breaches.

Service Organizational Controls (SOC)

Service Organization Controls are a series of accounting standards that measure the control of financial information for a service organization. They are covered under Statement on Standards for Attestation Engagements (SSAE) 16 (US); International Standards on Assurance Engagements (ISAE) 3402 (International); and Canadian Standards for Attestation Engagements (CSAE) 3416 (Canada) professional standards. There are similar standards within other countries. SSAE 16 came into effect in 2011 and replaces the older SAS70 type of report. There are three Levels of each: SOC 1 (Internal controls), SOC 2 (Cloud or SaaS provider controls) and SOC 3 (Less stringent, used for marketing purposes). There are also two Types: Level I and Level II (more stringent). Many organizations today require SOC 2 reports due to the fact that they are using an outside service provider.

Software as a Service (SaaS)

Gartner defines software as a service (SaaS) as software that is owned, delivered and managed remotely by one or more providers. The provider delivers software based on one set of common code and data definitions that is consumed in a one-to-many model by all contracted customers at any time on a pay-for-use basis or as a subscription based on use metrics.

Uptime Institute – Tiers of Availability

The Uptime Institute (www.uptimeinstitute.com) is an unbiased advisory organization focused on improving the performance, efficiency, and reliability of business critical infrastructure through innovation, collaboration, and independent certifications. Uptime tier certification refers to the physical topology of the data centers' infrastructure that directly affects the computer room operation, with Certifications provided in four levels:

- Tier I - Basic site infrastructure (non-redundant), 99.671% Uptime
- Tier II - Redundant capacity components site infrastructure (redundant), 99.741% Uptime
- Tier III - Concurrently maintainable site infrastructure, 99.982% Uptime
- Tier IV - Fault tolerant site infrastructure, 99.995% Uptime

Algonquin College requires that its SaaS providers co-locate within a minimum Tier II data centre. Tier III data centres cost substantially more than Tier II. There are very few Tier IV data centres – most are extremely expensive and only used by governments, large international banks and similar organizations that can afford them. Currently there are 25 certified data centres in Canada, most certified at the Tier III level; 80 in the US; and over 600 globally.

Transport Layer Security (TLS)

Transport Layer Security (TLS) and its predecessor, Secure Sockets Layer (SSL), are cryptographic protocols that provide communications security over a computer network using X.509 digital certificates. They form the basis for secure browser to server communications. In 2015, SSL was effectively discontinued globally due to its many inherent security vulnerabilities.

USA Freedom Act (Uniting and Strengthening America by Fulfilling Rights and Ending Eavesdropping, Dragnet-collection and Online Monitoring Act)

The USA Freedom Act is a U.S. law enacted on 2 June 2015 that restored (in modified form) several provisions of the Patriot Act, which expired one day before. The act maintains authorization for roving wiretaps and tracking lone wolf terrorists but now limits the collection of telecommunication metadata on U.S. citizens by American intelligence agencies, including the National Security Agency.

Report title:	International Update
Report to:	Board of Governors
Date:	October 13, 2015
Author/Presenter:	Doug Wotherspoon, Vice President International, Communications & Strategic Priorities

1. RECOMMENDATION:

THAT the Board of Governors accepts the International Update for information.

2. PURPOSE / EXECUTIVE SUMMARY:

The Board of Governors has asked to be updated on the College’s international activities on a regular basis, highlighting both successes and challenges, with a focus on risk mitigation.

3. BACKGROUND:

As outlined in the College’s International Education Strategic Plan, Algonquin has identified three primary motivators for expanding its international education activities:

1. To serve as a catalyst for community prosperity through the development of human talent and applied research;
2. To support student and employee employability by providing relevant and rewarding global experiences; and
3. To improve College sustainability by embracing innovation, increasing quality and generating contributions for re-investment in the College.

Further, Algonquin’s International efforts can be broken into two overarching categories, those activities conducted on-shore and those conducted off-shore.

4. DISCUSSION:

a) On-Shore Post-secondary Enrolment

The following summarizes the on-shore enrolment activity since the last update:

- Spring Term 2015 enrolments are up 15% above target (New: 29%/Returning: 14%).
- Fall Term 2015 enrolments are up 12% and 6% above target (New: 16% / Returning: 9%). This success is significant given that last year’s enrolments were up 25% above target.
- Applications received for Fall 2015 were up 15% as of August 2015.

- Applications for Winter 2016 are up 39% above target as of September 26, 2015, with a 99% increase in full fees paid.

Marketing & Recruitment

Aggressive marketing and recruitment activities have been initiated to ensure that the enrolment targets are met. The following gives highlights of these activities:

- New Salesforce dashboards are being created to track International student application, conversion, enrolment and retention, and Language Institute enrolment, retention and conversion to the students' programs of study.
- Enhanced emphasis is being placed on relationships with agents, who consistently refer 60-70% of our student body. For example, three online webinars were hosted reaching 49 agent counsellors, in 35 offices, across Korea, the Philippines, China and India.
- The Internal Education Centre website is currently under renovation, including the development of a new, more user-friendly website architecture and content.
- Based on analytics review, small changes were made to the College's homepage, Future Student site, and all program pages in August. The results have seen an increase in traffic in September 2015.
- A new digital and print marketing campaign targeting Vietnam is under development.
- New pilot landing pages for India and Vietnam are under development.
- An online application portal for international students and agents is under development.
- A Secret Shopper Study has been completed to align the College's recruitment/admissions processes with best practices.

Student Retention and Satisfaction

Staff have made considerable efforts aimed at improving international student retention and satisfaction. Staff have:

- Introduced an International Student Mentor Pilot Program, selecting and training 12 student mentors.
- Hosted 215 international level one students in face-to-face orientation sessions.
- Hosted 189 international level one students in online pre-arrival orientation sessions in August and September 2015.
- Launched phase 1 of the International Student Case Management System, increasing the ability to understand student's request for support.
- In addition, a new International Student Barometer (Satisfaction) Survey is planned to be conducted in November 2015, with results available in December.

b) Language Institute Enrolment:

The enrolment in the English for Academic Purposes International (EAP) program is below target for September 2015. Details are as follows:

- 296 students enrolled in May 2015 English for Academic Purposes (EAP) program, down 13% from May 2014.
- 211 students enrolled in June EAP programs, down 29% from 2014.

- 260 students enrolled in September 2015 English for Academic Purposes (EAP) program, down 22% from September 2014.

Marketing & Recruitment

Aggressive marketing and recruitment activities are planned to mitigate any further reduction in enrolments. The following activities are underway:

- Website analytics review
- Secret Shopper review
- Best practices report.

In addition, the Language Institute website is currently under renovation, including the development of a new website architecture and content.

c) Contract Revenue

- The English language academic entrance exam Test Centre sites have been expanded with monthly tests now provided in Kingston and Montreal. The number of tests processed is estimated to be up 30% over the last fiscal year.
- The International team continues to develop proposals aimed at continuing to pilot our newly developed online English as a Second Language (ESL) training program. Four potential clients have been identified including; the Government of Colombia, the Government of Ecuador, and professional organizations in Mexico and Brazil. Staff are currently piloting the online ESL program with students from Liaoning Forestry Vocation-Technical College in Shenyang, China.
- Bids have been submitted for language training and immigrant youth training to Citizenship and Immigration Canada.

d) Off-shore Program Licensing

The following gives highlights of the College's off shore program licensing activity:

- India:
 - Algonquin staff attended India World Youth Skills Day in New Delhi. India Prime Minister Narendra Modi launched the initiative to skill up to 500 million India youth over the next 10 years. Algonquin has signed Letters of Intent with the National Skills Development Corporation and Manav Rachna Educational Institution to support skills training. Progress is ongoing in the development of the business model and training plan.
- China:
 - The second cohort of students began Algonquin's Hospitality Management-Hotel and Restaurant program at Liaoning Forestry Vocation-Technical College in Shenyang, China.
- UAE:

- Algonquin College signed a non-binding Letter of Intent with Basle Health Institute of Dubai, United Arab Emirates to support the establishment of a university to deliver allied health certificates and diplomas, and professional development training for in-service health professionals. Algonquin is the lead academic partner.

e) Off-shore Campuses

- Kuwait:

- The campus opened its doors on September 28th, welcoming 70 students, (44 male and 26 female, spread across three levels of the English and Academic Foundations Program). Registration is expected to remain open until October 5th. Once students have graduated from the Foundation program they will enter into one of four diploma programs:
 - Business – Marketing
 - Business – Management and Entrepreneurship
 - Computer Programmer
 - Computer Systems Technician.

- Jazan:

A full business plan and budget for the Jazan campus will be brought to the December 14, 2015 Board of Governors meeting. This will allow for additional negotiations to occur with the Colleges of Excellence staff.

5. LINK TO STRATEGIC PLAN:

International activities support several goals articulated in the 2012 – 2017 Strategic Plan, under the pillars *Applied Education and Training*, *Student and Client Success* and *Financial Sustainability*. They include;

- Goal 1: Deliver an exemplary applied education and training experience.
- Goal 2: Create a unique suite of programs, products and services geared to meet the needs and expectations of our clients and students.
- Goal 5: Deliver exceptional service to our diverse student and client populations.
- Goal 6: Leverage technology to automate our business processes, fostering an environment of continuous improvement
- Goal 10: Expand non-funded opportunities to increase revenue.

6. STUDENT IMPACT:

Staff expect to maintain or improve overall student satisfaction numbers, with specific improvements in the area of pre-arrival support and orientation.

7. FINANCIAL IMPACT:

The current increase in on-shore enrolment is expected to off-set declines in English for Academic Purposes enrolment and off-shore campus revenues.

8. HUMAN RESOURCES IMPACT:

No Human Resources impact is identified at this time.

9. GOVERNMENT / REGULATORY / LEGAL IMPACT:

No government/regulatory/legal impact identified is at this time.

10. COMMUNICATIONS:

The International Education Centre staff will be hosting a series of lunch and learn sessions across the College aimed at broadening employee awareness of its activities from November 2015, through March 2016.

11. CONCLUSION:

The College's international activities continue to be robust, multifaceted, and subject to changing global conditions. Weakness in the Language Institute and off-shore campus revenues is balanced by growth in on-shore postsecondary enrolments and program licensing. The focus for the remainder of the year will be on reviewing our Language Institute operating model and supporting our off-shore campus efforts.

Respectfully submitted:



Vice President, International, Communications &
Strategic Priorities

Approved for submission:



President

Appendices:

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Report title:	Energy Services Company Performance Contract 2 (ESCO2) Phase 4 Update
Report to:	Board of Governors
Date:	October 13, 2015
Author/Presenter:	D. McNair, Vice President, Finance and Administration

1. RECOMMENDATION:

THAT the Board of Governors formally approves the fourth and final phase of the Energy Services Company Performance Contract 2 (ESCO2) now that technical, financial and legal due diligence checks are completed, and the contracts were signed on July 14, 2015.

2. PURPOSE / EXECUTIVE SUMMARY:

As presented to the Board on June 8, 2015, the final Phase 4 of the Energy Services Company Performance Contract 2 (ESCO2) includes additional conservation measures that will also significantly address the College’s growing deferred maintenance challenges. In addition, and of particular significance, will be an on-site Power Generation plant (both Cogeneration and Solar PV), the introduction of a Power Storage option as well as the integration of new Electric Vehicle charging technology. This is in turn creating excitement within the College, the greater Ontario Higher Education community and the Siemens Canada organization about the emerging education opportunities to further leverage the ESCO2 program and consider how the Province’s institutions, along with key private sector partners, can work together in ways that will benefit a broader audience.

3. BACKGROUND:

On June 8, 2015 the Board of Governors conditionally approved the fourth phase of ESCO2, noting that some due diligence checks while in process, were then outstanding. A summary of all ESCO2 phases, including Phase 4, is presented in the following table:

Phase	Description	Total Measure Cost	Net Capital Investment	Annual Savings	Deferred Maintenance Benefit
1	Replace Building B HVAC (Heating Ventilation and Air Conditioning) system along with additional improvement measures	\$14,012,055 Note 1	\$13,669,935 Note 1	\$975,299	\$11,422,214
2	Design and gain necessary provincial approvals for the co-generation plant along with additional improvement measures	\$4,169,626 Note 1	\$3,578,053 Note 1	\$253,311	\$3,351,520
3	Install the co-generation plant along with additional improvement measures	\$14,174,515 Note 1	\$13,893,267 Note 1	\$971,336	\$1,822,778
4	Expand the co-generation capability; install other energy generation capabilities; replace Building C heating / cooling / ventilation fans; other improvements	\$22,652,860 Note 2	\$16,048,172 Note 2	\$1,050,993	\$7,091,778
Totals		\$55,009,056	\$47,189,427	\$3,250,939	\$23,687,908 Note 3

Notes:

1. "Net Capital Investment" is the amount financed via Manulife to be paid from derived savings. The "Total Measure Cost" includes both the financed amount and various incentives from provincial programs. In Phases 1, 2 and 3, the available provincial incentives were relatively small.
2. As with the first three phases, the difference between the two costs is made up in part via substantial incentives of over \$2.3M. Additionally, as was conditionally approved on June 8, 2015, the College will provide \$4.2M in funding to support much needed building improvements and/or deferred maintenance items with payback scenarios that exceed the payback period.
3. When the Board approved the proposal to enter into the ESCO2 contract in 2012, the Board took note of the Siemens' proposal to address \$22M of deferred maintenance liabilities. At the time, this would have addressed 52% of the total liabilities then recorded. Subsequently, the total value of deferred maintenance liabilities was independently audited to be \$87.3M.

Siemens Canada has been able to address more than originally proposed, but the percentage of current liabilities addressed is now 27%.

Siemens Canada confirmed they obtained their internal “final form” approval of the Detailed Feasibility Study (DFS) for Phase 4 on May 11, 2015, and College staff completed the technical, financial and legal reviews of the DFS in early July 2015. The contracts were signed on July 14, 2015.

Phase 4 construction is expected to be complete in May 2017, at a net capital investment of \$16.0M plus the College contribution of up to \$4.2M. The Phase 4 projected annual savings is expected to be \$1.05M, with all measures paid off not later than May 2035.

4. DISCUSSION:

Technical Considerations.

Phase 4 will expand on the Phase 3 co-generation plant which is scheduled to be installed by December 31, 2015 to meet the requirements of the OPA grant. In Phase 4, the co-generation plant will double in generating capacity, as well as add energy storage, limited solar panels, and various controls to make the plant an Energy Centre. Once constructed and fully in-service, it is intended that the Energy Centre not only produce all Woodroffe Campus electricity, it will also be an education platform in support of programs delivered by Faculty of Technology and Trades. Governors will note that various incentives of \$2.3M have been factored into the financial viability assessment for Phase 4. Finally, Phase 4 will include \$7.1M of deferred maintenance work, focusing on mechanical systems in Buildings B and C, in the Central Plant and on interior / exterior lighting systems. When all four phases of the project are completed, the physical adaptations will provide the technical foundation for a College legacy:

- A new Energy Management Graduate Certificate programs
- Applied Research opportunities with the Province and Hydro Ottawa and,
- Smart Grid development within Ottawa with the College as a unique partner capable of Smart Consumption management.

Summary of Risks. Phase 4 has been assessed to have two strategic risks:

1. Earlier this year, the Provincial Government announced its intentions to impose a “Cap and Trade” system to encourage reduction in greenhouse gas emissions. All indicators are that the threshold value that would cause penalties to be invoked is 25,000 tons per year; the College’s adjusted baseline emissions are 11,724 tons per year, with ESCO2 (all phases) reducing those emissions by 12.6 percent (reduction amount was confirmed after the Board’s June 8 meeting). Staff recommend accepting the risk.
2. The Ministry of Training Colleges and Universities and Ontario College sector representatives are reviewing the interpretation and administrative requirements of Section 28 of the *Financial Administration Act*. Specifically, they are reviewing the definition of “contingent liability” as it

relates to the Act in consultation with the Ministry of Finance. As with Phases 1, 2 and 3, Phase 4 is compliant with the current definition and interpretation of Section 28 and MTCU has been advised that Algonquin College has entered into this energy savings contract. However, should the government amend the definition and processes around Section 28, there is some risk that the project will be rendered in arrears to be non-compliant. Staff recommend accepting the risk.

5. LINK TO STRATEGIC PLAN:

Financial Sustainability

Goal 11 - Leverage strategic business partnerships to meet the capital needs of the College.
Business Plan 11.2 - Lead the implementation of the second Energy Savings Contract (ESCO2) facility improvement measures to achieve energy savings, reduce greenhouse gas emissions and encourage a culture of sustainability.

6. STUDENT IMPACT:

This initiative contributes significantly to the College sustainability agenda and helps to ensure the ongoing delivery of high quality facilities and learning environments by contributing to addressing the growing deferred maintenance challenges. A new Energy Management Graduate Certificate program and applied research opportunities will now be possible with the completion of this project.

7. FINANCIAL IMPACT:

See Table in item three.

Update to previous presentation: The financial review is completed. Once staff signed the contract, Manulife confirmed that the annual interest rate is 4.35%. As part of College staff's due diligence checks, the auditing firm commissioned for this work re-confirmed the accounting methodology and financial performance projections are consistent with Phases 1, 2 and 3. Phase 4 is compliant with the Ontario *Financial Administration Act* and Ministry Directives.

8. HUMAN RESOURCES IMPACT:

N/A

9. GOVERNMENT / REGULATORY / LEGAL IMPACT:

Legal Considerations: College staff and legal counsel have reviewed proposed amendments to the Energy Performance Contract and the Tri-Party Agreement. Consistent with Phases 1, 2 and 3, the

proposed Agreements are compliant with the intended nature of ESCO2, and with Siemens' guarantee of performance.

10. COMMUNICATIONS:

N/A

11. CONCLUSION:

The ESCO2 project supports Algonquin College student success through new opportunities for applied research engagement and a new energy management program endorsed by the Ontario Minister of Energy. It also supports the College's sustainability initiatives (social, economic and environmental) while addressing a significant portion of deferred maintenance backlog.

Respectfully submitted:

Approved for submission:



Vice President

President

Appendices:

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Report title:	Texidium Investment Update
Report to:	Board of Governors
Date:	October 13, 2015
Author/Presenter:	Duane McNair, Vice-President, Finance and Administration

1. RECOMMENDATION:

THAT the Board of Governors accepts this report for information.

2. PURPOSE / EXECUTIVE SUMMARY:

To provide an update on Algonquin College's equity investment in the newly formed company Texidium in collaboration with Kivuto Solutions Inc., Nelson Education and Pearson Canada.

3. BACKGROUND:

On February 2, 2015, the Algonquin College Board of Governors approved the resolution:

"THAT the Board of Governors approves a \$450,000 cash investment in a new joint venture company (currently labelled "NewCo") that would also be owned by Kivuto Solutions Inc., Nelson Education and Pearson Canada with the objective to develop an end-to-end eReader solution for the delivery of digital textbooks to students at Algonquin College and other interested higher education institutions."

Texidium is a subsidiary corporation of Kivuto Solutions Inc. and was created to develop, market and support an end to end single platform eReader solution for students attending post-secondary institutions. A single platform benefits students, the learning institution, and publishers by enabling a single method to deploy, revise, correct, add or delete eTextbook inventories, keeping them current at minimal cost. The platform improves student access to course materials with an efficient, personalized delivery of the eTextbooks, software and digital content. Students will benefit from immediate and ubiquitous access to all of their course needs with rich eTextbook content, new collaborative learning interactions, and reduced course material expense, through one, easy to use interface.

In the Spring of 2015, Algonquin purchased 450,000 common shares of Texidium at one dollar per share and held a seat on the Board of Directors of Texidium.

4. DISCUSSION:

Since launch, the Texidium management team has met with significant positive reviews. However it has also identified several factors that heighten the risk profile of Texidium, and reduce its capacity to actualize the positive reviews. During the past summer, undercapitalization was identified as the primary risk to Texidium. Professional investors, although excited by the potential of Texidium, have identified barriers to their potential investment.

The Kivuto Board of Directors has voiced concern about the underutilization of synergies with Kivuto and Texidium, the demand on the Kivuto management team and the disproportionate financial burden on Kivuto as it funds Texidium's ongoing expenditures.

Texidium executive have approached industry investors and have not been able to generate new investment from industry. A summary of investor feedback and perspective is as follows:

- i. The fact that investors are not being offered investment in Kivuto, an established company with proven management team and history of profits and dividends, is questioned.
- ii. The Digital Resource Portal (DRP) is a critical part of the Texidium solution, but is licensed from Kivuto.
- iii. Texidium has interest from individual angel investors. However, 90% of the approximately \$1.0M is from existing Kivuto investors and management.

The Texidium Board of Directors has agreed to restructuring Texidium ownership so that Kivuto Solutions Inc. holds 100% of the common shares. Kivuto Solutions Inc. will buy back Algonquin College's 450,000 shares at one dollar per share. In addition, Algonquin College will realize the following benefits:

- Algonquin College will be appointed to the Texidium Advisory Committee as a Texidium Founding Partner;
- As a member of the Texidium Advisory Committee, Algonquin will be granted options to acquire 100,000 shares in Kivuto Solutions Inc. with an estimated market value of approximately \$450,000; and
- As a Texidium Founding Partner, Algonquin's discounted pricing structure (20% discount on e-resources downloaded by Algonquin students via Texidium eReader) will be extended in perpetuity.

5. LINK TO STRATEGIC PLAN:

This project continues to support several goals articulate in the 2012 – 2017 Strategic Plan:

Goal 1: Deliver an exemplary applied education and training experience.

Goal 2: Create a unique suite of programs, products and services geared to meet the needs and expectations of our clients and students.

Goal 3: Leverage technology to enhance the educational experience.

Goal 6: Leverage technology to automate and modernize our business processes, fostering an environment of continuous improvement.

Goal 12: Create the technological foundation to align with the digital direction.

6. STUDENT IMPACT:

This solution is the first ‘end to end’ solution that integrates delivery of eTextbooks to students with a capacity to adopt the emerging course-fee model for eTextbooks (i.e. textbook resources online). There are several benefits for students including:

- Personalized learning experience
- Lower cost than traditional hard copy text books
- Anytime, anywhere access to content
- An engaging, mobile friendly eReader platform with responsive design
- Students can pick up where they left off with syncing of content, notes and highlights across all devices
- Advanced search functionality on notes, highlights and content across chapters and books
- Greater flexibility with print and eBook options
- All content in a centralized location for easy, efficient distribution
- Access to multilingual product support through toll-free phone or email – provided by Texidium

7. FINANCIAL IMPACT:

Algonquin College invested \$450,000 in common shares of Texidium from Strategic Investment Priorities funds in the Spring of 2015. This \$450,000 investment will be returned to Algonquin College in October and the College will received 100,000 options to invest in common shares of Kivuto Solutions Inc. The options will vest over a three year period.

8. HUMAN RESOURCES IMPACT:

There is no impact from the restructuring on Algonquin College staff and faculty's use of the Texidium end-to-end solution and they continue to participate in the rollout of the eReader to students. In particular, the Learning and Teaching Services department has worked closely with Texidium developers through the pilot and implementation phases of this project.

9. GOVERNMENT / REGULATORY / LEGAL IMPACT:

Legal counsel has been consulted to review the proposed Texidium ownership re-structuring to advise of risks.

10. COMMUNICATIONS:

There are no further communications planned regarding the Texidium ownership re-structuring.

11. CONCLUSION:

Algonquin College will continue to promote the Texidium end-to-end eResource solution in order to support the success of Texidium and demonstrate Algonquin's enduring position as a leader in digital technology in higher education. The stock options granted to Algonquin College will not be exercised without obtaining prior approval from the Board of Governors. Before proposing to the Board that any options be exercised, management will undertake necessary due diligence to ensure that this type of investment is permitted and has a high likelihood of benefitting the College and/or its students.

Respectfully submitted:



Vice President

Approved for submission:



President

Appendices:

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Report title:	Corporate Risk Profile & Enterprise Risk Management (ERM) Update
Report to:	Board of Governors
Date:	October 13, 2015
Author/Presenter:	D. McNair, VP Finance and Administration

1. RECOMMENDATION:

THAT the Board of Governors accepts the Algonquin College Risk Profile Report for information.

2. PURPOSE / EXECUTIVE SUMMARY:

The purpose of this report is to present updates on the College's Corporate Risk Profile and development of an ERM Framework.

3. BACKGROUND:

The College embarked on the development of an ERM Framework within the 2012-2017 Strategic Plan. Business Plan initiatives directly linked to the Financial Sustainability pillar of the Strategic Plan were identified in the 11/12 and 13/14 Business Plans.

The College initiated this development by undertaking an initial Risk Profile exercise in 2012, supported by Deloitte consulting services. Subsequently, a steering committee (College Risk Management Committee – CRMC) was established with a cross-college membership. A mandate was developed and approved by the President's Council.

4. DISCUSSION:

The Corporate Risk Profile was recently revised and endorsed by the Audit & Risk Management (ARM) Committee in June 2015. The Risk Profile examines a risk universe of 48 risks and assesses the risks based on impact and likelihood to arrive at a ranked list of risks for monitoring purposes. Please see the Attachment: Algonquin Risk Profile.

A Coordinator Risk Management position was established, using Strategic Investment Priorities (SIP) funding, as a resource to bring additional technical expertise and depth to the development of the ERM framework. While staffed (March 2014 – November 2014) this position contributed significantly to the development agenda. The position was vacant from December 2014 – August 2015, when it was successfully filled again following two recruiting efforts.

In order to sustain forward movement in the development of the framework and complete several key initiatives, consulting resources (MNP) were retained to complete several deliverables (December 2014 – June 2015).

Over this period, development of the ERM Framework has incorporated the development of a Value Statement that embodies the purpose and value of ERM as a business function and the commitment of the College that *“A high ERM maturity level leads to increased performance management, budget efficiency, operational excellence and better-informed decision-making that contemplates risks and rewards in a continually evolving operating environment”*.

Additional initiatives have included the development of a College Risk Management Policy and an Implementation Guideline. This was accomplished in close coordination with a cross-Province effort at many colleges supported by Colleges Ontario, funding from the Ministry and consultants to develop guidelines, templates and tools for Colleges to utilize in maturing their ERM programs. The Algonquin documentation set incorporates the College system standards as well as best practices and other related standards (ISO 31000).

Three significant policies are attributed to the development of the ERM framework and ongoing engagement with the ARM Committee. These policies required substantial research, development and consultation prior to approvals: Fraud Prevention Policy (AD19), ERM Policy and Guideline (AD20) and Whistle-Blowing policy (AD-21).

Commencing in November 2014 with a survey of senior leadership and members of the Board of Governors as well as a risk identification and assessment exercise with the College Leadership Council, a renewed College Risk Profile was initiated. This 2015 College Risk Profile incorporates six corporate risk categories that have been developed and approved in coordination with the ARM Committee. (*Strategic, Reputational, Financial, International, Legal/Compliance and Operational/Hazard*). It invokes a new, sustainable process for risk-reporting involving regular reporting to the ARM committee on high-risk mitigation plans by high-risk owners.

The future agenda for the development of the ERM Framework includes the development of an understanding for Risk Appetite, Risk Tolerance and Key Risk Indicators. Further efforts will be taken to integrate the risk assessment discipline into business practices at the operating level.

5. LINK TO STRATEGIC PLAN:

The development of an ERM framework is a stated Business Plan objective within the 2012-2017 Strategic Plan period that relates to the strategic pillar of Financial Sustainability.

6. STUDENT IMPACT:

An effective ERM program supports mitigation of operational hazard, liability, health and safety, work placement and travel risks associated with the wide range of student activities at Algonquin College.

7. FINANCIAL IMPACT:

To date, the investment in ERM over the last three years from Strategic Investment Priorities has been less than \$300k. There is early evidence that the College's ERM program has re-couped this investment through reduced legal costs, positive outcomes in negotiating a property damage claim settlement with the insurer and participating in a shared ERM consulting services project with more than a dozen other colleges in Ontario.

8. HUMAN RESOURCES IMPACT:

Through regular presentations on ERM, risk assessment workshops and policy development, College administrators, faculty and staff are learning of ERM processes and the value realized through this pro-active approach to managing risks.

9. GOVERNMENT / REGULATORY / LEGAL IMPACT:

While there is not currently a Ministry of Training Colleges and Universities (MTCU) Binding Policy Directive that requires Ontario colleges to implement and maintain an ERM program, there is an expectation from MTCU staff that colleges undertake risk assessments when carrying out major capital projects and entrepreneurial activities. However, several provincially funded service agreements require that the College undertake regular risk assessments of those operations funded.

10. COMMUNICATIONS:

As the ERM program continues to evolve, updates are communicated to the College's employees, the Audit and Risk Management Committee and the Board of Governors.

11. CONCLUSION:

Algonquin College management will continue to develop its enterprise risk management program to further improve the governance and oversight functions of the Board of Governors.

Respectfully submitted:



Vice President

Approved for submission:



President

Appendices:

5.1.1 Appendix 1 – Algonquin College Corporate Risk Profile



Algonquin College

2014-15 Risk Profile Report

14 July 2015

PREPARED BY: MNP LLP
300 - 111 Richmond Street West
Toronto, ON

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INTRODUCTION

Background

In May 2012, Algonquin College (“Algonquin” or “the College”) finalized their initial College-wide Risk Profile. Key activities leading up to this document included:

- Risk Identification
 - Interviews with executive-level College Leaders (i.e. President, Vice Presidents, Deans and Directors)
 - Online surveys distributed to a broader set of the College’s Managers and Directors
- Risk Assessment
 - Workshop held with the College’s executive-level management in order to assess the impact and likelihood of the top sixteen risks as identified in the interview and surveys
 - Six risks were assessed as ‘high’ risks requiring further risk treatment and monitoring efforts

The 2011-12 Risk Profile included recommended next steps, as well as suggested broader initiatives that would support the ongoing improvement of Enterprise Risk Management across the College. Since 2012, Algonquin has actioned many of these recommendations and made substantial progress with regards to the development and integration of ERM across the College.

As part of Algonquin’s continuous commitment to ERM and in line with best practices, a recent update of the College-wide Risk Profile was undertaken. This report represents the outcome of this update and outlines Algonquin’s 2014-2015 Risk Profile.

2014-15 RISK PROFILE

Purpose of Enterprise Risk Management

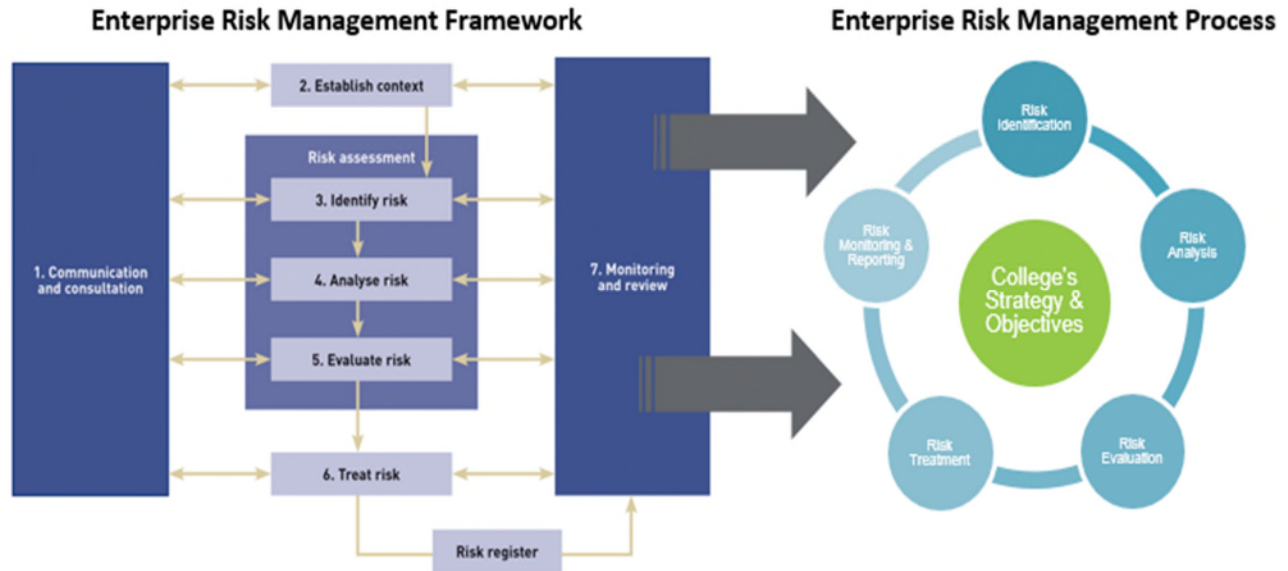
The purpose of the College’s ERM Program can be summarized by the statements below. These statements were developed by the College Risk Management Committee (CRMC) for the express purpose of illustrating the ERM value proposition to Algonquin College:

- The College is committed to integrate Enterprise Risk Management (ERM) into our culture and embed it into our strategic decision-making and business planning as ERM supports the achievement of our goals and objectives.
- Industry rating agencies have confirmed that ERM maturity leads to increased value, stability and resilience to stakeholders.
- A high ERM maturity level leads to increased performance management, budget efficiency, operational excellence and better-informed decision-making that contemplates risks and rewards in a continually evolving operating environment.

Approach

The 2014-15 Risk Profile was developed in alignment with the College's ERM Policy and ERM Program Guideline, which are based upon the International Organization for Standardization ("ISO") 31000 Risk Management – Principles and Guidelines ("the Standard")¹.

An illustration of the ERM Framework and Process outlined within the College's ERM Program Guideline is included below:



Key ERM Program Initiatives: 2012-2015

A fundamental indicator of Algonquin's commitment to ERM is the development of a robust ERM Framework to guide the overall program. As outlined in ISO 31000, an ERM Framework is a set of components that provides the foundations and organizational arrangement for designing, implementing, monitoring, reviewing, communicating and continually improving risk management throughout the College.

The table below outlines the key tasks Algonquin has completed, since 2012, in the development of the ERM Framework and integration of ERM across the institution. It should be noted that Algonquin has focused its efforts on developing two key components of the ERM Framework: the ERM Policy and supporting governance structures, and the ERM Process outlined in the institutional ERM Guideline.

ERM Policy and Supporting Governance

ERM Policy and Supporting Governance	
ERM Policy	<ul style="list-style-type: none"> The College's ERM Policy was approved in November, 2014 by the President's Council, following consultation with the College Leadership Council (CLC). The policy sets the tone for risk management throughout the institution and supports the development of an imbedded risk culture. The policy includes key definitions, roles and responsibilities and procedures detailing specific actions that must be taken to drive ERM implementation across the College.

¹ The Standard has also been adopted by the Canadian Standards Association in its entirety

ERM Policy and Supporting Governance

ERM Governance	<ul style="list-style-type: none"> • Responsibility for oversight of ERM has been assigned to the Audit and Risk Management (ARM) Committee, a standing committee of the Board of Governors • The ARM Committee's Terms of Reference include responsibilities for Risk Management and Internal Controls • A management-level College Risk Management Committee (CRMC) has been established • The mandate of the CRMC has been approved by the President's Council • The Vice President Finance & Administration has been assigned as the Executive Sponsor of the CRMC • The Associate Director, Safety, Security and Emergency Management has been assigned as a lead resource for the CRMC and in guiding the development of the ERM Program • The College's ERM Policy (#AD 20) outlines specific actions for implementing the ERM Process, and assigns these actions to stakeholders within the College
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ERM Guideline and Supporting Process

ERM Guideline and Supporting Process

ERM Guideline	<ul style="list-style-type: none"> • Algonquin's ERM Guideline was approved in November, 2014 by the President's Council. The guideline provides a best practices approach to guide College staff through a logical seven step risk management process.
Step 1: Risk Management Communication & Consultation Methods	<ul style="list-style-type: none"> • The College has engaged in multiple communications and consultations across the institution since 2012 and throughout the update of the College's Risk Profile. Key activities include: <ul style="list-style-type: none"> ○ Development of a Risk & Insurance Management website which provides information, support and tools ○ Establishment of a risk management function within Safety, Security & Emergency Management to act as a support resource ○ Development of an excel-based Risk Assessment tool. This tool is available on the website and can be used by College stakeholders to perform a Risk Assessment on departmental or College-wide initiatives. It provides a standardized mechanism for identifying, assessing and mitigating risk across the College.
Step 2: Establishing the Context	<ul style="list-style-type: none"> • Prior to undertaking additional activities, the College established underlying infrastructure to set the context for future risk identification and assessment activities. Key activities include: <ul style="list-style-type: none"> ○ Developing the ERM Policy ○ Forming the ARM Committee and CRMC and establishing mandates for each committee ○ Assigning Risk Owners at Director-level to oversee the ongoing treatment and monitoring of risks by risk group (e.g. IT Infrastructure, Financial and Sustainability Enrolment). ○ Developing key tools including the College's Risk Matrix, Impact Rating Matrix and Likelihood Rating Matrix in order to ensure a consistent approach to risk assessment is undertaken. risk criteria scales

Step 3: Risk Identification	<ul style="list-style-type: none"> • In order to update the 2011-12 Risk profile, the College’s Risk & Insurance Management unit undertook two key activities from September-November, 2014: <ul style="list-style-type: none"> ○ Interviews with members of the Board and Executive-level Management ○ Development of a survey distributed to Executive-level Management, Deans and Directors • During the survey, participants were asked to select risk levels for all 40 risks identified during the 2011-12 Risk Profile period.
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ERM Guideline and Supporting Process	
	<ul style="list-style-type: none"> • During both the interviews and the survey, participants were asked to identify new or emerging risks that were not included in the previous Risk Profile. • The results of the interviews and surveys were analyzed and all identified risks were carried forward for consideration during the Risk Profile Workshop
Step 4: Risk Assessment	<ul style="list-style-type: none"> • On November 28, 2014 a Risk Profile Workshop was conducted with the CLC that assessed and ranked 48 risks in a risk universe. Rankings were identified for both the inherent and residual risk, with consideration to existing mitigations. • Based on the College’s identified Risk Rating Matrix, 16 risks were identified that retained a “High” residual risk status.
Step 5: Risk Evaluation	<ul style="list-style-type: none"> • In January and February 2015, the CRMC and PC developed a summary which assigned these 16 high risks within 6 groups for ongoing reporting and monitoring to the Audit & Risk Management (ARM) Committee of the Board of Governors. • These 6 groupings are as follows: Business Process Automation, IT Infrastructure, Human Resources Strategy, Financial Sustainability & Enrolment, Physical Infrastructure & Academic Equipment and International. • The results of the Risk Profile workshop were submitted to the ARM Committee for approval at their March 2, 2015 meeting.
Step 6: Risk Treatment	<ul style="list-style-type: none"> • Following the development of the College’s initial 2011-12 Risk Profile, each ‘high’ risk was assigned a Risk Owner within the College. • In September 2014, these High Risk Owners were asked to provide an update on the current mitigation plans in place. • Information gathered in September 2014 was inputted into an excel-based tool designed by the College’s internal Risk Management team specifically to track and monitor ongoing mitigation plans for high risks across the College. • In April 2015, a workshop was held with High Risk Owners to develop the risk mitigation plans that form the basis for ongoing reporting to the ARM Committee. This involved confirming and updating existing mitigation plans for all sixteen high risks. The workshop included an analysis of the effectiveness of existing mitigation plans and noted planned risk response efforts that have not yet been put in place.
Step 7: Risk Monitoring	<ul style="list-style-type: none"> • The College has been monitoring mitigation efforts for the College’s high risks since September, 2014. The primary mechanism for this monitoring has been facilitated sessions with all High Risk Owners, as well as the College’s internal tool that was developed to track ongoing monitoring efforts by risk groupings. • The tool includes a link to the Risk Owners, and also tracks the effectiveness of the Risk Mitigation Plans. In addition, it tracks the Risk Status, which records whether the risk is anticipated to increase, decrease or remain unchanged based on the initial risk assessment score. Once the College has sufficient data in this area, it can be used to anticipate emerging risk or develop Key Risk Indicators for a specific risk.

	<ul style="list-style-type: none"> The College has developed, provided training and launched a Project Risk Assessment tool. This is another excel-based tool which enables College employees to identify and assess risks to new and/or large-scale initiatives, as well as to document controls and determine action items to mitigate and manage risk to these initiatives. This tool has been used to identify, assess and treat risks inherent in a number of large-scale initiatives, including the Jazan, Saudi Arabia satellite campus and an upcoming project which will involve a significant shift in the College's health services model. This tool has been made available to all College employees, aligns with Algonquin's ERM Guideline and provides a risk-based approach for strategic and operational decisions.
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As the information above clearly illustrates, the College has made significant strides in developing their ERM Program and has established an environment where risk-based decision making is encouraged and continuous improvement is achievable.

RISK PROFILE RESULTS

The results of the College's 2014-5 Risk Profile have been divided into two categories:

1. Heat Map –a visual depiction of both the inherent and residual risk values for each of the College's sixteen high risks, as determined during the November, 2014 Risk Profile workshop.
2. Risk Status and Mitigation Indicators by Risk Group

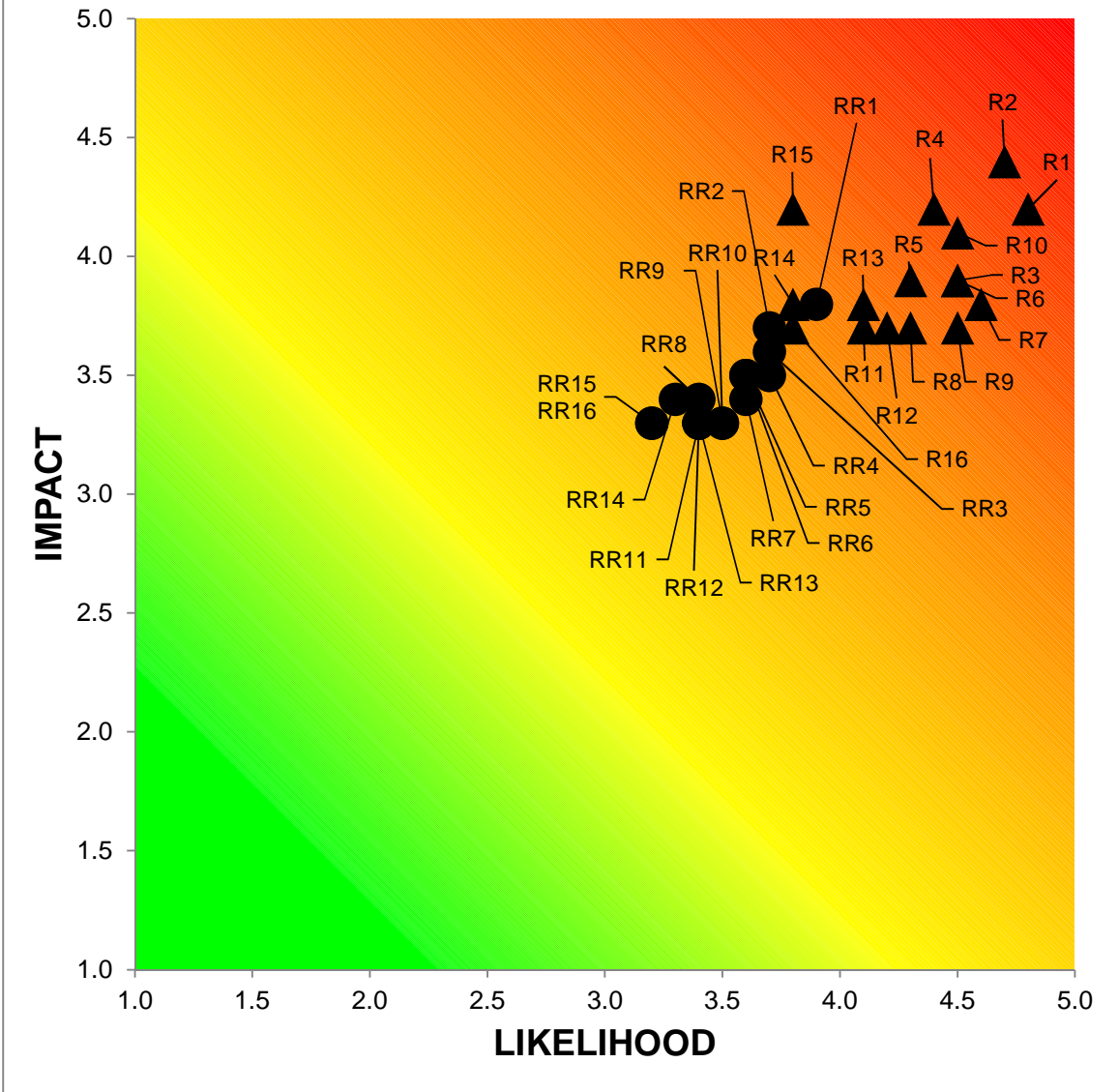
A comprehensive overview of the results of the November, 2014 Risk Profile workshop can be found in Appendix A. This includes the risk name, category and definition. The inherent and residual risk ratings for each risk, as well as the overall residual risk score, are also include.

Full Mitigation Plans for each of the College's high risks can be found in Appendix B. This includes an overview of the status, mitigation plans and indicators by risk group.

Heat Map

The heat map below outlines the inherent and residual risk values for each of the College's sixteen high risks. Note that the risk values are determined by the following calculation: Likelihood x Impact = Risk Value (also called the Risk Rating).

Top 16 Risks - Inherent and Residual Values



Legend

- Inherent Risk R# (Risk #) ▲
- Residual Risk RR# (Residual Risk #) ●

Risk ID	Risk Category	Risk Name	Inherent Risk		Residual Risk		Residual Risk Score	Rounded Result
			Likelihood	Impact	Likelihood	Impact		
R1	Strategic	Automated Services	4.8	4.2	3.9	3.8	14.82	15
R2	Strategic	IT Efficiency	4.7	4.4	3.7	3.7	13.69	14
R3	Strategic	Succession Planning	4.5	3.9	3.7	3.6	13.32	13
R4	Strategic	Physical Infrastructure	4.4	4.2	3.7	3.5	12.95	13
R5	Operational & Hazard	Knowledge Management	4.3	3.9	3.6	3.5	12.60	13
R6	Financial	Financial Sustainability	4.5	3.9	3.6	3.5	12.60	13
R7	Operational & Hazard	Change Readiness	4.6	3.8	3.6	3.4	12.24	12
R8	Operational & Hazard	Performance Management	4.3	3.7	3.4	3.4	11.56	12
R9	Operational & Hazard	Labour Relations	4.5	3.7	3.5	3.3	11.55	12
R10	Strategic	IT Infrastructure	4.5	4.1	3.5	3.3	11.55	11
R11	Strategic	Innovation	4.1	3.7	3.4	3.3	11.22	11
R12	Financial	Business Productivity	4.2	3.7	3.4	3.3	11.22	11
R13	Operational & Hazard	Information Reliability	4.1	3.8	3.4	3.3	11.22	11
R14	International	International Strategy	3.8	3.8	3.3	3.4	11.22	11

Risk ID	Risk Category	Risk Name	Inherent Risk		Residual Risk		Residual Risk Score	Rounded Result
			Likelihood	Impact	Likelihood	Impact		
R15	Strategic	Enrolment Targets	3.8	4.2	3.2	3.3	10.56	11
R16	Strategic	IT Investments	3.8	3.7	3.2	3.3	10.56	11

High Risk Mitigation Indicators by Group

During the April, 2015 High Risk Owners Workshop, mitigation plans were identified for each of the College's sixteen high risks. Based on an analysis of these mitigation plans and current College environment, the following risk status and mitigation indicators were identified for each risk group:

Risk Group	Risk Status Indicator by Group	Group High Risk Mitigation Plan Summary	Risk Mitigation Indicator by Group
Business Process & Automation	Increasing	<ul style="list-style-type: none"> The VP, Digital Technologies and Innovation role has been created and is in the process of being filled. A Task Force for Automation has been put in place and provides recommendations around business processes and automation for the College overall. The Task Force has approximately ten automation projects in the works; a process has been put in place (and approved by PC) to monitor these projects closely. This has been included in the Annual Business Plan. ERP Planning around the Human Resource, Finance and Payroll systems is underway. This will assist with optimizing productivity by eliminating requests and reducing existing backlog through the automation of requests. Revised RFP expected to be issued in June, 2015. The Grade Entry Automation and the Bank Reconciliation Automation (including the Student Online Payment) projects are both in process and will be rolled in fall 2015. The upcoming 5 Year Strategic Plan will propose governance around which processes should be viewed at the College-level to support strategic directions. This will provide a mechanism for setting institutional priorities. Additional resources have been allocated to hire additional staff to support this initiative. 	Performing Well

Risk Group	Risk Status Indicator by Group	Group High Risk Mitigation Plan Summary	Risk Mitigation Indicator by Group
IT Infrastructure	Unchanged	<ul style="list-style-type: none"> • The College continues to invest in the refresh of the IT Infrastructure, as demands and end-user expectations are increasing (the number of devices that connect to our network wirelessly, the amount of bandwidth consumed, the heterogeneous nature of applications and devices in play, and the need to address an increasing volume of cyber security threats). A continued focus on IT Infrastructure is planned to keep up with the demand. • VP, Digital Technologies and Innovation role has been created and is in the process of being filled. • The College is working on a revised Digital Strategy. • This will be presented to the Board in June, 2015. • A Task Force for Automation has been put in place and provides recommendations around business processes and automation for the College overall. • ERP Planning around the Human Resource, Finance and Payroll systems is underway. This will assist with optimizing productivity by eliminating requests and reducing existing backlog through automation. Revised RFP expected to be issued in June, 2015. • A formal service level agreement and reporting is being developed as part of the College's Responsibility Centre Management initiative 	Requires Monitoring / Adjustment

Risk Group	Risk Status Indicator by Group	Group High Risk Mitigation Plan Summary	Risk Mitigation Indicator by Group
Human Resources Strategy	Increasing	<ul style="list-style-type: none"> • College Management Committee is looking at Vacancy Management strategies (this committee includes an HR representative) • An Audit on the College's succession planning will be conducted in 2015-16. • The College is in the process of hiring a new VP, Human Resources. • The College has set aside the budget to initiate a project which will explore potential solutions related to succession planning. • The Leadership Mentoring Program continues to run. A new cohort is introduced every year. • Responsibility Center Management fosters culture of innovation amongst management on the Academic side. • There is an institutional focus on process mapping and documentation - there is an opportunity to leverage the ERP system here. • The Managers Mandatory Management Academy launched in Fall 2014. It provides training, fosters knowledge sharing and promotes common language. • The College has hired Change Management Consultant to socialize the concept of change readiness/management. The consultant provides training and assists College staff (management and employee level) socialize this concept and assists broader College personnel (manager and employee level) reduce conflict around change. • The 2015-16 Employee Engagement Survey has been completed. • Communication - Single Virtual Portal -- lead taken by Advancement – completed and launched. • Celebrate Success and Deal with Low Performance - lead taken by HR to recognize part-time years of service is completed. • Student Course feedback – lead taken by Academic – revised process to be presented to Deans' Council in September 2014 for implementation in 2014-2015. New questionnaire to be developed for 2014-2015 as well. • Financial reporting functionality is live in the production environment. During September, 2014, the finance department will be running a pilot program for the Cognos version of financial reporting. • Microsoft business intelligence functionality is now fully operational and has been used for various reports and models including a Scenario Planning model for enrolment and space forecasting. • Increased communication strategy through engagement at Deans Council and Chairs Council allowing for discussion of issues and concerns with the Academic Leaders at the outset of decisions that impact on Faculty. • Regular meetings with Deans/Directors management committees allow both administrative and academic areas to discuss labour relation issues with HR in a timely fashion. • Tentative agreements reached for both the Support Staff and the Academic Staff collective agreements. 	Performing Well

Risk Group	Risk Status Indicator by Group	Group High Risk Mitigation Plan Summary	Risk Mitigation Indicator by Group
Financial Sustainability and Enrolment	Unchanged	<ul style="list-style-type: none"> • The International Education Strategic Plan outlines alternate funding streams. • Partnerships with industry and alternative models are being discussed. These include: <ul style="list-style-type: none"> ○ HLE initiative (infrastructure model developed, as well as a request for MTCU funding and proposal of a Capital Campaign initiative) ○ Raising funds from the Alumni Awareness campaign ○ Increased revenue from Corporate Training initiative ○ Increased resources through enhancements to College Ancillary Services ○ Funding raised from Year 2 of 5 Year Fundraising Campaign ○ Increased savings from Energy Savings Contract (ESCO) • New sub-committee of Strategic Enrolment Management Committee meets weekly to analyze applications, confirmations and registrations for each semester. • The College has created a Manager of Retention position to work with Deans, Chairs, Faculty in order to implement effective retention initiatives across a variety of programs. • Residence Life Component to help at-risk students. • ERP Planning around the Human Resource, Finance and Payroll systems is underway. This will assist with optimizing productivity by eliminating requests and reducing existing backlog through the automation of requests. It may also reduce costs. • Increase in articulation agreements with universities both domestically and internationally. 	Requires Monitoring / Adjustment

Risk Group	Risk Status Indicator by Group	Group High Risk Mitigation Plan Summary	Risk Mitigation Indicator by Group
Physical Infrastructure & Academic Equipment	Unchanged	<ul style="list-style-type: none"> • The development of a realistic infrastructure maintenance strategy to sustainably manage physical and digital facilities and infrastructure, driven by total cost of ownership and efficiency in operations and maintenance is in progress and targeted for completion by August 31st, 2015. The strategy will incorporate the following key elements: <ul style="list-style-type: none"> ○ Create financial capacity in an internally restricted sinking fund maintenance reserve ○ Leverage private sector investments, such as those in ESCO2 ○ Transform Physical Resources to better focus on maintaining the College's physical infrastructure ○ The development of strategic metrics to improve management of the Facility Condition Health overall ○ An advocacy campaign that targets the government and College partners. • Elements of the Infrastructure Maintenance Strategy, including specific projects and initiatives, will be included in the 5-Year Master Development Plan for Woodroffe Campus, to be presented to the Board of Governors in June 2015. • Use existing asset tracking system to inform sub-strategy for Academic Equipment and ensure integration with broader infrastructure asset tracking system. • Completion of the Cornerstone Campaign, a fundraising campaign with a portion of funding specifically assigned to Academic equipment. 	Requires Monitoring / Adjustment

Risk Group	Risk Status Indicator by Group	Group High Risk Mitigation Plan Summary	Risk Mitigation Indicator by Group
International	Unchanged	<ul style="list-style-type: none"> • The COE and Algonquin have a close working relationship. Opportunities to ensure that AC Jazan is successful will be finalized in April-May. • The AC Jazan Business Plan (effective April 1, 2015) includes several strategies to increase international student conversion retention. • The College is reviewing on-shore recruitment strategies for India and China. • The International Student Support Case Management system was piloted using the Client Relationship Management platform. • In September, the AC Kuwait campus will open. • The College is reviewing four major partnerships for offshore activities (India, UAE, 2 in China) - these are potential major partnerships. • The College is conducting an Internal Audit of the International Strategic Plan, fulfilling a recommendation from the ARM Committee. • The College is reviewing a KPMG audit of offshore partnerships, fulfilling a recommendation from the Risk Based Audit Plan. • An updated International Travel Policy that covers students and faculty is almost complete. The College's travel insurance provider has changed and students are now automatically covered. • The College monitors the geopolitical situation on an ongoing basis. • Emergency Response Plans for offshore operations are revised on an ongoing basis. 	Requires Monitoring / Adjustment

NEXT STEPS

MNP notes that Algonquin College has made significant progress with the ERM Program. Next steps and key recommendations are as follows:

- Work with the Board of Governors, through the ARM standing committee, to develop Risk Appetite statements. These statements establish the boundaries for broad risk taking activities of the College in the pursuit of its strategic goals by considering key business drivers and parameters required for decision making. Risk appetite statements should be developed in collaboration with the PC, CLC and the CRMC.
- Further integrate ERM into strategic and business planning ensuring that annual Business Plans and multi-year Strategic Plans undergo risk assessments prior to being finalized and communicated across the College. It should be noted here that the College is already undertaking this initiative, through an upcoming risk assessment of their 15/16 Business Plan.
- Formalize risk reporting through the development of established reporting requirements, stakeholders being report to, timelines for reports (e.g. quarterly) and information required within the risk reports.

APPENDIX A – ALGONQUIN’S COMPLETE RISK PROFILE RESULTS

The following tables details the results of the November, 2014 Risk Profile workshop, wherein the College Leadership Council assessed the inherent and residual risk (based on likelihood and impact) for each risk identified by the College from September – October, 2014.

Risk Code	Risk Category	Risk Name	Risk Definition	Inherent Risk Score	Residual Risk Score	Rounded Result
ASE	Strategic	Automated Services	The risk that the College has limited capacity to complete significant automation projects in a timely manner.	20.16	14.82	15
ITE	Strategic	IT Efficiency	The risk that IT systems are not properly implemented to create operational efficiencies or increase automation.	20.68	13.69	14
SPL	Strategic	Succession Planning	The risk that the College fails to identify and develop key personnel for succession planning purposes and does not effectively plan for resignations and retirements.	17.55	13.32	13
PIN	Strategic	Physical Infrastructure	The risk of inadequate infrastructure (e.g. lecture rooms, residences) to effectively support the current and future requirements of the College in a controlled, cost-effective and efficient manner.	18.48	12.95	13
KMA	Operational & Hazard	Knowledge Management	The risk that knowledge management practices are insufficient/inappropriate in order to support informed decision making and otherwise maintain the corporate memory of the College.	16.77	12.60	13
CRV	Financial	Financial Sustainability	The risk of an inability to secure sufficient capital and/or seek out alternative revenue sources to reduce dependency on government funding.	17.55	12.60	13
CRE	Operational & Hazard	Change Readiness	The risk that employees are unable to implement process and program/service improvements quickly enough to keep pace with changes in the marketplace.	17.48	12.24	12

Risk Code	Risk Category	Risk Name	Risk Definition	Inherent Risk Score	Residual Risk Score	Rounded Result
PMA	Operational & Hazard	Performance Management	The risk that individual performance is not adequately measured/captured or performance evaluation is imbalanced or not aligned with the College's strategies and objectives.	15.91	11.56	12
LRE	Operational & Hazard	Labour Relations	The risk that poor relations or changes occur within the work environment that lead to conflicts involving labor unions, thereby disrupting normal operations.	16.65	11.55	12
ITI	Strategic	IT Infrastructure	The risk of inadequate information technology (e.g. hardware, networks, software, people and processes) to effectively support requirements and maintain the College's competitive advantage.	18.45	11.55	12
INN	Strategic	Innovation	The risk that current management models and initiatives do not adequately foster a culture of innovation and entrepreneurship within the staff.	15.17	11.22	11
BPR	Financial (Operational & Hazard)	Business Productivity	The risk that innovation and improvements to business processes are not effective in optimizing business productivity.	15.54	11.22	11
IRE	Operational & Hazard	Information Reliability	The risk of limited reliability in data or the quality and consistency of information for decision-making, both within and external to the College.	15.58	11.22	11
IST	International	International Strategy	The risk of not meeting the recommendations of the International Education Strategic Plan.	14.44	11.22	11
ETA	Strategic	Enrolment Targets	The risk that enrolment targets across all programs are not satisfactorily met or are based on unrealistic or incomplete assumptions.	15.96	10.56	11

Risk Code	Risk Category	Risk Name	Risk Definition	Inherent Risk Score	Residual Risk Score	Rounded Result
ITN	Strategic	IT Investments	The risk that investment in IT systems is conducted in a manner that is not aligned with goals, sustainable, cost-effective or well-controlled.	14.06	10.56	11
IRR	International	International Relationships	The risk of strained relationships between Colleges of Excellence (COE) and Algonquin	11.22	10.24	10
DPI	Operational & Hazard	Data Privacy and Info Security	The risk that the failure to adequately restrict access to confidential/personal information (data or programs) may result in unauthorized access and use of information, or overly restrictive access to information may preclude personnel from performing their assigned responsibilities effectively and efficiently.	18.45	10.23	10
CAC	Operational & Hazard	Communication and Collaboration	The risk that ineffective communication results in messages that are inconsistent or does not help to build employee engagement and collaboration.	15.12	9.92	10
ISE	Financial	Investment Selection	The risk that the College is unable to create a suitable investment decision framework or fails to adequately measure all costs and benefits of investments.	15.96	9.92	10
ERE	Operational & Hazard	Engagement/Retention	The risk that the College is unable to foster a culture and implement practices that promote student engagement and retention.	12.60	9.30	9
GCO	Financial	Government Commitment	The risk that the College does not adequately anticipate and/or provision for fluctuations in levels of government funding, threatening the College's capacity to offer competitive programs and services.	15.58	9.30	9

Risk Code	Risk Category	Risk Name	Risk Definition	Inherent Risk Score	Residual Risk Score	Rounded Result
SFC	Financial	Student Financial Capacity	The risk that the College does not adequately anticipate and/or provision for fluctuations in levels of government funding, threatening the College's capacity to offer competitive programs and services.	14.06	9.00	9
RRF	Operational & Hazard	Recruitment & Retention of Faculty, Staff and Administrators	The risk that the College cannot attract and retain the necessary faculty, staff and administrators with the passion, credentials, skills, and experience to effectively deliver on the College's mission and strategic directions.	13.32	8.99	9
PIV	Financial	Partner Investment	The risk of the inability to develop and manage partnerships with government, industry, alumni and individuals in support of (not or) academic programs, student financial aid and facilities investment.	13.32	8.99	9
IPA	Financial	Industry Partnerships	The risk of the failure to capitalize on partnering & fundraising opportunities or expanding the College's engagement with industry.	14.06	8.64	9
ETI	International	International Enrollment Targets	The risk of not meeting targets for the number of students enrolling, attending and graduating for each trimester.	11.55	8.41	8
SEI	International	Safety Oversees (Internationally)	The risk of harm to students or employees from violence or disease (overseas)	11.55	8.37	8
SUS	Financial	Sustainability	The risk that the College fails to embed sustainable practices in accordance with the College's Sustainable Strategy Framework.	11.78	8.37	8
LDE	Strategic	Leadership Development	The risk that faculty and staff are not effectively led or provided with development opportunities that are required to thrive in a fast-changing college environment.	14.06	8.12	8

Risk Code	Risk Category	Risk Name	Risk Definition	Inherent Risk Score	Residual Risk Score	Rounded Result
BAP	Financial	Budgeting and Planning	The risk that resource allocation is inappropriate or inconsistent / misaligned with the College's strategic plan and priorities.	14.04	8.10	8
PME	Operational & Hazard	Performance Measurement	The risk that inadequate program performance metrics or ineffective program performance measurement practices do not adequately evaluate program performance and allow for corrective measures to be implemented.	13.65	7.84	8
DDM	Strategic	Diverse Delivery Modalities	The risk of the inability to keep pace with, understand, or respond to the evolving needs of students for educational content accessible through various delivery modalities (mobile, hybrid and online).	15.17	7.84	8
CCO	Strategic	Community Connections	The risk of an inability to develop centers of excellence or program clusters that take advantage of local community strengths.	11.90	7.56	8
SES	Strategic	Student Experience / Satisfaction	The risk that social and student orientation programs do not adequately engage students or foster a sense of belonging amongst students.	11.22	7.56	8
ELA	Strategic	Experiential Learning	The risk that the College does not provide sufficient/suitable experiential learning opportunities, including applied research.	11.16	7.25	7
CSE	Reputational	Client Services	The risk that the quality of client services delivered to students does not meet expected standards set out by the College.	12.58	7.02	7
ACR	Operational & Hazard	Admission Criteria	The risk that the College does not develop recruitment admission criteria that targets students best able to succeed.	9.92	7.00	7
AKT	Operational & Hazard	Access to Knowledge/Tools	The risk that students do not have access to the knowledge, skills, training and tools they require to thrive in today's digitally connected world.	13.32	6.76	7

Risk Code	Risk Category	Risk Name	Risk Definition	Inherent Risk Score	Residual Risk Score	Rounded Result
STL	Operational & Hazard	Staffing Levels	The risk of not having sufficient employees required to operate efficiently and effectively.	10.56	6.75	7
SEC	Operational & Hazard	Security	The risk that College security measures fail to prevent damage or injury to students, staff and/or property.	12.58	6.75	7
PDM	Strategic	Program Development	The risk that resource requirements, appropriate demand, and time to deploy are not sufficient to develop and launch new academic programs.	11.90	6.25	6
PRR	Reputational	Program Relevance/Recognition	The risk that College programs do not reflect student/employer demand, or do not provide relevant degree experience.	10.23	5.52	6
IER	International	International Engagement / Retention	The risk that Algonquin's international program credentials and certifications are not respected and recognized internationally.	8.96	5.52	6
REG	Compliance & Legal	Regulatory	The risk of changes in laws and regulations and the College's ability to meet the changes and requirements.	8.25	5.52	6
PMX	Strategic	Program Mix	The risk that the mix of programs offered by the College does not adequately reflect demand, diversity, employee trends, and/or financial sustainability.	11.16	5.28	5
OUT	Operational & Hazard	Outreach	The risk that the College is not able to leverage social media and other collaborative tools in order to engage existing students in a positive manner.	10.20	5.28	5
CBR	Reputational	College Brand	The risk of an inability to maintain the asset value of the College brand.	8.50	4.56	5

APPENDIX B – HIGH RISK MITIGATION PLANS

During the April, 2015 High Risk Owners Workshop, the following mitigation plans were identified for each of the College's sixteen high risks:

Risk Group	Risk Code	Specific Risk Definition	Risk Owners	Risk Status Indicator by Group	Group High Risk Mitigation Plan Summary	Risk Mitigation Indicator by Group
Business Process & Automation	ASE	The risk that the College has limited capacity to complete significant automation projects in a timely manner.	Chuck Doyle - Mgr. Business Process Review	Increasing	<ul style="list-style-type: none"> The VP, Digital Technologies and Innovation role has been created and is in the process of being filled. This senior executive position will be responsible for driving innovation, process re-engineering and automation of services and business processes. 	Performing Well
Business Process & Automation	BPR	The risk that innovation and improvements to business processes are not effective in optimizing business productivity.	Chuck Doyle - Mgr. Business Process Review	Unchanged	<ul style="list-style-type: none"> The Automation and Process Improvement Task Force has been established to develop recommendations around business processes and automation for the College overall. The Task Force will establish criteria to support the prioritization of automation and process improvement projects and identify a clear, transparent process to receive requests for automation and process improvement from College employees. The 2015/16 Annual Business Plan includes an initiative to automate ten business processes. Included are the Grade Entry Automation and the Bank Reconciliation Automation (including the Student Online Payment) projects that are both in process and will be rolled in Fall 2015. Project Fusion is a College-wide initiative to upgrade several legacy enterprise resource planning (ERP) systems including Human Resources/Payroll, Financial Information System and the Budget 	Requires Monitoring / Adjustment

					<p>Utility System. Upgrading to current technology and best practices will result in greater operating efficiency, data integrity and enhanced reporting and analytic capabilities. A Request for Proposals will be issued in late spring/summer 2015.</p> <ul style="list-style-type: none"> As part of the 2015/16 Annual Budget, additional resources were approved for the Application Development team in the Information Technology Services department. 	
IT Infrastructure	ITE	The risk that IT systems are not properly implemented to create operational efficiencies or increase automation.	Michael Gawargy - Dir. ITS		<ul style="list-style-type: none"> The College continues to invest in the refresh of the IT Infrastructure, as demands and end-user expectations are increasing (the number of devices that connect to our network wirelessly, the amount of bandwidth consumed, the heterogeneous nature of applications and devices in play, and the need to address an increasing volume of cyber security threats). A continued focus on IT Infrastructure is planned to keep up with the demand. 	
IT Infrastructure	ITI	The risk of inadequate information technology (e.g. hardware, networks, software, people and processes) to effectively support requirements and maintain the College's competitive advantage.	Michael Gawargy - Dir. ITS		<ul style="list-style-type: none"> VP, Digital Technologies and Innovation role has been created and is in the process of being filled. This senior executive position will be responsible for setting the information technology strategy and leading the mitigation efforts of IT-related risks identified in the Corporate Risk Profile. 	
IT Infrastructure	IRE	The risk of limited reliability in data or the quality and consistency of information for decision-making, both within and external to the College.	Michael Gawargy - Dir. ITS		<ul style="list-style-type: none"> The College is working on a revised Digital Strategy. This will be presented to the Board in June, 2015 and will inform the development of an IT strategy. 	
IT Infrastructure	ITN	The risk that investment in IT systems is conducted in a manner that is not aligned with goals, sustainable, cost-effective or well-controlled.	Michael Gawargy - Dir. ITS		<ul style="list-style-type: none"> A Task Force for Automation has been put in place and provides 	
IT Infrastructure	DPI	The risk that the failure to adequately restrict access to confidential/personal information (data or programs) may result in unauthorized access and use of information, or overly restrictive access to information may preclude personnel from performing their assigned responsibilities effectively and efficiently.	Michael Gawargy - Dir. ITS			

					<p>recommendations around business processes and automation for the College overall.</p> <ul style="list-style-type: none"> • A significant upgrade to the Enterprise Resource Planning systems for Human Resource, Finance and Payroll functions is underway. This will assist with optimizing productivity by eliminating requests and reducing existing backlog through automation. Revised RFP expected to be issued in June, 2015. • A formal Information Technology Services (ITS) service level agreement and reporting is being developed as part of the College's Responsibility Centre Management initiative. 	
Human Resources Strategy	SPL	The risk that the College fails to identify and develop key personnel for succession planning purposes and does not effectively plan for resignations and retirements.	Diane McCutcheon - Dir. LR / Rebecca Volk - Mgr. CoL	Increasing	<ul style="list-style-type: none"> • An internal audit on the College's human resources strategies and practices will be undertaken in 2015-16. Observations and recommendations will be developed to address several risks identified in the Corporate Risk Profile. • The College President has established good working relationships with each of the Union Local Presidents. The President meets with each of the Union Presidents' regularly to discuss labour relations issues. • The College is in the process of hiring a new VP, Human Resources who will receive orientation on the College's Corporate Risk Profile so that she/he may further advance appropriate risk mitigation strategies. • The Leadership Mentoring Program is in its third year of existence and 	Performing Well
Human Resources Strategy	KMA	The risk that knowledge management practices are insufficient/inappropriate in order to support informed decision making and otherwise maintain the corporate memory of the College.	Diane McCutcheon - Dir. LR / Rebecca Volk - Mgr. CoL			
Human Resources Strategy	CRE	The risk that employees are unable to implement process and program/service improvements quickly enough to keep pace with changes in the marketplace.	Diane McCutcheon - Dir. LR / Rebecca Volk - Mgr. CoL			
Human Resources Strategy	PMA	The risk that individual performance is not adequately measured/captured or performance evaluation is imbalanced or not aligned with the College's strategies and objectives.	Diane McCutcheon - Dir. LR / Rebecca Volk - Mgr. CoL			
Human Resources Strategy	LRE	The risk that poor relations or changes occur within the work environment that lead to conflicts	Diane McCutcheon - Dir. LR / Rebecca Volk - Mgr. CoL			

		involving labor unions, thereby disrupting normal operations.				
Human Resources Strategy	INN	The risk that current management models and initiatives do not adequately foster a culture of innovation and entrepreneurship within the staff.	Diane McCutcheon - Dir. LR / Rebecca Volk - Mgr. CoL		<p>fosters knowledge transfer and personal development of employees.</p> <ul style="list-style-type: none"> • The Managers Mandatory Management Academy launched in Fall 2014. It provides training, fosters knowledge sharing and promotes common language. • The College identified resources in the 2015/16 Annual Budget to support a review of Succession Planning practices. • The College has hired a Change Management Consultant to socialize the concept of change readiness/management. The consultant provides training and assists College staff (management and employee level) socialize this concept and assists broader College personnel (manager and employee level) reduce conflict around change. • The 2015 Employee Engagement Survey has been completed and provides insights into areas the College needs to focus to enhance employee engagement. • In response to concerns from the 2012 Employee Engagement Survey • The College has launched an employee portal "myAC" to facilitate collaboration, engagement and communications • HR has taken the lead ensure the College Celebrates Success and Deals with Low Performance • HR has instituted changes to ensure that the College recognizes part-time years of service 	

Financial Sustainability and Enrolment	FSU	The risk of an inability to secure sufficient capital and/or seek out alternative revenue sources to reduce dependency on government funding.	Cathy Dempsey - Dir. Finance / Peter Fortura - Acting ED Academic Operations & Planning	Unchanged	<ul style="list-style-type: none"> • The International Education Strategic Plan outlines alternate funding streams and continues to be executed. • Partnerships with industry and alternative models are being discussed. These include: <ul style="list-style-type: none"> ○ HLE initiative (infrastructure model developed, as well as a request for MTCU funding and proposal of a Capital Campaign initiative) ○ Raising funds from the Alumni Awareness campaign ○ Increased revenue from Corporate Training initiative ○ Increased resources through enhancements to College Ancillary Services ○ Funding raised from Year 2 of 5 Year Fundraising Campaign ○ Increased savings from Energy Savings Contract (ESCO) 	Requires Monitoring / Adjustment
Financial Sustainability and Enrolment	ETA	The risk that enrolment targets across all programs are not satisfactorily met or are based on unrealistic or incomplete assumptions	Cathy Dempsey - Dir. Finance / Peter Fortura - Acting ED Academic Operations & Planning		<ul style="list-style-type: none"> • New sub-committee of Strategic Enrolment Management Committee meets weekly to analyze applications, confirmations and registrations for each semester. • Responsibility Center Management (RCM) model will incent College leaders to pursue entrepreneurial initiatives, improve student retention and success, contain costs and grow revenues leading to greater financial sustainability. • Greater emphasis on creating Learning Enterprises that combine applied learning with commercial activities (selling goods and services, monetization of assets) to the College community and the public (example, the Algonquin Spa). 	

					<ul style="list-style-type: none"> • The College has created a Manager of Retention position to work with Deans, Chairs, Faculty in order to implement effective retention initiatives across a variety of programs. Residence Life Component to help at-risk students and improve retention. • Increase in articulation agreements with universities both domestically and internationally. 	
Physical Infrastructure & Academic Equipment	PIN	The risk of inadequate infrastructure (e.g. lecture rooms, residences) and academic equipment to effectively support the current and future requirements of the College in a controlled, cost-effective and efficient manner.	John Tattersall - Dir. Physical Resources / Peter Fortura - Acting ED Academic Operations & Planning	Unchanged	<ul style="list-style-type: none"> • The development of a realistic infrastructure maintenance strategy to sustainably manage physical and digital facilities and infrastructure, driven by total cost of ownership and efficiency in operations and maintenance is in progress and targeted for completion by August 31st, 2015. The strategy will incorporate the following key elements: • Create financial capacity in an internally restricted sinking fund maintenance reserve • Leverage private sector investments, such as those in the Energy Services Contract (ESCO2) • Transform Physical Resources to better focus on maintaining the College's physical infrastructure • The development of strategic metrics to improve management of the Facility Condition Health overall • An advocacy campaign that targets the government and College partners. • Elements of the Infrastructure Maintenance Strategy, including specific projects and initiatives, will be included in the 5-Year Master Development Plan for Woodroffe Campus, to be presented to the Board of Governors in June 2015. 	Requires Monitoring / Adjustment

					<ul style="list-style-type: none"> • Use existing asset tracking system to inform sub-strategy for Academic Equipment and ensure integration with broader infrastructure asset tracking system. • Completion of the Cornerstone Campaign, a fundraising campaign with a portion of funding specifically assigned to Academic equipment. • College is preparing a response to a call from the Ministry of Training, Colleges and Universities to update their records with Ontario colleges' capital planning initiatives over the next 5 years. This will create greater awareness at the Ministry of the colleges' challenges in maintaining infrastructure. 	
International	IST	The risk of not meeting the recommendations of the International Education Strategic Plan.	Ernest Mulvey - Dir. International Education Centre	Unchanged	<ul style="list-style-type: none"> • The College is undertaking several initiatives to mitigate risks and support the success of Algonquin College - Saudi Arabia • The Colleges of Excellence and Algonquin have a close working relationship. Opportunities to help ensure that AC Jazan is successful will be finalized in the Spring of 2015. • The 2015/16 AC Jazan Business Plan will include several strategies to increase international student conversion retention. • The College is reviewing on-shore recruitment practices for India and China to identify strategies to improve enrolments from these two nations. • The International Student Support Case Management system was piloted using the Client Relationship Management platform. • In September, the AC Kuwait campus will open. 	Requires Monitoring / Adjustment

APPENDIX C- KEY RISK PROFILE TOOLS AND CRITERIA

Key tools and criteria referenced in this report are included below and have been excerpted from the College’s ERM Guideline. These have been included in this updated Risk Profile to ensure continuity between terms and promote the use of a common language for Enterprise Risk Management.

Impact Rating Matrix

Risk Score	Impact Level	Descriptors	Possible Impacts Examples
1	Insignificant	Negative outcomes from risk or lost opportunities do not have an effect on the College’s reputation or performance	<ol style="list-style-type: none"> 1. Financial: College revenue loss or gain of <\$50K. 2. Financial: College department unit <\$5K cash impact. 3. Health & Safety (Compliance): No legal consequences or adverse health effects for any individual. 4. Environment (Compliance): Minor harm, clean-up <\$25K. 5. Compliance & Legal: Not guilty, fines <\$25K. 6. Reputational: Brief negative or positive attention in local news/social media; Prompt resolve. 7. Strategic: Achievement of a strategic goal delayed within first year. 8. Human (Hazard): Injury, no First Aid required. 9. Business Interruption (Operational) : <1 week; Small number of classes or research projects disrupted for <1 month. 10. Systems and Processes (Operational): Minor errors or delay in system (e.g. IT), short term impact.
2	Minor	Negative outcomes from risks or lost opportunities that will not have a permanent or significant effect on the College’s reputation or performance	<ol style="list-style-type: none"> 1. Financial: College revenue loss or gain of over >\$50K and < \$500K. 2. Financial: College department unit \$5K to \$50K cash impact. 3. Health & Safety: (Compliance): Warning or order to comply from regulatory authority; minor injuries to one or two individuals. 4. Environment (Compliance): Clean-up \$25K to \$250K. 5. Compliance & Legal: Minor breach, fine <250K.

Risk Score	Impact Level	Descriptors	Possible Impacts Examples
3			<ul style="list-style-type: none"> 6. Reputational: Negative or positive attention in local news/social media for up to one week; Student Press. 7. Strategic: One or more strategic goals not attainable and must be revised. 8. Human (Hazard): First Aid Required, Injury. 9. Business Interruption (Operational): 1 to 2 weeks; Small number of classes or research projects disrupted for 1 to 4 months. 10. Systems and Processes (Operational): Policy / Procedure not met, key programs impacted for short term.
	Moderate	Negative outcomes from risks or lost opportunities that will not have a permanent or significant effect on the College's reputation or performance	<ul style="list-style-type: none"> 1. Financial: College revenue loss or gain of >\$500K to <\$3M. 2. Financial: College department unit cash impact of \$50K to \$250K. 3. Health & Safety (Compliance): Statutory charges against one or two employees. 4. Environment (Compliance): Short term harm, \$250K to \$1M clean-up. 5. Compliance & Legal: Breach of legislation, fine \$250K to \$1M 6. Reputational: Negative/positive attention in national news/social media for less than a week, or in local media for 1 to 2 weeks or in surrounding communities for < 2 weeks; Heavy local media 7. Strategic: A key strategic goal underlying an institutional commitment cannot be attained without significant revision and delay of > 1 year. 8. Human (Hazard): Injury/Hospital; Major reversible injury. 9. Business Interruption (Operational): 2 to 4 week interruption; Inability of a substantial portion of an entire department to provide education or perform research for < 1 month or the disruption of a small number of

Risk Score	Impact Level	Descriptors	Possible Impacts Examples
4			<p>classes or research projects > 4 months.</p> <p>10. Systems and Processes (Operational): less than 1 KPI not met, service delivery inconvenient to clients, survival/success of key projects impacted.</p>
	Major	<p>Negative outcomes from risks or lost opportunities with a significant effect that will require major effort to manage and resolve in the medium term but do not threaten the existence of the institution in the medium term</p>	<ol style="list-style-type: none"> 1. Financial: College revenue loss or gain of >\$3M to <\$25M. 2. Financial: College department unit cash impact of \$250K to \$500K. 3. Health & Safety (Compliance): Statutory charges or civil suits against the College and one or more of its senior administrators; permanently disabling injuries to one or more persons. 4. Environment (Compliance): Short term, \$1 to \$5M clean-up. 5. Compliance & Legal: Critical risk reported to ARM, legislation breach, fine \$1 to \$5M 6. Reputational: Negative/positive headlines in international news/social media for < 1 week, or attention in national media for 1 to 2 weeks, or in the local media > 2 weeks or sustained negative/positive reaction among surrounding communities; Adverse media. 7. Strategic: One or more institutional commitments unable to be achieved in planning timeframe. 8. Human: Intensive Care; Irreversible injury or death (one person). 9. Business Interruption: Business interruption 4 to 6 weeks; Inability for the substantial portion of an entire department to provide education or perform research for a period between 1 and 4 months. 10. Systems and Processes (Operational): A number of KPIs not met, bad policy advice, degrading service level trends,

Risk Score	Impact Level	Descriptors	Possible Impacts Examples
5			survival of key programs and projects impacted, IT strategy not aligned with digital college.
	Catastrophic	Negative outcomes from risks or lost opportunities which if not resolved in the medium term will threaten the existence of the institution	<ol style="list-style-type: none"> 1. Financial: College revenue loss or gain of > \$25M. 2. Financial: College department unit impact of >\$500K. 3. Health & Safety (Compliance): Criminal charges and other legal action against the College and one or more senior administrators or directors; one or more fatalities. 4. Environment (Compliance): Long term harm, clean-up >\$5M. 5. Compliance & Legal: Serious breach of legislation, fine >\$5M. 6. Reputational: Intense negative/positive headlines in the international media for > 1 week or in the national media > 2 weeks; National and international reputation impacted; Major negative sanction by MTCU; Closure of major part of the College. 7. Strategic: One or more institutional commitments unachievable. 8. Human (Hazard): Multiple irreversible injuries or deaths. 9. Business Interruption (Operational): Interruption > 6 weeks; Inability for the substantial portion of an entire department to provide education or perform research >1 academic term 10. Systems and Processes (Operational): Critical system failure, significant impact on key programs & projects, significant impact on key stakeholders.

Likelihood Rating Matrix

Risk Score	Likelihood Level	Descriptors	
1	Rare	Event may occur only in exceptional circumstances	<ul style="list-style-type: none"> Unlikely to occur in 5 years
2	Unlikely	Event could occur at some time	<ul style="list-style-type: none"> Likely to occur once in 5 years
3	Possible	Event might occur at some time	<ul style="list-style-type: none"> Likely to occur once in a year
4	Likely	Event will probably occur in most circumstances	<ul style="list-style-type: none"> Likely to occur in a month
5	Almost Certain	Event is expected to occur in most circumstances	<ul style="list-style-type: none"> Likely to occur in a week

Combined Impact/Likelihood Score – Risk Rating Matrix

The College uses a 5 x 5, 25-point scale Risk Rating Matrix to assess Impact and Likelihood of risk, with a total risk score of 25 being the highest risk.

Risk Rating Matrix and Combined Risk Score Legend

		Impact (I)					Combined Risk Score Legend		
		Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)	Low Risk	(1-4)	Low level of risk – Manage by routine procedures and operations; should not require much attention but should be reviewed at least every 18 months.
Likelihood (L)	Almost Certain (5)	Moderate Risk (5)	Moderate Risk (10)	High Risk (15)	Critical Risk (20)	Critical Risk (25)	Moderate Risk	(5-10)	Moderate level of risk – Manage by specific monitoring or response procedures; should be monitored and reviewed every 12 months.
	Likely (4)	Low Risk (4)	Moderate Risk (8)	High Risk (12)	High Risk (20)	Critical Risk (20)	High Risk	(11-18)	High level of risk – Requires escalation to VP and ARM; should be constantly monitored and reviewed every 6 months (May and November).
	Possible (3)	Low Risk (3)	Moderate Risk (6)	Moderate Risk (9)	High Risk (12)	High Risk (15)	Critical Risk	(19-25)	Top level of risk – Requires escalation to VP, ARM and Board of Governors responsible for risk management oversight; should be constantly monitored and reviewed monthly.
	Unlikely (2)	Low Risk (2)	Low Risk (4)	Moderate Risk (6)	Moderate Risk (8)	Moderate Risk (10)			
	Rare (1)	Low Risk (1)	Low Risk (2)	Low Risk (3)	Low Risk (4)	Moderate Risk (5)			

APPENDIX D – DEFINITIONS

The following definitions have been excerpted from the College's Enterprise Risk Management Program Guideline. They have been included in this updated Risk Profile to ensure continuity between terms and promote the use of a common language for Enterprise Risk Management.

Word/Term	Definition
Risk	Risk describes the probability of loss (financial / property, human, liability) or other negative event. At an enterprise level it describes the effect that uncertainty can have on the College's ability to execute its strategies and/or achieve its business objectives. Risk encompasses the potential for positive as well as adverse results.
Enterprise	Refers to integrating risk management into the entire College operation.
Enterprise Risk Management	A coordinated set of activities and methods that is used to direct the College and to control the many risks that can affect its ability to achieve objectives. Used interchangeably with the term risk management.
Enterprise Risk Management Framework	A set of components that provides the foundations and organizational arrangement for designing, implementing, monitoring, reviewing, communicating and continually improving risk management throughout the College. There are two types of components: the Enterprise Risk Management Policy and the process, also known as the Enterprise Risk Management Guideline.
Enterprise Risk Management Policy	Expresses the College's commitment to risk management and clarifies its general direction or intention.
Enterprise Risk Management Guideline	Identifies the activities we apply to manage our risk.
Risk Analysis	A process used to understand the nature, sources, and causes of the risks identified and to estimate the level of risk. It is also used to study impacts and consequences and to examine the controls that currently exist.
Risk Evaluation	The process of comparing the results of risk analysis with Risk Criteria to determine whether the risk and/or its magnitude is acceptable or tolerable. Risk evaluation assists in risk treatment decision making.
Risk Criteria	Terms of reference used to evaluate the significance or importance of the College's risks. They are used to determine whether a specified level of risk is acceptable or tolerable.

Word/Term	Definition
Risk Treatment	The policies, procedures, processes and controls implemented by management to modify risk, taking into consideration the College's risk tolerances, and the cost to modify and the benefit of the modification, including the effect on risk likelihood and impact.
Risk Appetite Statement	A continually reviewed statement that expresses the amount and type of risk that the College is willing to pursue or retain to achieve its mission and strategic objectives. The College statement is updated at a minimum once every three (3) years.
Risk Profile	A written description of a set of risks that are managed and addressed on a College wide basis or only by those that are responsible for a particular function or department of the organization. The College Risk Profile is updated at a minimum once every three (3) years.
Risk Owner	A College employee who has been given the authority to manage a particular risk and is accountable for doing so.
Risk Tolerance	Represents the application of Risk Appetite to specific objectives and implemented by Risk Owners and/or their personnel. It describes the level of risk the College is willing to accept in relation to a threat that may cause loss or an opportunity in the day-to-day business activities. The Risk Tolerance of the College may be different for different departments and business units.
Risk Culture	The system of values and behaviors present throughout the College that shape risk decisions. Risk culture influences the decisions of management and employees, even if they are not consciously weighing risks and benefits. Risk Culture also describes the degree to which individuals understand that risk and compliance rules apply to everyone as they pursue their business goals and that this requires a common understanding of the organization and its business purpose.
Risk Control	An activity or management action to mitigate risk. It includes the policies, procedures, reporting and initiatives performed by the College to ensure that the desired risk response is carried out. These activities take place at all levels and functions of the College.
Likelihood	The probability of an event occurring. Likelihood of an event occurring is rated as rare, unlikely, possible, likely, or almost certain.

Word/Term	Definition
Impact	The severity of an event. Impact or severity of an event is rated as insignificant, minor, moderate, major or catastrophic.
Risk Communication	The process of identifying risk and communicating broadly to enable all personnel to deliver on their responsibilities.
Risk Register	The official recording and assessment (with Impact and Likelihood) of the identified risks facing the College at a given period.
Risk Report	A report delivered to the Audit & Risk Management Committee (ARM) at least every six (6) months in May and November that provides ongoing monitoring and reporting on the progress of risk mitigation activities and results.
Risk Gap	The risk of outcomes not meeting expectations. Other terms used more specifically to the type of risk include performance gap and legitimacy gap that emerges when the interests or values, for example, of funders, Board of Directors and college representatives are not meeting expectations.
Inherent Risk	The Likelihood and Impact scores following a risk assessment and before the application of Risk Response. Also known as risk without controls.
Residual Risk	The Likelihood and Impact scores after the application of the Risk Response. Risk that remains after controls or treatments are implemented (partially or fully).
Target Risk	Risk that management desires after existing and future actions and treatments.
Risk Response	One or more risk modifications methods to control risk.



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Report title:	Endowment Fund Investment Results to March 31, 2015
Report to:	Board of Governors
Date:	October 13, 2015
Author/Presenter:	Duane McNair, Vice President, Finance and Administration

1. RECOMMENDATION:

THAT the Board of Governors accepts the Endowment Fund Performance Update for the year ended March 31, 2015 for information.

2. PURPOSE / EXECUTIVE SUMMARY:

To present the Endowment Fund Portfolio Performance Update for the year ended March 31, 2015.

3. BACKGROUND:

Algonquin College maintains an endowment fund with the following objectives:

- to provide a steady flow of income, in perpetuity, to meet expenditure requirements as defined in Section 4 of this policy. Ideally the income stream should grow each year in order to maintain the purchasing power of the Endowment Funds being disbursed; and
- to increase the market value of the Endowment Funds so that capital, in real terms, is maintained. This is achieved by increasing the balance held in the Endowment Funds by an annual amount that offsets the inflationary erosion of this Fund.

External investment counsel, Yorkville Asset Management, manages the endowment fund on behalf of Algonquin College. The Audit and Risk Management Committee receives quarterly updates on the performance of the fund. The Algonquin College Endowment Funds Statement of Investment Policies & Goals prescribes asset mix, expenditure rate, performance benchmarks, permitted investments and a risk management policy for the fund.

4. DISCUSSION:

The endowment account produced a return of 8.30% for the quarter ended March 31, 2015, outperforming the benchmark which returned 7.41%. The endowment fund one year return for the period ended March 31, 2015 is 20.84%, outperforming the benchmark index which was up 15.01%.

The portfolio is in compliance with the Endowment Investment Policy (amended October 14, 2014).

The attached Appendices present:

- a summary of activity in the fund for the year ended March 31, 2015;
- a summary of the asset allocation as it relates to the asset allocation benchmark;
- the performance review for the past fourteen years the fund has been managed by Doherty and Associates and the past year by Yorkville Asset Management;
- the investment return vs. benchmark for 3 months, 1 year, 3 years, and 5 years;
- 10 year performance graph; and an
- 8 year summary of realized investment available for distribution, unrealized investment income, and asset mix.

5. LINK TO STRATEGIC PLAN:

By providing financial assistance to students, the Endowment Fund links to the strategic pillar *Student and client success – Goal 5: Deliver exception service to our diverse student and client populations.*

6. STUDENT IMPACT:

The Algonquin College Foundation disburses funds for bursaries and scholarships which provide direct financial benefit to students. Disbursements from the fund are made annually at a rate of 4% of the previous year end's Endowment Fund Book Value. In the spring of 2015, \$853,000 was disbursed to fund student bursaries and scholarships.

7. FINANCIAL IMPACT:

The endowment fund is a restricted asset and is reported in Algonquin College's audited financial statements. As at March 31, 2015, the market value of the fund was reported as having a market value of \$24.7M (\$20.8M in 2014).

8. HUMAN RESOURCES IMPACT:

N/A

9. GOVERNMENT / REGULATORY / LEGAL IMPACT:

The College Endowment funds are subject to the *Ministry of Training, Colleges and Universities Minister's Binding Policy Directive – Banking, Investments and Borrowing* and invested in accordance with the *Trustee Act*.

10. COMMUNICATIONS:

N/A

11. CONCLUSION:

See attached appendices for Endowment Fund results as of March 31, 2015.

Respectfully submitted:



Vice President

Approved for submission:



President

Appendices:

6.1.1 Appendix A – Endowment Fund Report as of March 31, 2015

**Algonquin College
Endowment Fund Report
Board of Governors
As of March 31, 2015**

	Cost	Market	
Fund Balance March 31, 2014	\$ 19,151,986	\$ 20,810,100	
Deposits	434,019	434,019	
Withdrawals	(852,856)	(852,856)	
Investment Fees	(80,721)	(80,721)	
Investment Income (Loss)	<u>1,363,387</u>	<u>4,233,005</u>	* excludes accrued interest
Fund Balance as per Yorkville March 31, 2015	<u>\$ 20,015,816</u>	<u>\$ 24,543,547</u>	
Deposits in Transit	\$ 164,117	\$ 164,117	
Fund Balance as per College	<u>\$ 20,179,933</u>	<u>\$ 24,707,664</u>	

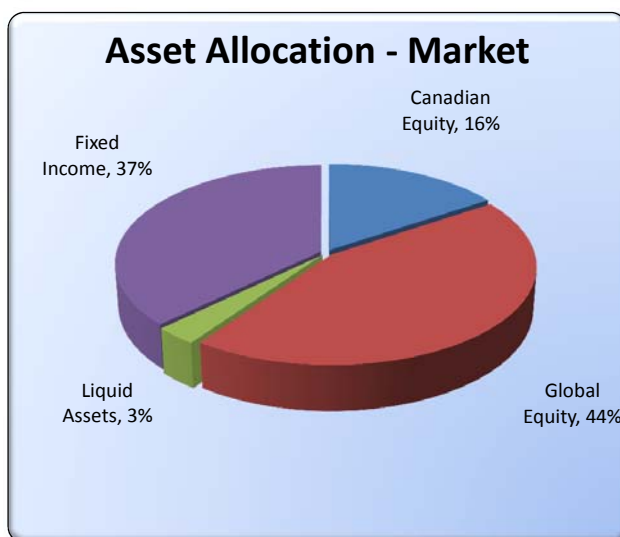
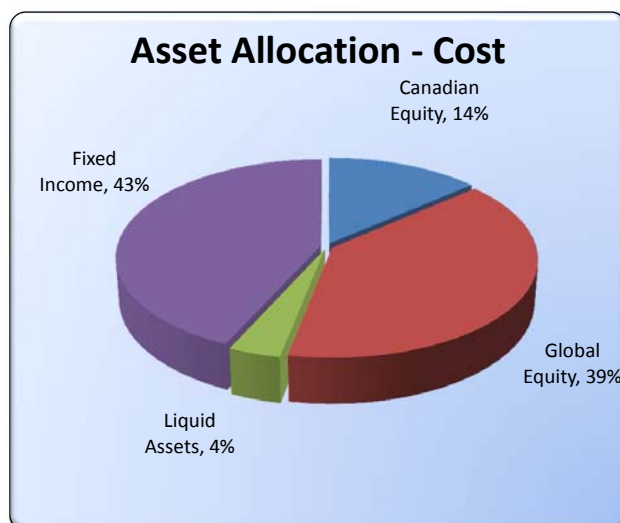
Fund Balance March 31, 2015	Cost	% of Cost	Market	% of Market	Benchmark	Policy Range
Cash	\$ 738,663	4%	\$ 738,663	3%	0%	0-5%
Fixed Income	8,648,754	43%	9,129,860	37%	35%	25-45%
Canadian Equity	2,725,304	14%	3,844,897	16%	22%	12-32%
Global Equities	<u>7,903,095</u>	39%	<u>10,830,127</u>	44%	43%	33-53%
Total	<u>\$ 20,015,816</u>	<u>100%</u>	<u>\$ 24,543,547</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

Algonquin College Endowment Fund

March 31, 2015

Asset Allocation

	<u>Cost</u>	<u>Percentage</u>	<u>Market</u>	<u>Percentage</u>	<u>Benchmark</u> (effective 08/31/12)
Canadian Equity	\$ 2,725,304	13.6%	\$ 3,844,897	15.7%	22.0%
Global Equity	\$ 7,903,095	39.5%	\$ 10,830,128	44.1%	43.0%
Total Equity	\$ 10,628,399	53.1%	\$ 14,675,025	59.8%	65.0%
Liquid Assets	\$ 738,663	3.7%	\$ 738,663	3.0%	0.0%
Fixed Income	\$ 8,648,754	43.2%	\$ 9,129,860	37.2%	35.0%
Total Portfolio	\$ 20,015,816	100.0%	\$ 24,543,548	100.0%	100.0%



Algonquin College Endowment Fund

Performance Review

March 31, 2015

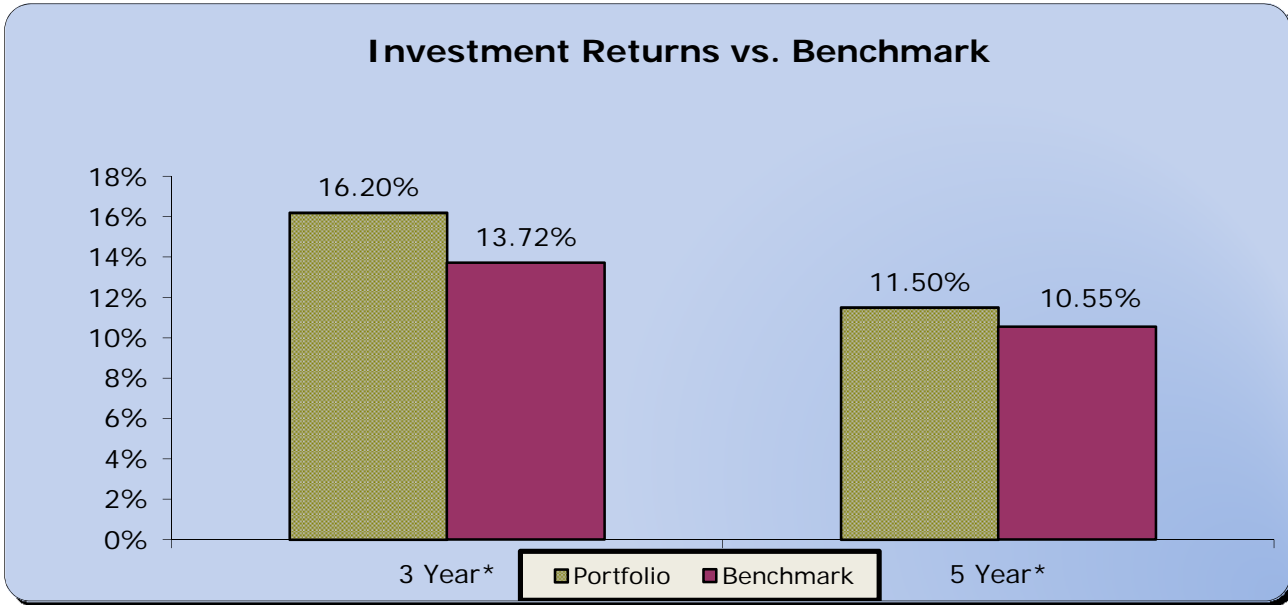
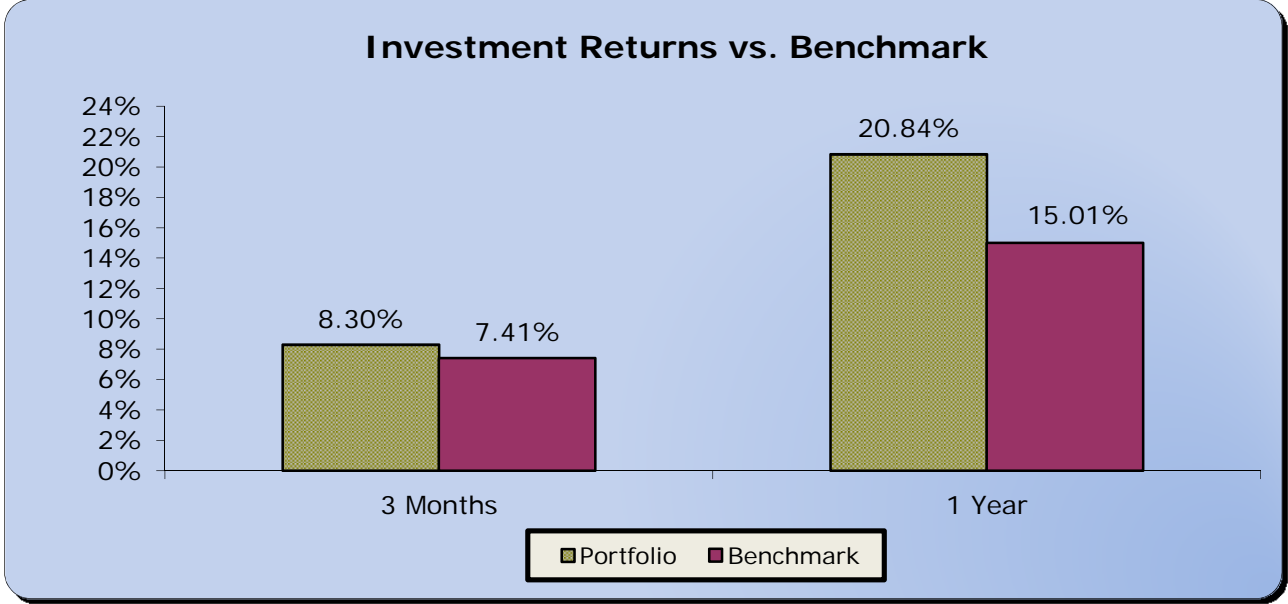
	<u>Fixed Income</u>	<u>DEX Universe</u>	<u>Relative Performance</u>	<u>Canadian Equity</u>	<u>TSX Composite</u>	<u>Relative Performance</u>	<u>Global Equity</u>	<u>MSCI World (ex-Cda)</u>	<u>Relative Performance</u>	<u>Portfolio Totals</u>	<u>Benchmark Totals</u>	<u>Relative Performance</u>
Fiscal 2000 (9 mths)	3.21%	3.21%	0.00%	1.89%	36.40%	-34.51%	0.06%	0.10%	-0.04%	1.92%	18.95%	-17.04%
Fiscal 2001	13.86%	8.70%	5.17%	19.97%	-18.60%	38.58%	10.42%	-17.14%	27.56%	13.18%	-9.18%	22.36%
Fiscal 2002	6.08%	5.09%	0.99%	14.90%	4.87%	10.03%	9.28%	-2.92%	12.20%	9.49%	3.07%	6.42%
Fiscal 2003	9.44%	9.14%	0.30%	-14.44%	-17.60%	3.16%	-27.60%	-29.81%	2.21%	-7.13%	-12.22%	5.09%
Fiscal 2004	10.67%	10.78%	-0.10%	42.25%	37.73%	4.52%	26.40%	30.95%	-4.54%	23.94%	26.10%	-2.16%
Fiscal 2005	4.73%	5.01%	-0.28%	21.28%	13.93%	7.35%	0.44%	2.04%	-1.60%	10.02%	7.51%	2.51%
Fiscal 2006	4.27%	4.86%	-0.59%	25.22%	28.42%	-3.20%	12.18%	13.86%	-1.68%	13.26%	15.91%	-2.64%
Fiscal 2007	5.63%	5.46%	0.18%	14.50%	11.42%	3.07%	15.99%	14.70%	1.28%	11.28%	9.99%	1.29%
Fiscal 2008	4.64%	5.79%	-1.16%	-1.64%	4.00%	-5.64%	-10.56%	-14.75%	4.20%	-1.99%	-0.38%	-1.61%
Fiscal 2009	4.29%	4.93%	-0.65%	-33.19%	-32.43%	-0.77%	-29.23%	-29.49%	0.26%	-20.33%	-20.19%	-0.14%
Fiscal 2010	8.44%	5.14%	3.31%	46.19%	42.15%	4.04%	21.84%	22.75%	-0.91%	27.64%	25.21%	2.43%
Fiscal 2011	5.25%	5.13%	0.12%	14.67%	20.42%	-5.74%	6.70%	8.26%	-1.57%	9.79%	13.20%	-3.40%
Fiscal 2012	8.16%	9.75%	-1.59%	-7.36%	-9.76%	2.40%	8.21%	4.88%	3.33%	0.03%	-0.82%	0.85%
Fiscal 2013**	5.17%	4.54%	0.63%	12.06%	6.12%	5.94%	14.48%	15.02%	-0.54%	10.69%	9.50%	1.19%
Fiscal 2014	0.55%	0.84%	-0.29%	19.74%	15.92%	3.82%	30.63%	31.12%	-0.49%	16.82%	16.68%	0.14%
Fiscal 2015	7.36%	9.86%	-2.50%	21.22%	6.92%	14.30%	34.60%	23.49%	11.11%	20.84%	15.01%	5.83%
15.75yr Comp. Annual Return	6.42%	6.21%	0.21%	10.67%	7.39%	3.27%	6.22%	2.78%	3.45%	8.18%	6.69%	1.48%

Returns are before fees.

**New benchmark effective 08/31/12

Algonquin College Endowment Fund Performance Review

March 31, 2015

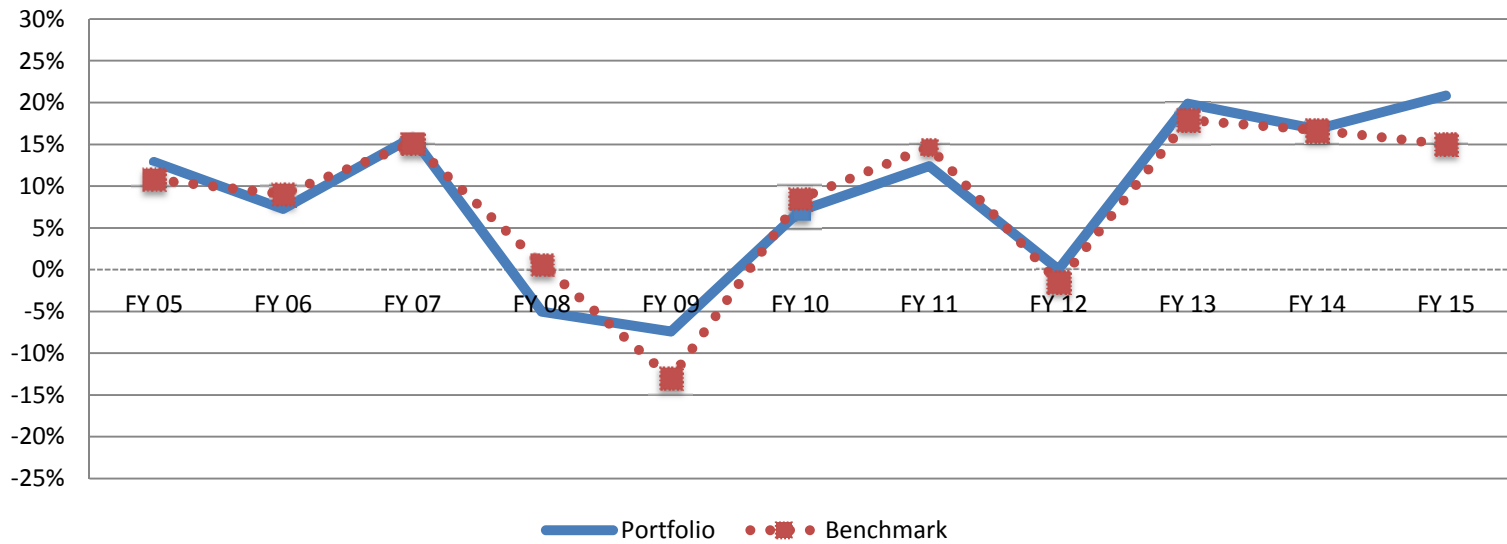


* Compounded Annual Return

Investment Returns

	3 Months	1 Year	3 Year*	5 Year*
Portfolio	8.30%	20.84%	16.20%	11.50%
Benchmark	7.41%	15.01%	13.72%	10.55%

Algonquin College Endowment Fund 10 Year Performance



Algonquin College Endowment Fund

Schedule of Cumulative Realized Investment Income Available for Distribution

	<u>31-Mar</u> <u>2008</u>	<u>31-Mar</u> <u>2009</u>	<u>31-Mar</u> <u>2010</u>	<u>31-Mar</u> <u>2011</u>	<u>31-Mar</u> <u>2012</u>	<u>31-Mar</u> <u>2013</u>	<u>31-Mar</u> <u>2014</u>	<u>31-Mar</u> <u>2015</u>
Amount available for future distribution, beginning of year	\$ 307,967	\$ 530,141	\$ (383,968)	\$ (470,851)	\$ (430,400)	\$ (798,352)	\$ (528,091)	\$ 2,067,205
Realized investment income	\$ 507,077	\$ (546,374)	\$ 387,189	\$ 594,826	\$ 240,716	\$ 966,012	\$ 3,302,409	\$ 1,363,388
Investment fees	\$ (30,943)	\$ (32,735)	\$ (37,072)	\$ (46,260)	\$ (51,690)	\$ (56,572)	\$ (49,974)	\$ (80,721)
Amount distributed	\$ (253,960)	\$ (335,000)	\$ (437,000)	\$ (508,115)	\$ (556,978)	\$ (639,179)	\$ (657,139)	\$ (852,856)
Amount available for future distribution, end of year*	\$ 530,141	\$ (383,968)	\$ (470,851)	\$ (430,400)	\$ (798,352)	\$ (528,091)	\$ 2,067,205	\$ 2,497,016

Schedule of Unrealized Investment Income

	<u>31-Mar</u> <u>2008</u>	<u>31-Mar</u> <u>2009</u>	<u>31-Mar</u> <u>2010</u>	<u>31-Mar</u> <u>2011</u>	<u>31-Mar</u> <u>2012</u>	<u>31-Mar</u> <u>2013</u>	<u>31-Mar</u> <u>2014</u>	<u>31-Mar</u> <u>2015</u>
Unrealized income	\$ (676,064)	\$ (1,316,128)	\$ 1,808,247	\$ 660,041	\$ (237,912)	\$ 738,307	\$ (318,027)	\$ 2,869,617

Asset Mix (% of Market Value)

	<u>31-Mar</u> <u>2008</u>	<u>31-Mar</u> <u>2009</u>	<u>31-Mar</u> <u>2010</u>	<u>31-Mar</u> <u>2011</u>	<u>31-Mar</u> <u>2012</u>	<u>31-Mar</u> <u>2013</u>	<u>31-Mar</u> <u>2014</u>	<u>31-Mar</u> <u>2015</u>
Cash	7%	2%	6%	6%	6%	2%	5%	3%
Fixed Income	30%	33%	29%	29%	30%	32%	39%	37%
Canadian Equity	39%	51%	50%	50%	49%	22%	14%	16%
Global Equity*	24%	14%	15%	15%	15%	44%	43%	44%
Total	100%	100%	100%	100%	100%	100%	100%	100%

* combined U.S. & international

2015 Fall Key Messages

Recent Success Stories

- President Jensen announced that as many as 10 refugees of the Syrian crisis could have their full-time tuition Algonquin College Fully funded. The College pledged a total of \$50,000 to support refugees who apply and are accepted to College programs. The Students' Association has generously approved a \$10,000 commitment to assist Syrian refugees.
- The College participated in Maclean's magazine's first-ever rankings guide to Canadian colleges. The first guide – similar to the university rankings the magazine produces annually – is expected to be published in October.
- Work began on the new Residential Living Lab at the College's Perth Campus. This new, student built lab will give students the opportunity to get hands-on experience with new tools and devices that are changing the way buildings are being designed, constructed, operated and renewed.
- The Ottawa campus welcomed a new private-sector partner with the opening of a Pro Physio clinic in the Robert C. Gillett Student Commons. The clinic will provide physiotherapy services to students and employees of the College as well as the broader community.

In the Community

- Public Relations students raised \$8100 in support of Ottawa Network for Education's School Breakfast program, surpassing their goal of \$5000. The "Bring on Breakfast" campaign will provide more than 40 students a healthy breakfast during the school year.
- The Event Management students held five events benefitting the Children's Wish Foundation. From tailgate parties kicking off the football season to Gotham city themed dinners, they have raised over \$20,000 this summer. One particular student, Lisa Stinson, was featured in the Ottawa Sun. Lisa was a past beneficiary of Children's Wish, and AC's link to the foundation was one of the reasons she chose the program.
- The second annual Jason Blaine Community Golf Tournament raised \$75,000, with a large portion of the proceeds being directed to our Pembroke Campus. The organization of the tournament and accompanying music concerts were supported by the Pembroke campus, as Jason is a key alumnus of their Business Marketing program. The event received regional media coverage, including an article in the Pembroke Observer.

In the News

International Students

- CBC reported that post-secondary institutions in Ottawa, including Algonquin College, are welcoming ever larger numbers of foreign students on campus this fall. International recruitment is fiercely competitive. Algonquin College currently travels to 30 countries to recruit students to offset domestic declines. We have opened offices in China (Beijing) and India (Mumbai), the two countries most important to the College.

2015 Fall Key Messages

Part-time Support Staff

- The Ontario Public Service Employees Union (OPSEU) announced its intent to organize part-time college support workers across the province.
- The report from the College's Part-time Pay Task Force was posted in June. Some measures, such as pay increases for part-time support staff as well as payments for attending meetings outside regular hours were implemented in September. A full strategy on part-time compensation is being developed for all employees by the College's new Vice-President, Human Resources, Cathy Frederick.
- The 18-month 2017-2022 Strategic Planning process that began in January is midway through the engagement process. The Strategic Plan working group organized seven events, engaging employees, students and student leaders, and union leaders. The feedback from these groups was converted into a 'rolling draft' of a Findings Report, issued to employees and a cross College Strategic Plan Advisory Team in June. An Ideas platform will launch within myAC in October. In the past month, a sustainability knowledge sharing session, several focus groups and an imagination session with the Board of Governors were held. As well, employees have been encouraged to host their own discussion events – called Conversation Cafes – to contribute to the process.

**Report from the Chair
Board of Governors Meeting
October 13, 2015**

Orientation of New Governors

Members of Executive Committee and management presented the Orientation program to our new Governors on August 27 and September 27, 2015.

Board of Governors' Fall 2015 Retreat

Thank you to Governors for attending the Board's fall retreat in Pembroke. A full agenda of facilitated sessions and activities was held with only two Governors unable to attend. The retreat was a success with topics such as understanding the post-secondary education environment in Ontario, governance leading practices, and dialogue around the College's next Strategic Plan. In discussions with Governors during and after the retreat, it was recognized that this session was the most engaging and productive to date. Thank you to President's Council and staff for making it a success and a special thank you to Governor Blackstein for hosting the social activity.

Colleges Ontario 2015 Higher Education Summit

The 2015 Higher Education Summit will be held in Toronto at the Sheraton Centre Hotel on November 15 & 16, 2015. Keynote speakers include Paralympian Rick Hansen and Professor Daniel J. Levitin, best known for his book *This is your brain on Music*. The College Centre for Board Excellence will be hosting their Governor Orientation Session prior to the conference on November 14 and 15.

Fall Convocation Ceremonies

The 2015 Fall Convocation Ceremonies will be held at the National Arts Centre on Tuesday, November 10, 2015 at 2:30 pm and 6:30 pm. Should a Governor be able to participate, please advise Suzannah, as reserved seating and an academic hood order can be placed.

Correspondence

A letter from the Ontario Executive Council was received on September 16, 2015 confirming the appointment of Dr. James (Jim) Robblee through an order in council to the Algonquin College Board of Governor.

2015/2016 Board Meeting and Schedule

The Board meetings from September 2015 to June 2016 is posted on the Board's SharePoint site – they are as follows:

September 27 & 28, 2015 Board Retreat
Tuesday, October 13, 2015 Board meeting
Monday, December 7, 2015 Board Christmas Dinner
Monday, December 14, 2015, Board meeting
Monday, February 1, 2016 Retreat & Board meeting 10 am – 6 pm
Monday, April 11, 2016 Board meeting
Monday, June 13, 2016 Board meeting and Annual General Meeting
Monday, June 20, 2016 President's Board Dinner

President's Board Dinner

Members are reminded that the President is hosting a Christmas Dinner at the Restaurant International for past and present Governors and their partners on Monday, December 7, 2015. Governors are asked to mark their calendars for this important event.

**Report from the President
Board of Governors Meeting
October 13, 2015**

2015 President's Breakfast

The President's Breakfast, which marks the beginning of the academic year was held on Thursday, August 27, 2015. The event was deemed a success with the Presidents of the Academic Union, the Support Staff Union and the Students' Association sharing the stage with President Jensen.

Radio Broadcasting Coordinator recognized by industry association

Dan Pihlainen, Radio Broadcasting Coordinator was recognized by the Broadcast Educators Association of Canada (BEAC) and was awarded with the John Ansell Distinguished Service Award at their annual conference in May, 2015. The award recognizes service to BEAC and its mandate. Congratulations to Dan.

E-text project manager wins award for championing textbook accessibility

Larry Weatherdon, eTextbook Project Manager led the launch of the e-Text program at the College two years ago and textbooks have been more accessible to students, meaning students can take them anywhere they go, and textbook prices have become more affordable. The Glenn Crombie Memorial Award is awarded by the College Committee on Disability Issues each year to someone who has demonstrated leadership, advocacy, collegiality, dedication, and excellence in the special needs field. Larry was nominated by members of the Algonquin College Centre for Students with Disabilities, and he is the first ever recipient of the award who works outside of the Centre for Students with Disabilities network.

Algonquin Entrepreneurs Reach the "Summit"

Seventeen young aspiring entrepreneurs at Algonquin College joined together at the first ever SUMMIT program this year from May to July. The three month intensive program put them in close contact with fellow entrepreneurs, faculty and industry professionals to help support the development and growth of their businesses. The entrepreneurs were picked not just for their ideas, but for their passion and drive, their entrepreneurial spirit, openness to learning. One of the many benefits to the program is that it didn't focus solely on their business concept, but also on developing their business acumen and the soft skills so necessary for entrepreneurs.

Responding to the Refugee Crisis

Algonquin College has pledging up to \$50,000 to support refugees who apply and are accepted to College programs. The funds will apply to any full or part-time Algonquin College program of study, including language training, certificates, diplomas, or degrees. This emergency refugee fund could support up to 10 full-time students in the next year. The College also participated in a public meeting in Kitchissippi in September to discuss possible responses to the crisis.

Perth

Perth Police Foundations Student Receives Award of Excellence

Tyler Sandes, a graduating student from the Police Foundations program received a Police Prep Award of Excellence (East Region) in June that recognized his academic excellence, leadership and community involvement. PolicePrep Awards of Excellence are presented annually to

**Report from the President
Board of Governors Meeting
October 13, 2015**

students who are enrolled in justice-related programs and who have demonstrated an outstanding commitment to their studies and communities. Congratulations to Tyler.

Perth Campus 2015 Golf Tournament

The Perth Campus Golf Tournament was held on on October 3 with all proceeds benefitting student bursaries at the Algonquin College Perth campus.

Pembroke

The completion of the revitalization project for Pembroke's Millennium Boardwalk was celebrated on August 3rd with a media event and community party along the new waterfront boardwalk that was completed by Algonquin College students. The boardwalk that was originally constructed in 1999 needed major renovation. Algonquin's pre-apprenticeship construction program rebuilt the boardwalk with materials almost entirely donated by Pastway Planing in Combermere, Eganville's Heideman Brothers Lumber and Timber Specialities, who provided the innovative MicroPro treatment for the wood, ensuring that the boardwalk will look good for many years to come. Our own Governor Blackstein was on hand to mark the occasion and represent the College at the media event.

Update from Committee of Presidents' (COP) Retreat, September 2015

How to navigate government as colleges today:

Political consultants John Duffy and John Matheson of StrategyCorp spoke about the Ontario Liberal government's current agenda and what it means for colleges. Many top advisers from Ontario are involved in the federal election campaign, as the Wynne government believes the election of a Liberal government in Ottawa will mean more investments in Ontario. Regarding activities at Queen's Park, the Ontario government may have strategic plans for the future of post-secondary education, even if the plans aren't well understood within the sector. In post-secondary education, the government's focus is on universities and concerns that public dollars could be spent more effectively. There is an increased focus on outcomes and meeting the public's desire to see post-secondary graduates get good jobs. This could be an opportunity for colleges, which are already highly regarded in government for their success in this area.

Review of funding formula:

The Ontario government is currently reviewing the funding formula for the university sector and is slated to review the college sector in 2017. To prepare for the college review, a task force of retired college presidents and vice-presidents has been looking at options for changing the formula. Some of the options the sector may wish to consider could include changes to the funding calculation for enrolment and growth that would help ensure there is sustainable funding for institutions. Colleges could also continue to advocate for a distinct tuition-fee policy for colleges that is separate from the universities, so that colleges – which have lower tuition levels than universities – could increase tuitions at rates that make sense within the college sector.

**Report from the President
Board of Governors Meeting
October 13, 2015**

Future of Applied Education

Harvey Weingarten, the president and CEO of the Higher Education Quality Council of Ontario, and Ken Steele, the chief futurist with Eduvation Inc., spoke about future trends in higher learning. Members were advised the challenges facing the sector include increasing “credentialism” in the workforce and the fact that growing numbers of fields are requiring higher levels of credentials. The opportunities for the colleges in the years ahead include the current emphasis on ensuring that post-secondary education will lead to a good job. Colleges are much closer to industry than universities and can leverage this emphasis on career outcomes. The college sector is able to be more nimble than the university sector and can respond more effectively to changes in the labour-market demand. The availability of online courses from anywhere in the world is allowing students to customize their individual learning to their specific needs and interests.

Action plan for the college sector

The Committee of Presidents discussed the priorities for the sector to advance the goals in the sector’s strategic plan. The recommended next steps include:

1. Identify priorities for the new deputy minister
2. Sustainability report
3. Private Career colleges
4. Committee measures to achieve the strategic plan
5. Open a renewed dialogue with the Council of Ontario Universities

For Algonquin College to deliver on its Mission and Vision we have 4 Strategic Pillars and 12 supporting goals. These commitments guide our strategic priorities and budget process.

Strategic Pillars

Reporting Timeframe: *June 9, 2015 to September 10, 2015*

APPLIED LEARNING & TRAINING

Goal 1: Deliver an exemplary applied education and training experience

Goal 2: Create a unique suite of programs, products and services geared to meet the needs and expectations of our clients and students

Goal 3: Leverage technology to enhance the educational experience

Goal 4: Provide opportunities for every full-time student to have a work experience outside of the classroom

Summary Report from:

- ✓ Academic
- ✓ Student Services
- ✓ International, Communications & Strategic Priorities

Activity:

- The Construction Trades Pre-Apprenticeship program capped its final weeks with a hands-on community Legacy Project –rebuilding the Waterfront Boardwalk. With support from students in the Forestry Technician and Office Administration – Executive programs, a grand opening event of the Pembroke Boardwalk was hosted by the campus.
- Six Masonry - Heritage and Traditional (Perth) students and their Coordinator spent two weeks in July working alongside Parks Canada masons on the Cape Merry Battery at the Prince of Wales Fort National Historic Site in Churchill, Manitoba.
- Environmental Management and Assessment students and faculty members supported the development of the world’s most detailed database for modelling youth at risk from climate change, extreme events, and disease. UNICEF has now partnered with Algonquin College to use this data for model predictions. This work will form the backbone of UNICEF’s talk at the 2015 United Nations Climate Change Conference in Paris.
- Culinary Management students, under the guidance of Chefs Cory Haskins and Patrick Kostiw, volunteered for the annual Ottawa Humane Society Summer Harvest Garden Party, in honour of the late Chef Kurt Waldele.
- The Food and Nutrition Management, Ontario College Graduate Certificate program has been accredited by the Canadian Society of Nutrition Management for a five year period.
- Seventeen at-risk youth completed a 16 week internship as Community Services Workers with Bayshore Home Health, and Carefor Health and Community Services.
- Seventeen students successfully completed the Entrepreneurship@AC’s inaugural nine-week SUMMIT program, which provided student entrepreneurs with a hands-on experience developing their business.
- The Algonquin College/Ottawa Catholic School Board Achievement Centre, housed at AC, held their annual

celebration on June 11th to recognize 38 students who were able to reach high school graduation. Twelve of these students also completed a College course.

- Twenty-two International Biotechnology Professional Program students have been matched to an industry mentor who will provide job search support over a three-month period.
- To date for the Fall 2015 term, 29,600 eTexts and 7,200 software packages were deployed.
- Applied Research Day 13.1 was a resounding success, providing a showcase for summer projects and a venue for members of the extended community to experience what our students and faculty members can do.
- The Construction Trades and Building Systems department delivered a three-week carpentry preparation course to youth associated with the Northern Youth Abroad (NYA), a non-profit program for youth aged 15 to 22 from Nunavut and the Northwest Territories), prior to their travelling to Guatemala to construct a house for Habitat for Humanity.
- Student Support Services recently launched three web-based study skills modules designed to help students develop skills in the areas of time management, stress management, and test preparation (<http://algonquincollege.libguides.com/studyskills/home>). Content for these modules was developed through the collaboration of Counselling Services, the Centre for Students with Disabilities, and Health Services staff and faculty. The technical team from the Library brought these tools to life using interactive multi-media.
- A Salesforce Case Management Tracking system was put in place for walk in and phone requests. The College is currently using the data to improve student services using automated rules and web service. A report is in progress for presentation to the College Technologies Committee and Strategic Enrolment Management Committee.
- The College hosted two international sessions, *Highlights of International Student Satisfaction Barometer* and *Introduction to International Student Services* at the Algonquin Strategic Enrolment Management Conference.
- The College hosted two international orientation sessions with an attendance rate of 215/642 (33%) and hosted an online orientation session welcoming 189/532 (35.5%).
- An Algonquin College podcast radio show entitled “The Experts Show” was launched, offering the opportunity for two faculty to highlight their knowledge by debating or discussing issues in the news.
- The Communications team supported Information Technology Services and the Registrar’s Office in responding to a cyber-security incident involving students in a collaborative degree programs with the University of Ottawa and Carleton University students. The team also supported positive announcements including the charitable totals raised by Event Management and Public Relations students, an accessibility award for our eTextbook program, and the announcement of our new Vice President, Digital Technologies and Innovation.
- Algonquin College continues to lead the system in terms of Twitter followers. In addition, our engagement rate is higher than all other colleges on Facebook and the College surpassed 50,000 followers. Content highlights

	<p>include our resident “Mama Duck”, our second “Chat with Cheryl” video, and the back to school countdown.</p> <ul style="list-style-type: none"> • International enrolments to post-secondary programs is currently sitting at 7.9% above target, with 1% increase from China, 6% increase from India and 7% increase from Nigeria. • The College hosted three webinars reaching 49 counsellors, in 35 offices, across Korea, the Philippines, China and India. • Thirteen International Student Entry Scholarships were awarded for September (four to students in the English for Academic Purposes program and nine to students in Post-secondary programs)
<p>STUDENT & CLIENT SUCCESS</p>	
<p>Goal 5: Deliver exceptional service to our diverse student and client populations</p>	
<p>Goal 6: Leverage technology to automate and modernize our business processes, fostering an environment of continuous improvement</p>	
<p>Summary Report from:</p> <ul style="list-style-type: none"> ✓ Academic ✓ Student Services ✓ Finance & Administration ✓ Digital Technologies & Innovation 	<p>Activity:</p> <ul style="list-style-type: none"> • The Dental programs have installed an evaluation system and a digital charting system at the on-site Dental Clinic. • The national exam results for 2014-2015 graduates of three Health Sciences programs have been received: 100% of the Respiratory Therapy graduates who wrote the Canadian Board for Respiratory Care (CBRC) registrations exams were successful; 90% of the Dental Assisting graduates succeeded at the National Dental Assistant Examining Board (NDAEB) exams; and 97% of our Dental Hygiene graduates successfully challenged the National Dental Hygiene Certificate Board (NDHCB) exams. • The School of Hospitality and Tourism, in collaboration with the Centre for Continuing and Online Learning, held Career Samplers for youth ages 12-17 focused on culinary, esthetician and hair styling studies. Over 150 youth participated. • The Centre for Continuing and Online Learning has expanded its use of Signority, an electronic document tracking and signing tool used to automate the area’s contract preparation and signature requirements. • Approximately 100 Second Career students are enrolled at the College through the efforts of the Experienced Worker Centre. • Applied Research and Innovation staff undertook an in-house prototyping development project to create a custom, web-based project management tool for applied research projects. • The Automated Grade Entry and Review project was successfully launched for the Spring 2015 term with the online functionality used to enter and approve grades for over 550 course sections. • The Registrar’s Office, with support from Information Technology Services (ITS), successfully implemented the new tuition fee deposit rules for Fall 2015. An extensive communication plan was executed, GeneSIS functionality was rolled out and an exception request web form and process was launched to assist students in need.

- Student Services staff, in collaboration with staff in Ancillary Services, Information Technology Service (ITS) and Finance, worked to deliver the GeneSIS development for U-Pass (Universal Transit Pass for OC Transpo) fee collection and assessment as well as opt-out and opt-in functionality. As of noon, September 11th, 13,601 U-Passes were printed.
- The Official Program Withdrawal form was updated and recently implemented after much research and cross-College collaboration. The new form provides more information and encourages students to consider alternatives before making the final decision to withdraw. Withdrawal reason codes were expanded and updated in the hopes this will provide better insight to assist with future mitigation strategies.
- New this year, students can apply online through one bursary application and be automatically assessed for all available bursaries. The fall bursary cycle opened online August 17th. As of September 10th, 2,830 students applied. The application will close online on October 12th, which represents an extended application period from three days to 57.
- There was an increased Aboriginal presence at Spring 2015 Convocation Ceremonies. Algonquin College proudly acknowledged that the ceremonies took place on the ancestral territory of the Algonquin People. A total of 2,937 graduates attended Spring Convocation ceremonies: Pembroke, Perth and Woodroffe Campuses, compared to 2,767 graduates in Spring 2014. This represents a 6% increase in attendance from the previous year.
- Two comprehensive online 2015-16 Demand Generation (Branding) campaigns were created which include retargeting through Google Referral Network – Ottawa Citizen and Metro/Star. These campaigns were launched with additional out-of-home media including five different large digital outdoor billboards and mall posters, plus interior transit cards (five different billboards on more than 300 buses).
- New this year, in support of the Strategic Enrolment Management Committee’s “summer melt” initiative, Student Ambassadors called upper level returning students for academic programs.
- Between June 9th and September 10th, 15,128 new leads were generated and 18,345 nurture emails were distributed between members of the 2015 primary nurture campaign with an open rate of 31.1%, click through rate of 12.6%, and unsubscribe of 0.5%.
- The AC Hub hosted the College’s first ever “Accepted Students’ Day” in early June. This event was the first stage of the College’s new developmental College Orientation Pilot, and encouraged new, incoming students to meet and mingle with their peers, and get a sense of Algonquin’s culture through social events and community projects, at an earlier connection point. The second phase of the developmental College Orientation Pilot featured four Pre-Orientation sessions that were held on July 8th, July 22nd, August 4th and August 19th. Sessions included: Information Sessions (Wired, e-text, AC Card, UPass), Student Success Workshops, College Services Fairs, Parent Sessions and College Tours. A total of 977 students participated in these pre-orientation sessions.

	<ul style="list-style-type: none"> • The third phase of the developmental College Orientation Pilot saw Woodroffe classes suspended on Tuesday, September 8th (Ottawa Schools), to allow new students to attend College Orientation, and returning students to participate in the day as volunteers and/or upper-level peer contributors. Eight sessions were held in the Algonquin Commons Theatre, with Harley Finklestein, Entrepreneur and Chief Platform Officer at Shopify, delivering the keynote address. A total of 5,723 entry level students registered to attend Orientation, an increase of 25% compared to 4,586 registered for 2014 Fall Term Orientation. In addition, the engagement level of staff, faculty and upper level students was high with well over 300 people registering to volunteer throughout the day. • Algonquin’s Tragic Event Response Team (TERT) provided support to the classmates, colleagues, and faculty of three students who died in separate incidents over the summer. • The Request for Proposal (RFP) process for a Health Services Provider closed in August. There was only one bid that met the College’s criteria. After careful consideration, President’s Council approved a recommendation that it was not a viable option for the College at this time. The College will continue with the current model of Health Services with the addition of mental health services. Within the context of the broader, College-wide, Health Living Education (HLE) initiative, the College will continue to reassess Health Services needs and options in partnership with stakeholders. • Project Fusion (Human Resources/Finance/Information Technology Services): In response to Algonquin’s Request for Proposals for a new Human Resources/Payroll/Finance enterprise resource planning system, bids were received on August 19, 2015. The evaluation process is in progress for a Software as a Services (SaaS) provider and implementation services provider. Expected contract award to be late in Q2 and implementation phase to start in Q3. Preparation activities currently underway include change management, business transformation, data cleansing and business case activities. • Aligned with the Healthy Living Education initiative, College Ancillary Services finalized an agreement with Pro Physio that will deliver services to the College community and provide experiential learning opportunities to students. The Pro Physio location in the Student Commons will open September 28, 2015. • Residence is fully occupied for the Fall semester. Summer projects to implement improved wireless connectivity and the replacement of blinds in each room demonstrated our ongoing commitment to student success and satisfaction.
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EMPOWERED PEOPLE
 Goal 7: Attract, develop and retain employees who have the knowledge and skills to be fully contributing members of the College
 Goal 8: Create and foster an environment in which the College’s model of leadership competencies and behaviours is supported

Summary Report from: ✓ Academic	Activity: • A clinical instructor mentorship program to support the Pembroke Campus Nursing program faculty in excellence
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<ul style="list-style-type: none"> ✓ Student Services ✓ Human Resources ✓ International, Communications & Strategic Priorities 	<p>in nursing education has been implemented. All clinical instructors will be participating in an introductory orientation session which will be followed by structured professional development sessions over the academic year.</p> <ul style="list-style-type: none"> • Over 180 faculty and staff participated in nine Academic Advising sessions during the two weeks preceding the start of classes. The focus of these sessions included policy AA40, definitions, requirements and procedures related to academic advising. • Twenty-eight managers and front-line employees from Counselling Services, Health Services, and Security Services completed a day of training to enhance their ability to provide support to survivors of sexual assault. Participants received an overview of Policy SA16: Sexual Assault and Sexual Violence and heard presentations from the Ottawa Hospital Sexual Assault and Partner Abuse Centre and The Sexual Assault Support Center of Ottawa. • Upon completion of a successful Faculty Support Development Program in June 2015, the new Faculty Support Development Program officially rolled out to the Academic Area effective September 2015. The program is designed to provide support and opportunities for the professional development and growth of faculty throughout their careers at Algonquin College. The program is supportive, practical, collaborative, and respectful for all stakeholders. The purpose of the Faculty Performance Development program is to recognize excellent faculty professional performance; provide faculty and administrators with a formal opportunity to reflect and discuss teaching and learning practices and subject matter expertise; and support collective accountability through careful, judicious, transparent and evidence-based faculty performance. • Part-time Compensation: Attracting and retaining top talent is vital for our bottom line and student success. A fair and transparent contingent workforce compensation model provides structure, equity and consistency for key, valuable members of our Algonquin team. As a result of the Part-Time Pay Rate President’s Listening Tour Task Force the following recommendations were implemented effective September 1, 2015: <ul style="list-style-type: none"> ○ Part-time administrative staff receive 4% in lieu of vacation; ○ Part-time support staff receive a 3% increase; ○ Pay for part time faculty and part-time support staff to attend meetings outside their regular hours; and ○ Part-time faculty will be placed on a new salary scale at a rate closest to their current rate. • Seventy-three Algonquin College employees attended the 2015 Live Laugh Learn Employee Retreat held on June 10-12. The 2015 Retreat theme was “Wellness: Healthy Mind, Body, and Spirit!” • Twenty-eight professional development opportunities were offered to all employees during the summer. Some of the courses offered were GeneSIS for Academic Planning; Supporting Students with ASD; Living Your Retirement Plan; Nutrition Simplified; Learning & Earning in the 21st Century; Who are our International
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Students?; Blackboard Overview; plus much more.

- The New Employee Orientation welcomed nineteen support staff, eight administrators and thirty-six academic staff to the Algonquin family! There were twenty-two part-time Faculty Orientation sessions offered for 563 registrants during the months of August to early September. Algonquin College had twenty-six new full-time faculty attend the Orientation programs including Teaching@Algonquin held from August 5 to 7, and Focus on Learning (Part I), that was held from August 10 to 13.
- Beginning in the month of June Human Resources partnered with employees and students in the Horticulture Department to create Algonquin College’s first community Garden. Public Relations and Communications created a sign for the garden and volunteers joined in harvesting all summer. College employees and students have enjoyed a variety of fresh vegetables including tomatoes, cucumbers, onions, peppers and kale.
- During the summer months taping of the “Zen4ten” yoga videos took place. This is a series of eight videos of yoga moves that can be done at the workstation for 10 minutes. The first video featured President Cheryl Jensen and it is currently hosted on the Wellness website. The next video will be released in October. This initiative was completed by Algonquin College employees for Algonquin College employees.
- An Employee Engagement Survey Results Town Hall was held on June 4th and welcomed approximately 130 employees on site and 75 employees online. This was a special event to report the results of the Employee Engagement Survey. Hosted by President Cheryl Jensen, the event featured Francine Tremblay of Aon Hewitt providing an overview of the report, and Diane McCutcheon providing an overview of next steps.
- A Healthy Living Education (HLE) Initiative Information Session was held on June 9th and was attended by more than 200 employees. The session included 23 interactive booths displaying healthy living activities already in place at the College, including samples of healthy foods prepared by students and staff from the School of Hospitality and Tourism culinary programs. Deans Barb Foulds and Jim Kyte provided an overview of the HLE plans.
- The annual President’s Breakfast was held on August 27th and welcomed 1000 full- and part-time employees. The event marked the beginning of another academic year and was hosted by Amy Desjardins, Foundation Executive Director, and Alex Yang, Applied Research Project Manager. New to the agenda this year, President Jensen invited the presidents of the Students’ Association (Sara Grainger), Faculty Union (Pat Kennedy), and Support Staff Union (John Hanson) to share the stage and speak to their priorities for the year. Although only 70 employees completed the post-event survey (as compared to 197 in 2014), the results identified 88% marking it a 4-5 out of 5 satisfaction. This satisfaction rating is 5% above last year’s results. 66% of respondents gave the President’s address a 5 out of 5 satisfaction rating, 22% higher than the previous year.
- Two events were hosted in support of the Strategic Planning Process: *“The Future of Education: A Union Perspective”* featuring guest speaker Warren ‘Smokey’ Thomas, President, OPSEU on May 21st and attended by

	<p>90 participants and “Pembroke Open Forum” – on May 28th and attended by 40 participants.</p> <ul style="list-style-type: none"> • The first meeting of the Strategic Planning Advisory Team was held on May 29th. • The rolling draft of the Findings Report was posted on myAC on June 12th.
<p>FINANCIAL SUSTAINABILITY</p> <p>Goal 9: Align our funded operational expenditures with provincial funding</p> <p>Goal 10: Expand non-funded opportunities to increase revenue</p> <p>Goal 11: Leverage strategic business partnerships to meet the capital needs of the College</p> <p>Goal 12: Create the technological foundation to align with the digital direction</p>	
<p>Summary Report from:</p> <ul style="list-style-type: none"> ✓ Academic ✓ Finance & Administration ✓ Digital Technologies & Innovation ✓ International, Communications & Strategic Priorities 	<p>Activity:</p> <ul style="list-style-type: none"> • The Pembroke Campus has been chosen to deliver the Ontario Government’s new Youth Job Connection program which supports youth under 30 years of age who have had difficulty securing employment. The contract is worth approximately \$200,000 annually. • The Pembroke Campus won a contract through Service Canada to deliver a Skills Link Youth Employment Preparation program in Renfrew. The total contract value is approximately \$300,000. • Community Employment Services at Perth secured the Youth Job Connection (YJC) two-year agreement for Lanark County. YJC is an Ontario government initiative for providing intensive employment supports for youth aged 15-29 who are not in employment, education or training and who experience multiple barriers to employment (approximately \$500,000 annually). • The construction of the Co-gen plant related to ESCO 2 phase 4 is underway and on target for a December installation of equipment to meet the Ontario Power Authority grant. • The Responsibility Center Management (RCM) model was finalized using the F2015/16 approved budget, and has been implemented in the College budget financial reporting system. Policies are being drafted and reviewed for changes in budget policies and finance processes due to the implementation of RCM. Education and training sessions for the RCM model are complete. New sessions for implications to the 2016-17 budget cycle will occur in Fall 2015. 2016-17 budget process is underway and will adopt the RCM model. • For the current reporting period, the College has achieved the following service availability: Internet access at 99.9%, Wireless connectivity at 99.9%; Core Network connectivity at 99.1%. • The College re-certified the card data environment in accordance with Payment Card Industry Data Security Standards (PCI DSS) allowing the College to continue to accept credit/debit cards. • The Refresh for Capital Inventory was submitted to the Ministry of Training, Colleges and Universities (MTCU) on August 31st. Seven projects were included in the submission: Healthy Living Education Initiative, Students’ Association Athletics and Recreation Expansion, Building C Revitalization & Library Renewal, Digital College 2.0, ESCO2, Infrastructure Maintenance Stage 1, and Woodroffe Campus Enhancement.

	<ul style="list-style-type: none"> • The International Education Centre signed three contracts totalling \$64,000 providing services ranging from student exchanges to professional development with Shaoxing University, Jinan Vocational College, and Huaihua Medical University in China. • Two site visits were made by Vice President Doug Wotherspoon to two potential Chinese partner colleges interested in partnering with Algonquin on the establishment of an independent "Algonquin International School" on their campuses.
<p>Student & Employee Successes:</p> <ul style="list-style-type: none"> ✓ Academic ✓ International, Communications & Strategic Priorities 	<ul style="list-style-type: none"> • Sarah Hall, Coordinator, Environmental Technician program (Pembroke) completed her second “BIG SWIM” across the Northumberland Strait between Cape Jourmain, New Brunswick and Borden, Prince Edward Island on August 16, 2015. Ian Pineau, Coordinator, Outdoor Adventure Naturalist (Pembroke) was her support person and kayaked at her side. They raised \$1,000 for Brigadoon Village, a non-profit children’s camp located in Aylesford, Nova Scotia. • Perth’s Community Employment Services, Smith Falls’ Literacy & Basic Skills program, and Ontario Works were nominated collectively for a provincial leadership award as a result of developing a course to help their mutual clients broaden their employment opportunities. This collaborative initiative has since been adopted as a provincial model and is now delivered throughout the province. • Martin Restoule, Coordinator, Motive Power Trades was the Canadian Expert for WorldSkills which took place in Sao Paulo, Brazil from August 11-26, 2015. His protégé competitor for Automotive Service brought home a Medallion of Excellence. • Jim Catton, Coordinator, Technical Writer program was named an Outstanding Educator by the Ontario Association of Certified Engineering Technicians and Technologists (OACETT). • Dr. Wahab Almuhtadi, Professor, Bachelor of Information Technology – Laser and Photonics, has been recognized by the Engineering Institute of Canada (EIC) as the recipient of the Canadian Pacific Railway (CPR) Medal. The CPR medal is awarded for years of leadership and service and is one of the highest engineering awards in Canada. • Dr. Rebecca Trueman, Chair, Applied Science and Environmental Technology Department, was named a “Forty under 40” by Ottawa Chamber of Commerce / Ottawa Business Journal in June 2015, in recognition of accomplished leaders who are under the age of 40 and give back to their community. • Jessica Kruk, Architectural Technology graduate, has been selected as one of 10 finalists across Canada for the 2015 Applied Research / Technology report contest sponsored by the Canadian Technology Accreditation Board (CTAB) which is a standing committee of the Canadian Council of Technicians and Technologist. • Carolyn Cote, Professor, English successfully completed her Master in Education from the University of Ottawa. • Leann Nicholson, Professor, English, successfully completed her Master in Education (Distance Education) from Athabasca University.

	<ul style="list-style-type: none"> • Lisa Lamb, Student Success Specialist, Faculty of Technology and Trades graduated from the Conflict Management program with honours. • Hydro Ottawa nominated Algonquin College and three of its employees (Chris Hahn, Ken Jessome and Eric Marois) for the Innovation in Human Resources Practices – Education / Training Institution 2015 Award sponsored by Electricity Human Resources Canada. • Christian Madrid, student, Graphic Design, won the first ever annual #Shopify Scholarship awarded to a student who exemplifies design excellence and professionalism. • The Event Management students executed a total of five events in the community during the summer resulting in an additional \$20,400 raised toward their \$1 million goal for the Children’s Wish Foundation. • Patricia Lychak, Academic Management, Online Learning, Centre for Continuing and Online Learning successfully completed an MBA in Executive Management at Royal Roads University, July 2015. • John Dallas, Manager, Digital Learning Environments, Centre for Continuing and Online Learning presented with Karen Speirs of Seneca College, at the Advancing Learning Conference in June 2015 on the subject of collaborative learning development. • Three faculty were honoured with Capital Educators’ Awards given out by the Ontario Network for Education at Edugala on May 21st, including: Mary Jane Burrows, Coordinator/Professor, Internationally Educated Nursing and Refresher Programs, School of Health and Community Studies; Shelley Clarke, Professor, Nursing, School of Health and Community Studies; and Julie McCann, Professor, Journalism, School of Media and Design. • The Ottawa Spring Convocation ceremonies were held on June 22-24 at the Canadian Tire Centre. Honorary Degree and Diploma recipients for the ceremonies were: Tony Pollard, President, Hotel Association of Canada; Dr. Robert Cushman, Former CEO, Champlain Local Health Integration Network, and Former Chief Medical Officer of Health, City of Ottawa; The Honourable Vernon White, Senator; Harvey Glatt, Director, True North Records; and Shirley Westeinde, Chair, Westeinde Properties Ltd. • The President’s Star Award was presented to the following employees: Waseem Frieslaar (Jazan); Mohammad Tabrez Arfin (Jazan); Cathy Collyer (School of Business); Edna Sebag (Registrar’s Office); Rob Parniak (Career and Academic Access Centre), and Catherine Lee (Ancillary Services).
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