

MEETING OF THE BOARD OF GOVERNORS - HYBRID

MEETING NUMBER FIVE HUNDRED AND THIRTY TWO OF THE BOARD OF GOVERNORS OF ALGONQUIN COLLEGE TO BE HELD ON MONDAY, February 27, 2023 FROM 4:00 P.M. – 6:15 P.M. IN ROOM T102 ABC, OTTAWA CAMPUS OR BY ZOOM WEBINAR

In-Person Attendance is preferred: Ottawa Campus, Room T102 AB

ZOOM WEBINAR - Register in Advance: https://algonquincollege.zoom.us/webinar/register/WN_pj_8LPYJRceLxHj0yiuM5w

AGENDA		Presenter	Time
0.	Celebrating Student Success – Changemaker Award		
	Biiwaabikoke - <i>“Mine, Produce, Work with Metal”</i>	Chris Janzen	10 m. 4:05-4:15
1.	CONSTITUTION OF THE MEETING AND APPROVAL OF THE AGENDA	Gail Beck	1 m.
2.	DECLARATIONS OF CONFLICT OF INTEREST	Gail Beck	1 m.
3.	APPROVAL OF PREVIOUS MEETING MINUTES AND CONSENT AGENDA ITEMS		
	3.1 Minutes of the Board of Governors’ meeting of December 5, 2022	Gail Beck	1 m.
4.	COMMITTEE REPORTS		
	4.1 Board Executive Committee Report (verbal)	Gail Beck	1m. 4:20-4:20
	4.2 Academic and Students Affairs Committee Report (verbal) For Approval: Appendix A: Program Title Modification: Photography, Ontario College Diploma For Information: Appendix B: Enrolment Update	Rodney Wilson	1 m.
	4.3 Audit and Risk Management Committee Reports (verbal) For Information: Appendix A: Third Quarter 2022-23 College Endowment and Operating Funds Investment Report Appendix B: Third Quarter 2022-23 Major Capital Projects Report Appendix C: Third Quarter 2022-23 High-Risk Dashboard Report	Ikram Zouari	0 m.
	4.4 Governance Committee Report (verbal)	Steve Barkhouse	0 m.
5.	BUSINESS ARISING FROM THE MINUTES		
	5.1 R3 Project 2023-24 Budget Request (Approval)	Laura Stanbra Lois Pollock Krista Pearson	10 m. 4:25-4:35

	5.2 College Accessibility Major Capital Project - Annual Budget Request (Approval)	Duane McNair Ryan Southwood	10 m. 4:35-4:45
6.	DECISION ITEMS AND REPORTS		
	6.1 Third Quarter 2022-23 Financial Projection (Information) Appendix A: Third Quarter 2022-23 Financial Projection Appendix B: Third Quarter 2022-23 Compliance Schedule	Duane McNair Grant Perry	20 m. 4:45-5:05
	6.2 Third Quarter 2022-23 Business Plan Performance Update (Information) Appendix A: Third Quarter 2022-23 Business Plan Dashboard Appendix B: Third Quarter 2022-23 Exceptions Report	Mark Savenkoff	0
7.	NEW BUSINESS		
	7.1 2023-25 Business Plan & 2023-24 Annual Budget (Approval) Appendix A: DRAFT 2023-25 Business Plan & 2023-24 Annual Budget	Claude Brulé Mark Savenkoff Chris Janzen Duane McNair Laura Stanbra Diane McCutcheon Duane McNair Emily Woods	1 h. 5:05-6:05
8.	ITEMS FOR INFORMATION		
	8.1 Report from the Board Chair	Gail Beck	0
	8.2 Report from the President	Claude Brulé	0
	8.3 Board of Governors Management Summary Report	Executive Team	0
	8.4 2022-23 Board of Governors Workplan	Gail Beck	0
	8.5 Confirmation of Mandatory Government Remittances	Grant Perry	0
9.	UPCOMING EVENTS	Date	
	• 2023 Spring Board March Retreat	March 25, 2023	
	• Board of Governors Meeting (Hybrid)	April 17, 2023	
	• Board of Governors Meeting & Annual General Meeting (Hybrid)	June 5, 2023	
	• President's & Board of Governors End-of-Year of Dinner	June 6, 2023	
	• Perth Convocation	June 7, 2023	
	• Pembroke Convocation	June 9, 2023	
	• 2023 Spring Convocation – Canadian Tire Centre	June 20-22, 2023	
	• Board Orientation	August 17, 2023	
	• AC Vision	August 31, 2023	
10.	REGULAR MEETING ADJOURNMENT		

DRAFT

BOARD OF GOVERNORS MEETING MINUTES

MINUTES OF THE MEETING NUMBER FIVE HUNDRED AND THIRTY ONE OF THE BOARD OF GOVERNORS OF ALGONQUIN COLLEGE, HELD ON MONDAY, DECEMBER 5, 2022 AT 4:00 PM AT THE OTTAWA CAMPUS IN ROOM T102 AB OR BY ZOOM WEBINAR VIDEO/TELECONFERENCE.

<p><u>Present: - Update</u> Gail Beck, Board Chair Claude Brulé, President & CEO Jamie McCracken, Board Vice Chair Anthony Pollard Audrey Claire Lawrence Cyan Shields Cyril McKelvie Ikram Zouari Jeff Darwin Laura Jarrell Rebecca Wakelin Rodney Wilson Stephen Tudor Steve Barkhouse Valerie Sayah</p> <p><u>Regrets:</u> Gabrielle Berard Shaun Denis</p> <p><u>Recorder:</u> Victoria Tiqui-Sanford, Senior Executive Assistant, Board of Governors Wendy Eastwood, Executive Support Clerk, Board of Governors</p>	<p><u>Algonquin College Executive Team:</u> Duane McNair, Vice President, Finance & Administration Laura Stanbra, Vice President, Student Services Chris Janzen, Senior Vice President, Academic Mark Savenkoff, Vice President, Advancement & Strategy</p> <p><u>Regrets:</u> Diane McCutcheon, Vice President, Human Resources Tracy McDougall, Director, Communications & President’s Office</p> <p><u>Presenters/Guests:</u> Emily Woods, Director, Corporate Planning Grant Perry, Chief Financial Officer Krista Pearson, Registrar Scott Gonsalves, Director, Strategy & Planning, Advancement & Strategy</p> <p><u>Changemaker Awards Presenters:</u> Peter Arbour, Coordinator, Forestry Technician Program</p> <p><u>Students:</u> Breanna Atkinson Emma Keller Ashley Macrae Skyler Stewart-Weber</p>
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WELCOME REMARKS

Governor Beck, Board Chair, welcomed members and observers to the meeting at 4:00 p.m.

- 0. Celebrating Student Success – Changemaker Award:** Forest of Hope in Support of Suicide Prevention
 C. Janzen, Senior Vice President, Academic introduced P. Arbour, Coordinator, Forestry Technician Program who provided a brief overview and introduced student presenters B. Atkinson, E. Keller, A. Macrae, and S. Stewart-Weber. Planted in partnership with the Canadian Association for Suicide Prevention (CASP), the Ontario Woodlot Association and the Kiwanis Club of Pembroke, the new forest will serve as both a memorial to people who have died by suicide and to raise awareness around

suicide prevention. The Canadian Association for Suicide Prevention states that new trees can be planted in memory of a specific loved one or “simply in the name of hope.”

The tree planting event saw more than 50 Algonquin College students aid in the planting of 1,500 red pine, white pine and white spruce trees. In addition to its importance in suicide prevention and awareness, the forest will also be used as a teaching space for Forestry Technician learners, who will work to ensure its ecological health and sustainability.

Governor Beck, Chair of the Board of Governors, and C. Brulé, President and CEO extended their sincere congratulations to students Breanna Atkinson, Emma Keller, Ashley MacCrae and Skyler Stewart-Weber.

1. CONSTITUTION OF THE MEETING & APPROVAL OF THE AGENDA

Governor Beck, Chair Board of Governors, constituted the meeting at 4:13 p.m. and asked whether any Governors wished to remove or add an item to the agenda. No item was removed or added.

RESOLUTION

MOVED & SECONDED: A. Lawrence & S. Tudor

THAT the Board of Governors approves the meeting agenda of December 5, 2022.

CARRIED.

2. DECLARATION OF CONFLICT OF INTEREST

Governor Beck asked members to declare any conflicts of interest with items on the agenda. No conflict of interest was declared.

3. APPROVAL OF PREVIOUS MEETING MINUTES AND THE CONSENT AGENDA

3.1 Minutes of the Board of Governors’ meeting of October 24, 2022

Approval of the Board of Governors Meeting minutes of October 24, 2022.

RESOLUTION

MOVED & SECONDED: C. Shields & V. Sayah

THAT the Board of Governors approves the meeting minutes of October 24, 2022.

CARRIED.

4. COMMITTEE REPORTS

4.1 Board Executive Committee Report (verbal)

Governor Beck provided members with a verbal report of agenda items discussed at the November 22, 2022 Board Executive Committee meeting. Meeting highlights included:

- Board Members’ Generative Discussions Opportunities – the next one will be on Feb. 7, 2023;
- 2022 Fall Board of Governors Retreat – Survey Results;
- Planning for 2023 Spring Board Retreat (March 25, 2023); and
- Timeline for the Development of the Next Strategic Plan.

Members accepted this report for information.

4.2 Academic & Student Affairs Committee Report

Members accepted this report for information. Governor Wilson provided additional details on agenda items presented at the November 8, 2022 Committee meeting. Board of Governors approval was requested for the following:

Building Information Modelling – Lifecycle Management (Canadian Context), Ontario College Graduate Certificate – (For Approval)

RESOLUTION

MOVED & SECONDED: R. Wilson & S. Barkhouse

THAT the Board of Governors approves of the Building Information Modeling – Lifecycle Management (Canadian Context), Ontario College Graduate Certificate program, effective Spring 2023.

CARRIED.

Members accepted this report for information.

4.3 Audit & Risk Management Committee Report

Members accepted this report for information. Governor Zouari provided additional details on agenda items presented at the November 21, 2022 Committee meeting.

4.4 Governance Committee Report

Members accepted this report for information. Governor Barkhouse provided additional details on agenda items presented at the November 14, 2022 Committee meeting.

5. BUSINESS ARISING FROM THE MINUTES

There is no Business arising from the minutes.

6. NEW BUSINESS

6.1 First Draft Concepts of the 2023-25 Business Plan, 2023-24 Budget Assumptions, Five-Year Pro Forma (Information)

M. Savenkoff, Vice President, Advancement and Strategy provided a brief overview and introduced S. Gonsalves, Director, Strategy and Planning who presented the First Draft Concepts of the 2023-25 Business Plan. The College is currently in year one of the 2022-25 Strategic Plan, and its conclusion coincides with the 2023-25 Business Plan. The College's Strategic Plan outlines the following three primary goals:

- 1) Provide flexible, personalized, and lifelong learner experiences;
- 2) Empower our people to foster a high-quality, innovative, learner-driven culture; and
- 3) Create an equitable, diverse, and inclusive work environment.

S. Gonsalves provided details of the initiatives under each Goal and the next steps in the development of the plan. For the next two years, the following six major themes are designed to help achieve these goals, outcomes and measures:

- 1) Strategic renewal;
- 2) Enrollment Management;
- 3) Financial Sustainability;
- 4) System Transformation;
- 5) Talent and Skills;
- 6) Equity, diversity, and inclusion

The Draft 2023-25 Business Plan will be presented at the February 27, 2023 Board of Governors meeting for approval.

Questions from members were answered.

D. McNair, Vice President, Finance and Administration provided a brief overview of the 2023-24 Budget Assumptions, Five-Year Pro Forma and introduced presenter, E. Woods, Director, Corporate Planning. E. Woods provided members details of the following leading budget challenges:

- Changing demographics of our student population;
- Impacts of the corridor funding model and the Strategic Mandate Agreement 3 (SMA3);
- 10% tuition reduction introduced in 2019-20 and the ongoing tuition freeze that is anticipated to extend to the 2023-24 fiscal year;
- Increasing operating costs and high inflation; and
- Growing deferred maintenance backlog for physical and technological infrastructure.

The total full-time post-secondary enrolments are expected to increase by 5.2% over the second quarter 2023-24 projection levels, with a 0.5% increase in overall domestic enrolments and a 20% increase in total international enrolments. For the years to follow, domestic enrolment is expected to remain flat and international enrollment to grow by 15% annually. The Public College - Private Partnership enrolments are expected to increase by 325% over the 2022-23 second quarter projection levels, achieving almost 2,300 enrolments in 2023-24, and growing to just over 4,300 by 2027-28. The Strategic Investment Priority requirements remain significant over the next five years between \$45 to \$85 million. The draft 2023-24 Budget will be presented at the February 27, 2023 Board of Governors meeting for approval.

Questions from members were answered. Members accepted both updates for information.

6.2 2023-24 Schedule of Tuition and Ancillary Fees (Approval)

L. Stanbra, Vice President, Student Services provided a brief overview and introduced presenter K. Pearson, Registrar. The 2023-24 Schedule of Fees apply to the academic year beginning September 1, 2023 and ending August 31, 2024. There is no tuition increase for domestic students. Average domestic tuition rate will remain at \$1,361.29 per term in 2023-24. Province-wide, the standard rate tuition remains within approximately \$75.00 per term, which has been true since the tuition freeze and reduction. There will be a 3% increase applied to the international premium portion (only). This single 3% increase applied to all international premiums will result in a modest but relevant increase given the cost of living and inflation approximately \$200 per term for most international students.

The Private College Public Partnership tuition and ancillary expenses will remain equivalent to Algonquin College to eliminate any cost differential market impact.

K. Pearson provided a detailed break-down of the proposed 2023-24 compulsory ancillary fees. There is an allowable increase of up to 20% annually:

- From \$1,895.88 to \$1,934.35 per academic year (two terms); reflects a \$38.47 (2.03%) increase for the academic year
- 75.3% Students' Association fees; 24.7% College fees

It was highlighted that the College makes significant efforts to contain costs to support affordability for students.

Questions from Governors were answered.

RESOLUTION

MOVED & SECONDED: J. McCracken & S. Tudor

THAT the Board of Governors approve the proposed 2023-24 Tuition and Fees Schedules.

CARRIED.

6.3 Five-Year Capital Investment Plan (Information)

D. McNair referred members to the two major capital project categories:

- Approved Major Capital Projects; and
- Potential Major Capital Projects.

Under the Approved Major Capital Projects are Campus Accessibility and the R3 - Student Information System. Within the Potential Major Capital Projects are Ottawa Campus of Care and Data Centre Facility. The College will continue to update and maintain the Five-Year Capital Investment Plan. College administration will continue to refine projections, develop investment cases, identify sources of funds, and prioritize investment requirements to support the Strategic Plan objectives and mitigate risks to the College.

Questions from a Governors were answered. Members accepted this report for information.

7. DECISION ITEMS & REPORTS

7.1 Second Quarter 2022-23 Financial Projection (Approval)

G. Perry, Chief Financial Officer presented the Second Quarter 2022-23 Financial Projection. The Second Quarter 2022-23 Financial Projection reports a decrease in net contribution of \$1.2 million from the 2022-23 Approved Annual Budget of \$3.0 million, for a total projected net contribution of \$1.8 million.

Approved Annual Budget to Quarterly Report Highlights included the following:

- 1) Overall enrolment decreased by 10.4% over the approved annual budget;
- 2) Domestic enrolments decreased by 10.6% and international enrolments decreased by 9.6%;
and
- 3) The Public College – Public Partnership are holding to the approved targets in the Fall term.

Internally Restricted Funds of \$12.7 million used to fund Strategic Investment Priorities and Operations. If enrolments continue to fall short of expectations, the College will continue its efforts to contain costs and increase enrolments in other areas to achieve a break-even with a small surplus budget this fiscal year.

Questions from members from were answered.

RESOLUTION

MOVED & SECONDED: S. Tudor & R. Wilson

THAT the Board of Governors approves the Second Quarter 2022-23 Financial Projection with a projected annual surplus of \$1.8 million for submission to the Ministry of Colleges and Universities through the College Financial Information System.

CARRIED.

8. ITEMS FOR INFORMATION

8.1 Second Quarter 2022-23 Business Plan Performance Update (Information)

Members accepted this update for information.

8.2 Report from the Board Chair

Governor Beck referred members to the Report from the Chair for information.

8.3 Report from the President

President Brulé referred members to the Report from President for information, and noted the following highlights:

- Attended several community Board meetings;
- Attended the 10th Anniversary of Algonquin College's Pembroke Waterfront Campus; and
- Provided a short summary of the main topics of discussion at recent meetings of the Committee of Presidents.

8.4 Board of Governors Management Summary Report

Members accepted this report for information.

8.5 2022-23 Board of Governors Workplan

Members accepted the Workplan for information.

8.6 Confirmation of Mandatory Government Remittances

Members accepted the remittances for information.

9. UPCOMING EVENTS

Board Chair Beck informed members of upcoming events for information.

REGULAR MEETING ADJOURNMENT

There being no further business, the Regular meeting was adjourned at 5:41 p.m. It was moved by Governor G. Beck and seconded by Governor S. Tudor.

10. IN CAMERA

An IN CAMERA session was held beginning with Board members only at 6:00 p.m.

Gail Beck, Chair

Victoria Tiqui-Sanford, Recorder

APPENDIX A - Observers:

Alanna McDonell, Director, Marketing and Recruitment
Annette Bouzi, Professor & President, School of Business
Ashlea Fitz-Webber, Mother of student
Ben Bridgstock, Director, Student Support Services, Student Services
Brent Brownlee, Director, Campus Services
Bruce Hickey, Manager, Communications, President's Office
Chris Hahn, Dean, Perth Campus & Algonquin Centre for Construction Excellence
Dan Pihlainen, Chair, Media Studies, Faculty of Arts, Media and Design
David Soltis, Director, People and Culture
Doreen Jans, Manager, Financial Planning, Finance and Administrative Services
Emily Woods, Director, Corporate Planning, Finance
Eric Marois, Dean, School of Advanced Technology
Ernest Mulvey, Director, International Education Centre, Global, Online and Corporate Learning
Fatima Matar, Administrative Assistant, Facilities Management
Grant Perry, Chief Financial Officer, Finance & Administration
Gordon Warner, Associate Director, Strategic Procurement
Heather Ryall, Dean, Faculty of Arts, Media, and Design, Academic Services
Heather Woodside, Part-time Instructor, Municipal Prosecutor
Ian Lewer, Director, Philanthropy, Advancement & Strategy
James Pede, Associate Director, Finance & Administration
Jane Trakalo, Dean, Faculty of Health, Public Safety & Community Studies
Joanne Squaid, Associate Director, Advancement & Strategy
Julie Beauchamp, Dean, School of Business & Hospitality
Kina Simmonds, Executive Assistant, Communications and External Relations
Krista Pearson, Registrar, Registrar's Office
Kristine Dawson, Associate Vice-President, Experiential Learning and Innovation
Linda Nguyen, Senior Financial Analyst
Louise Boudreault, Professor, Nursing Studies
Maggie Cusson, Dean, Academic Development
Mark Leduc, Executive Director, Academic Operations and Planning, Academic Services
Michelle Tait Eburne, Manager, Business Relationship Management, IT Service Delivery
Oleg Choutov, Fees Coordinator
Paul Garner, Senior Manager, Internal Control, Risk Management
Paula Benbow, Chair, Health Foundations
Paula ter Huurne, Support Services Officer, Community Studies
Rebecca Volk, Manager, Centre of Organizational Learning
Ryan Southwood, Executive Director, Facilities Management
Sarah Hall, Dean, Pembroke Campus
Sandra Larwill, Chair, Academic Integrity, Academic Operations & Planning
Scott Gonsalves, Director, Strategy and Planning, Advancement & Strategy
Tara Kelly, HR Special Projects Coordinator, Human Resources
Tara Vicckies, Manager, Operational Accounting
Teri Kinnunen, Manager, Corporate Budgeting, Financial Planning
Trevor Oattes, Communications Officer
Wadhah Al-monaifi, Business Analyst, Business Relationship Management, ITS
Yen Do, Acting Chief Digital Officer, Finance and Administration

4.2 Appendix A

Report title:	Program Title Modification: Photography, Ontario College Diploma
Report to:	Academic and Student Affairs Committee
Date:	January 25, 2023
Author/Presenter:	Heather Ryall, Dean, Faculty of Arts, Media and Design Maggie Cusson, Dean, Academic Development

1. RECOMMENDATION:

THAT the Academic and Student Affairs Committee recommends to the Board of Governors the approval of the program title modification from Photography, Ontario College Diploma to Photography – Content Creation, Ontario College Diploma, effective Fall 2023.

2. PURPOSE / EXECUTIVE SUMMARY:

The purpose of this report is to provide details in support of the proposed program title modification of the Photography, Ontario College Diploma program.

3. BACKGROUND:

The photography industry practices and technologies have changed tremendously since the creation of this program. The proposed modifications will provide an opportunity to refresh curriculum and reflect current practices that are relevant to what graduates can expect to encounter in their industry. Furthermore, there was a need to remove outdated topics and re-align content to the appropriate courses to avoid duplication.

The addition of a program title modifier, Content Creation, reflects the direction of the photography profession. The Photography program focus is differentiated by its focus on content creation. The program uses still, motion and audio in its practice and allows students to develop technical skills that can produce content for a variety of mediums such as social media, web and print. Furthermore, students develop their ability to plan and curate content for consistent visual communications. This modification responds to the Program Advisory Committee’s recommendation to increase focus on video production and entrepreneurial skills to meet industry expectations.

The following themes have been created that thread through the program: Creative, Capture, Edit, Output, and Photography Industry. Two work-integrated learning courses have been

added which will provide opportunities for students to work with internal and external stakeholders.

4. DISCUSSION:

Photography has become much more than just taking pictures. As such the title does not fully capture the types of technology applications currently present in the local, national and international environment.

Program titles are set by the Ministry of Colleges and Universities. There is currently discussion underway at the Ministry level to modify the title. However, it has yet to be identified as a priority. Currently, some Ontario Colleges have added descriptors to their program titles which provide prospective students more clarity about what they will learn in the program.

The Program Quality Review completed for the Photography program identified the need to renew the curriculum and explore a revised title. The Photography Program Advisory Committee has been consulted specific to program curriculum changes and the addition of new vocational learning outcomes to better reflect the technological advancements in the industry. The program has taken this opportunity to propose a title modification to Photography – Content Creation.

On September 29, 2022, the voting members of the Photography Program Advisory Committee unanimously endorsed the program title and curriculum modifications.

5. LINK TO STRATEGIC PLAN:

STRATEGIC PLAN 2022-2025	
LEARNER DRIVEN	
Goal 1: Provide Flexible, Personalized, and Lifelong Learner Experiences	<input checked="" type="checkbox"/>
PEOPLE	
Goal 2: Empower Our People to Foster a High-Quality, Innovative, Learner-Driven Culture	<input checked="" type="checkbox"/>
Goal 3: Create an Equitable, Diverse, and Inclusive Work Environment	<input type="checkbox"/>

6. STUDENT IMPACT:

The program title modification will help students better understand the nature of the program when making program decisions and selections during their application process. Additionally, graduates of the program will be better equipped with the skills and knowledge to pursue opportunities in the Photography – Content Creation industry. Once approved the title change will coincide with curriculum changes being implemented for students beginning the program in Fall 2023 and graduating in Spring 2025 onward.

7. FINANCIAL IMPACT:

New courses and revisions to existing courses are expected to be undertaken over the next two years as the revised curriculum is introduced. There is no direct financial impact associated with the modification of the program title. The intent is to positively impact enrolment in the program.

8. HUMAN RESOURCES IMPACT:

There is no direct impact to human resources anticipated.

9. GOVERNMENT / REGULATORY / LEGAL IMPACT:

Following consideration by the Board of Governors, the modification to the program title will be submitted to Credentials Validation Service, followed by submission to the Ministry of Colleges and Universities.

Program Advisory Committee:

On September 29, 2022 the Photography Advisory Committee unanimously endorsed the following motion:

MOVED by Mylene Choquette and **SECONDED** by Rob Letourneau

THAT the Photography Program Advisory Committee has reviewed the changes as presented for the **Photography – Content Creation**, two-year Ontario College Diploma program, supports the need for this program in the community, and recommends this program for approval to the Algonquin College Executive Team and to the Board of Governors.

Note: The September 29, 2022 Program Advisory Committee did not have quorum and the motion was continued electronically for absent members. The majority of the Program Advisory Committee voted in favour of the program modification.

The membership of the advisory committee is presented at Appendix A: Program Advisory Committee Membership.

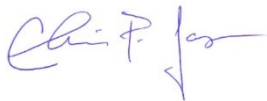
10. COMMUNICATIONS:

The communication plan for marketing and recruitment of this program will be implemented upon receipt of approval of the title change for the program from the Ministry of Colleges and Universities.

11. CONCLUSION:

This proposed program title change has been vetted in accordance with the policy and procedure on program approval detailed in Board Governance Policy, BGII-01 Programs of Instruction. It aligns with the College mission and strategic plan, addresses an economic and social need of the communities served by the College, responds to government directions and priorities, and complies with the Ministry of Colleges and Universities' Framework for Programs of Instruction.

Respectfully submitted:



Chris Janzen
Senior Vice President, Academic

Approved for submission:



Claude Brulé
President and CEO

Appendices:

Appendix A: Program Advisory Committee Membership

Enrolment Update

Academic and Student Affairs Committee

Jan. 25, 2023

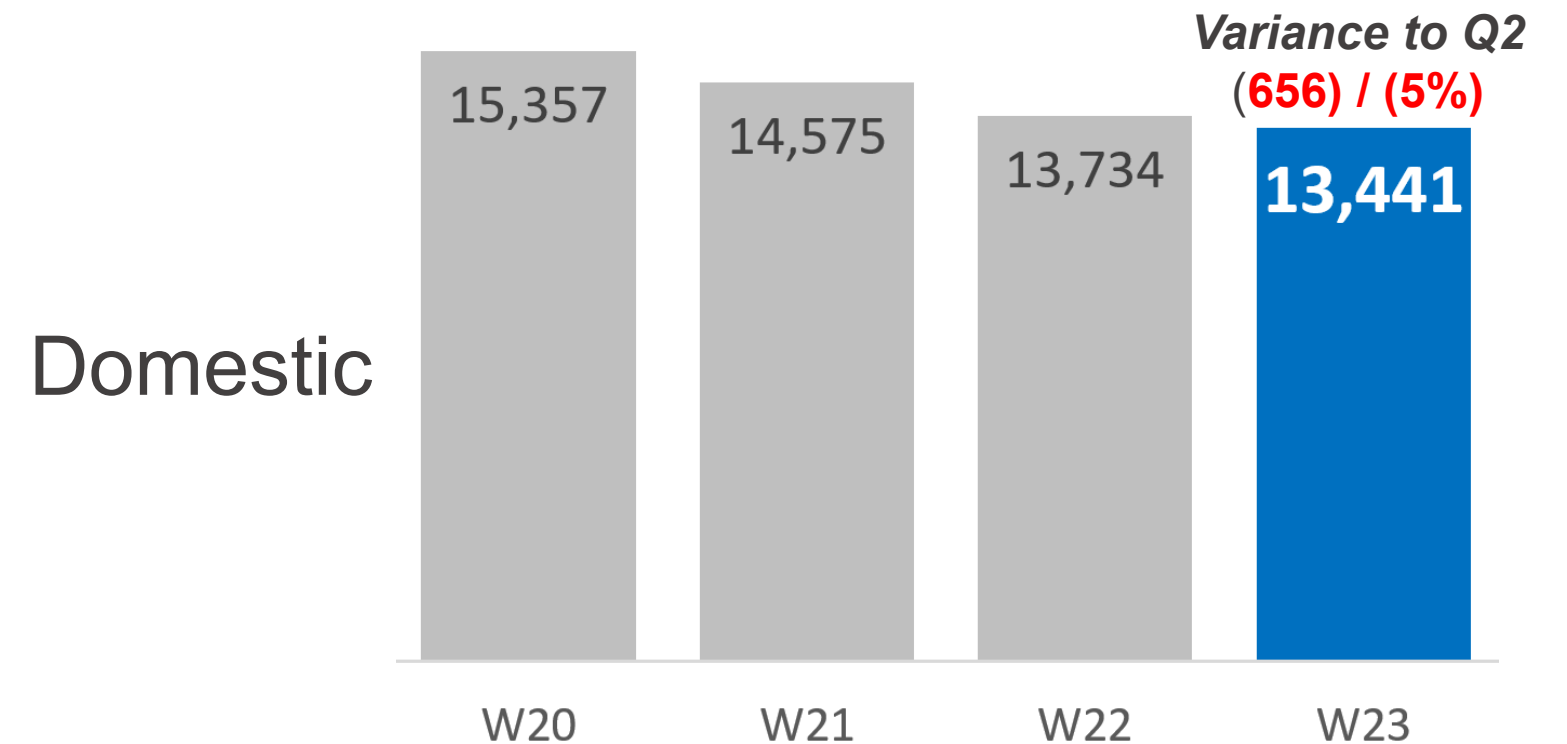
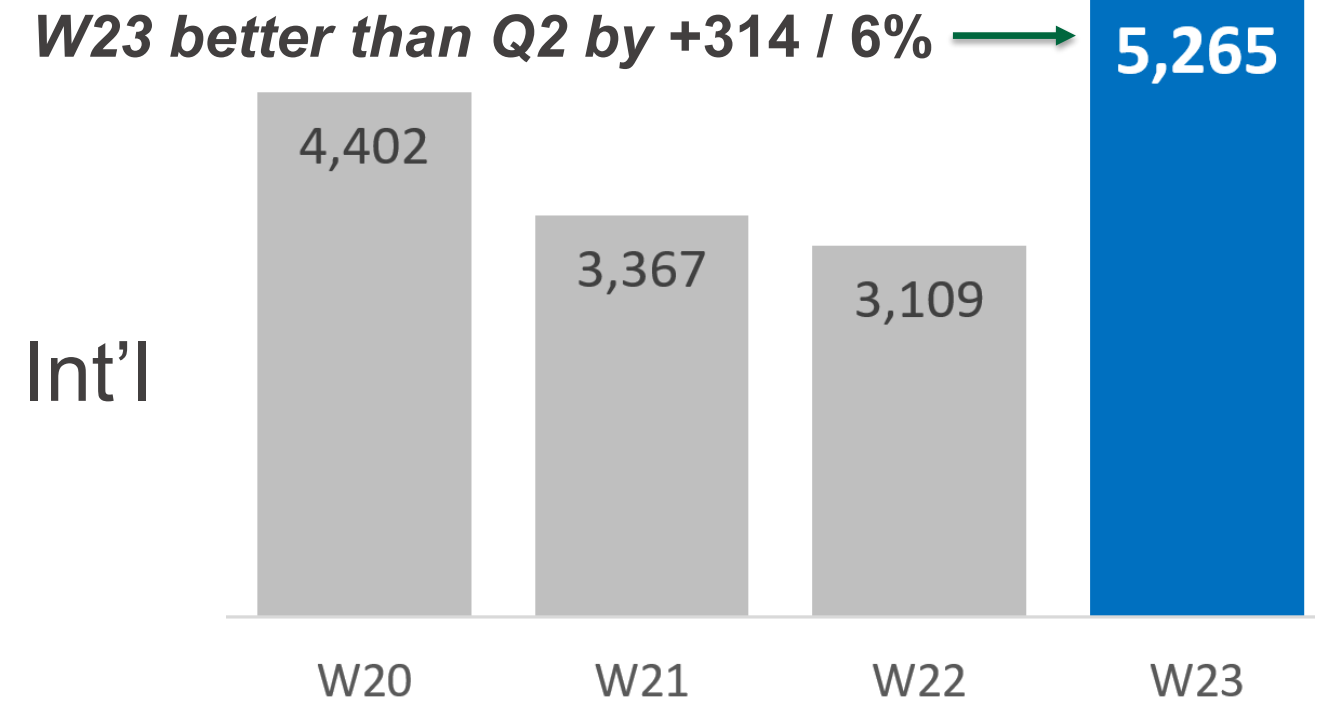
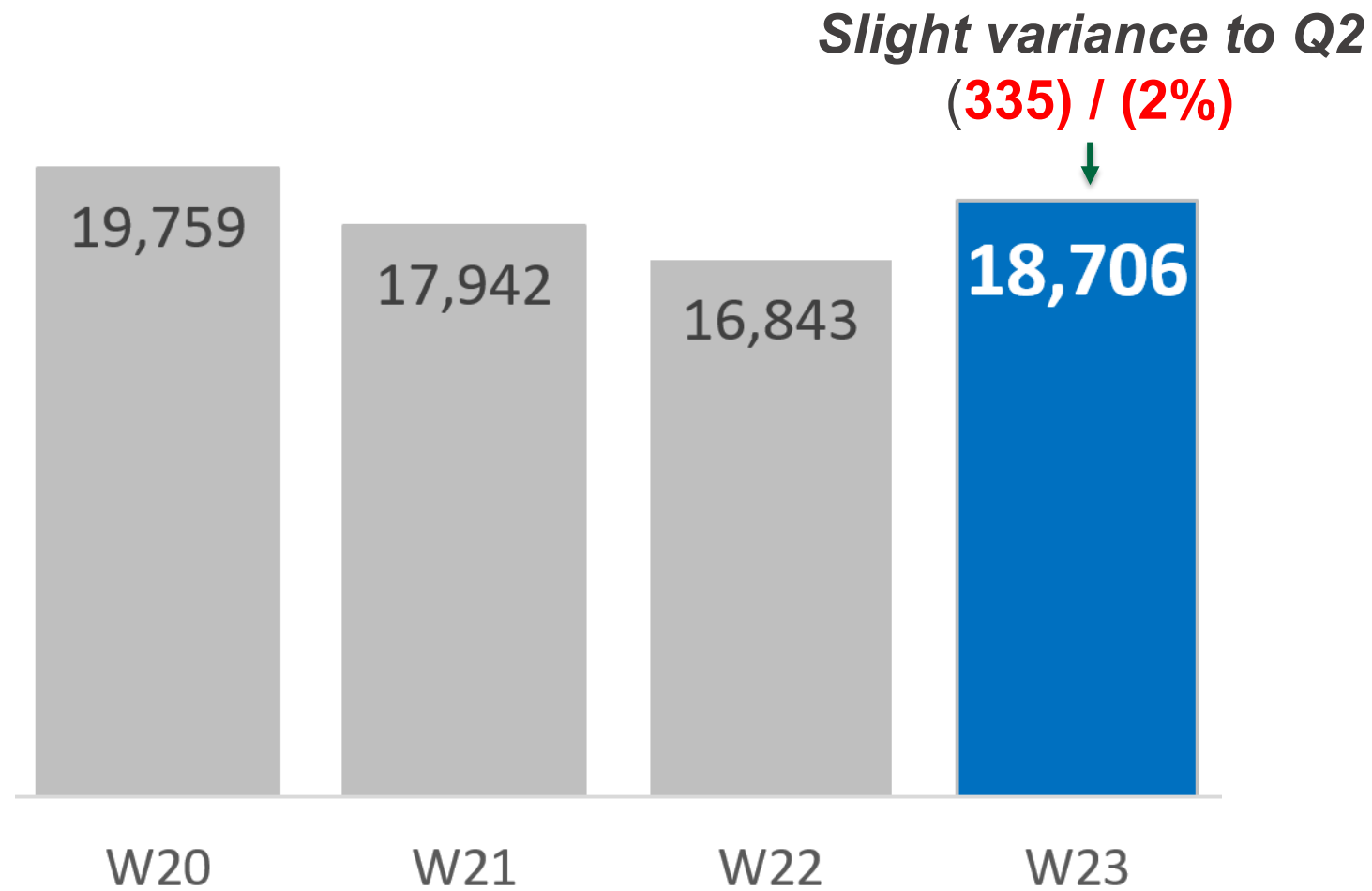
Academic Operations and Planning

And the Registrar's Office

Winter 2023

- Total enrolment slight variance to Q2 Forecast, strength of international partially offsets shortfall in domestic

Total Students (New & Returning)



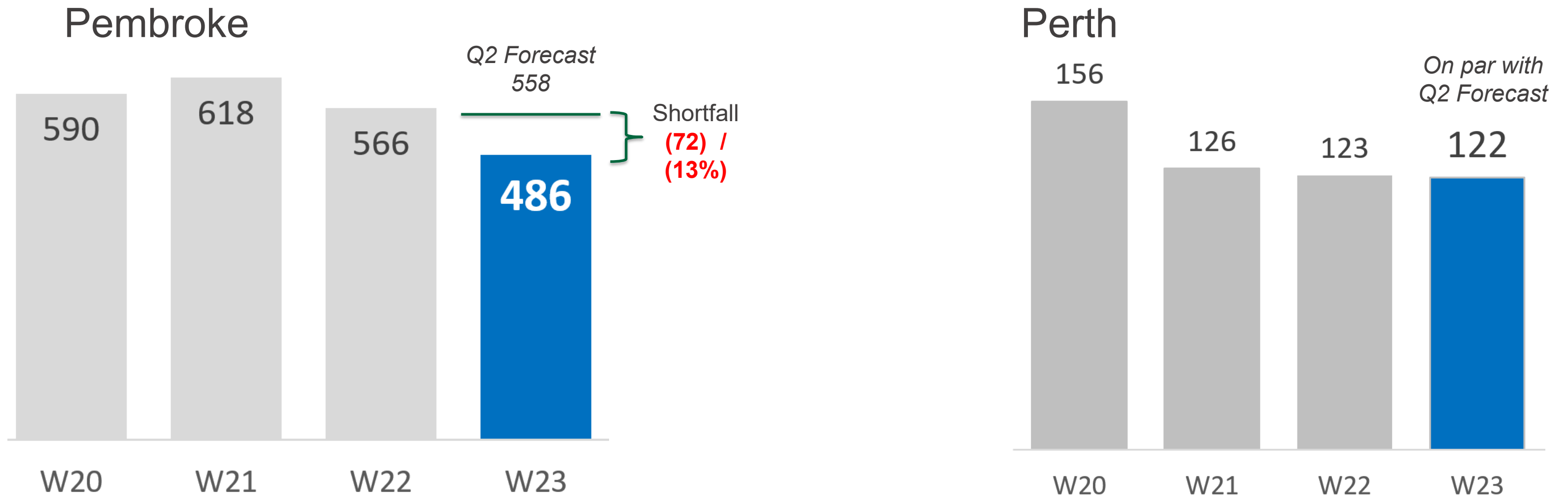
Q3 Forecast projecting minor variance overall to Q2, international should offset on a financial basis

COLLEGE ENROLMENT - FISCAL 2023

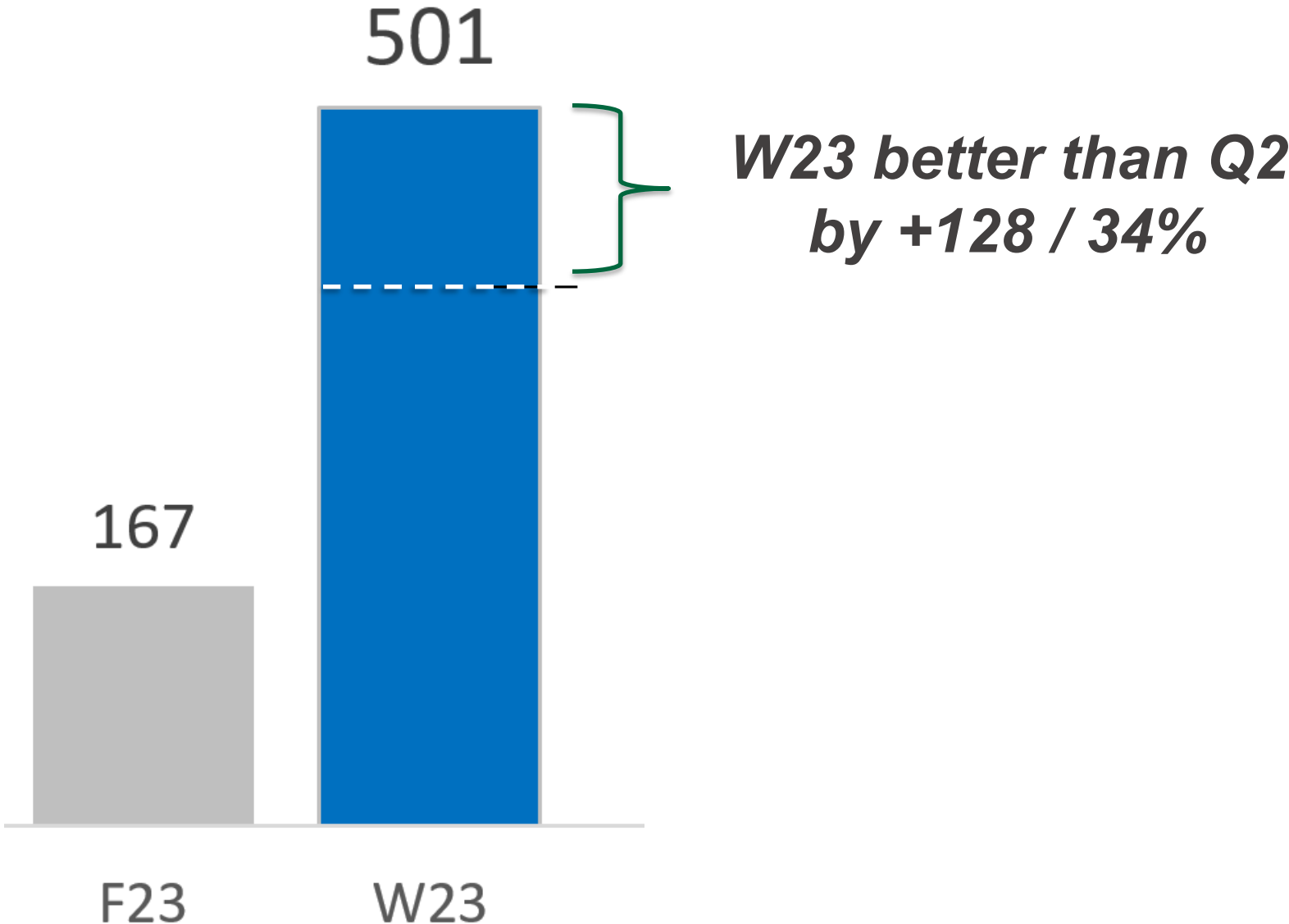
(Post Secondary & Graduate Certificates)

	<i>Draft</i> Q3 Fcst (at Jan. 20, '23)	Q2 Forecast		Previous Year	
		Over / (Under) #	Over / (Under) %	YoY #	YoY %
Total Registered	44,618	(345)	(1%)	3,119	8%
Level 01	16,188	(315)	(2%)	1,749	12%
Returning	28,430	(30)	(0%)	1,370	5%
Domestic	33,314	(591)	(2%)	(830)	(2%)
International	11,304	246	2%	3,949	54%

Winter 2023 Enrolment – Pembroke & Perth



Winter 2023 Enrolment – PCPP (CDI)



Third Quarter 2022-2023 Investment Reports

College Endowment Fund - Page 2
College Operating Fund - Page 9

Period ended December 31, 2022

Third Quarter 2022-2023 College Endowment Funds Investment Report

Period ended December 31, 2022



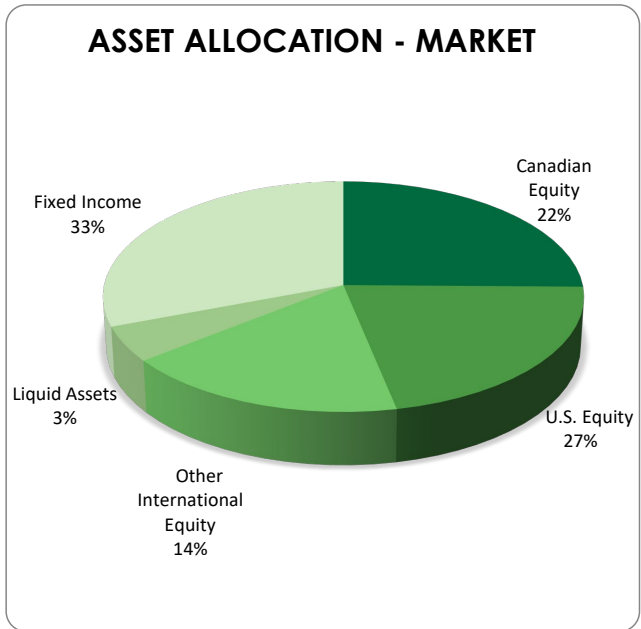
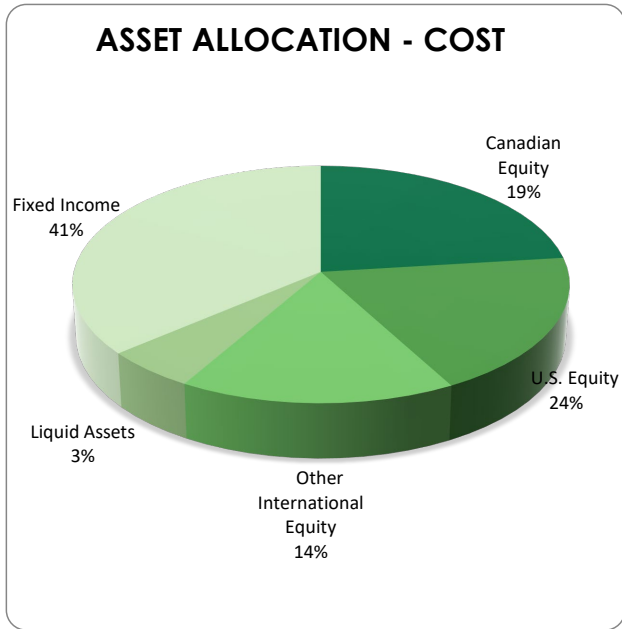
Endowment Fund Balance

	Book Value	Market*
Fund Balance March 31, 2022	\$ 32,363,195	\$ 35,308,631
Deposits	103,411	103,411
Net Share Donations Proceeds	10,666	10,666
Withdrawals	(1,075,086)	(1,075,086)
Accrued income from Buys/Sells	-	2,463
Investment Fees	(125,041)	(125,041)
Investment Income (Loss)	788,669	788,669
Unrealized Gain/Loss	-	(2,029,660)
Realized Gain/Loss	464,190	464,190
Fund Balance December 31, 2022	\$ 32,530,003	\$ 33,448,242

* excludes accrued interest

Asset Allocation-Endowment

Endowment Fund Balance - Breakdown December 31, 2022	Cost	% of Cost	Market	% of Market	Benchmark	Policy Range
Cash	\$ 1,006,805	3%	\$ 1,030,106	3%	3%	0-20%
Fixed Income	13,306,085	41%	11,197,812	33%	35%	25-45%
Canadian Equity	6,044,102	19%	7,473,058	22%	22%	12-32%
US Equity	7,763,389	24%	9,162,832	27%		
Other International Equity	4,409,622	14%	4,584,434	14%		
Total Global Equity	\$ 12,173,011	37%	13,747,266	41%	40%	30-50%
Total	\$ 32,530,003	100%	\$ 33,448,242	100%	100%	100%

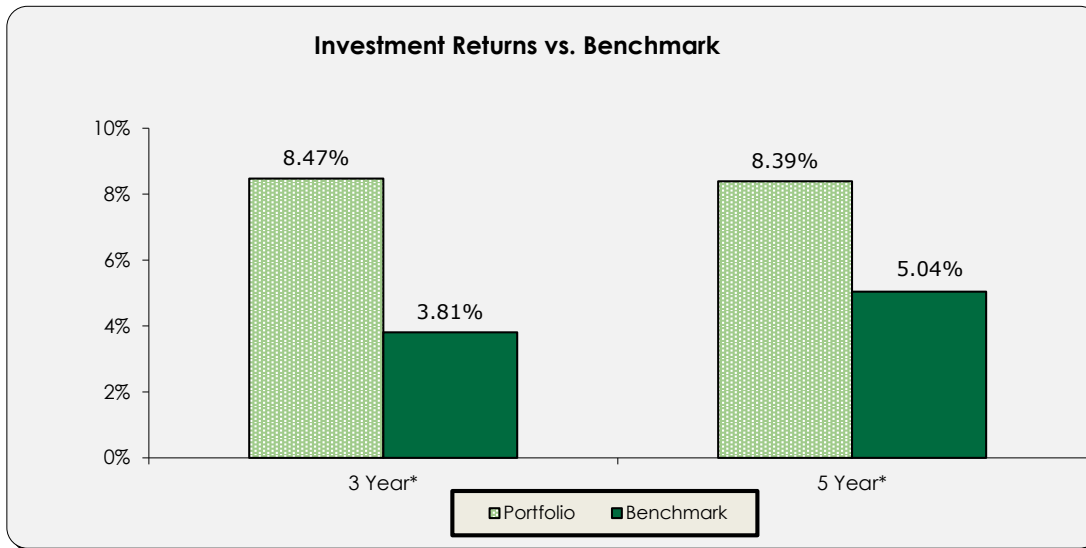
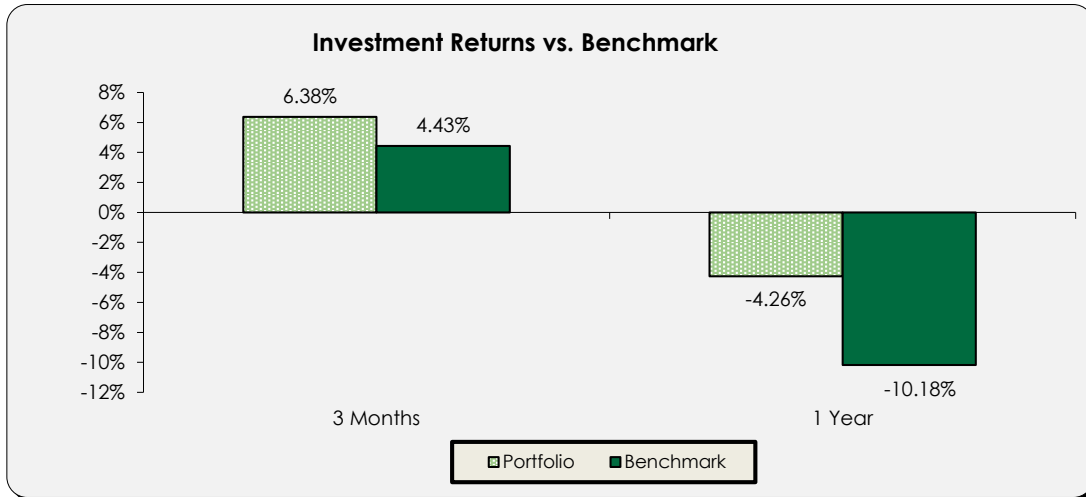


Third Quarter 2022-2023 College Endowment Funds Investment Report

Performance Review - Endowment

	Cash & Equivalents**	FTSE TMX 30-day T-bill	Relative Performance	Fixed Income	FTSE TMX Universe	Relative Performance	Canadian Equity	TSX Composite	Relative Performance	Global Equity	MSCI World (ex-Cda)	Relative Performance	Portfolio Totals	Benchmark Totals	Relative Performance
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%	15.91%	3.83%	37.95%	31.40%	6.55%	16.82%	17.30%	-0.48%
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%
Fiscal 2016				0.87%	0.72%	0.15%	3.06%	-6.58%	9.64%	-12.86%	-0.42%	-12.44%	-5.27%	-1.12%	-4.15%
Fiscal 2017	0.40%	0.54%	-0.14%	0.98%	1.48%	-0.50%	9.99%	18.60%	-8.61%	15.46%	18.34%	-2.88%	8.76%	11.78%	-3.02%
Fiscal 2018	0.20%	0.75%	-0.55%	1.68%	1.41%	0.27%	0.13%	1.69%	-1.56%	10.49%	10.12%	0.37%	6.51% *	4.93%	1.58%
Fiscal 2019	3.13%	1.77%	1.36%	5.66%	4.99%	0.67%	4.36%	8.10%	-3.74%	10.12%	7.82%	2.30%	7.30%	6.98%	0.32%
Fiscal 2020	1.81%	2.17%	-0.36%	7.37%	4.39%	2.98%	-8.46%	-14.22%	5.76%	1.67%	-4.16%	5.83%	0.45%	-2.93%	3.38%
Fiscal 2021	0.28%	0.27%	0.01%	0.32%	1.83%	-1.50%	35.37%	39.14%	-3.76%	53.75%	32.91%	20.84%	30.33%	23.69%	5.39%
Fiscal 2022	1.10%	0.28%	0.82%	-3.62%	-4.35%	0.73%	20.74%	19.00%	1.74%	5.68%	9.57%	-3.89%	6.07%	6.46%	-0.40%
Q1 2023	0.45%	0.15%	0.30%	-5.71%	-5.66%	-0.05%	-10.69%	-13.19%	2.50%	-9.65%	-13.74%	4.09%	-8.27%	-10.42%	2.15%
Q2 2023	1.35%	0.52%	0.83%	0.92%	0.52%	0.40%	-0.04%	-1.41%	1.37%	0.18%	0.85%	-0.67%	0.43%	0.26%	0.17%
Q3 2023	0.83%	1.00%	-0.17%	0.44%	0.10%	0.34%	5.22%	5.96%	-0.75%	12.49%	7.59%	4.90%	6.38%	4.43%	1.95%
Fiscal 2023 YTD Return	2.65%	1.67%	0.98%	-4.42%	-5.07%	0.65%	-6.07%	-9.31%	3.24%	1.82%	-6.40%	8.22%	-2.00%	-6.20%	4.21%

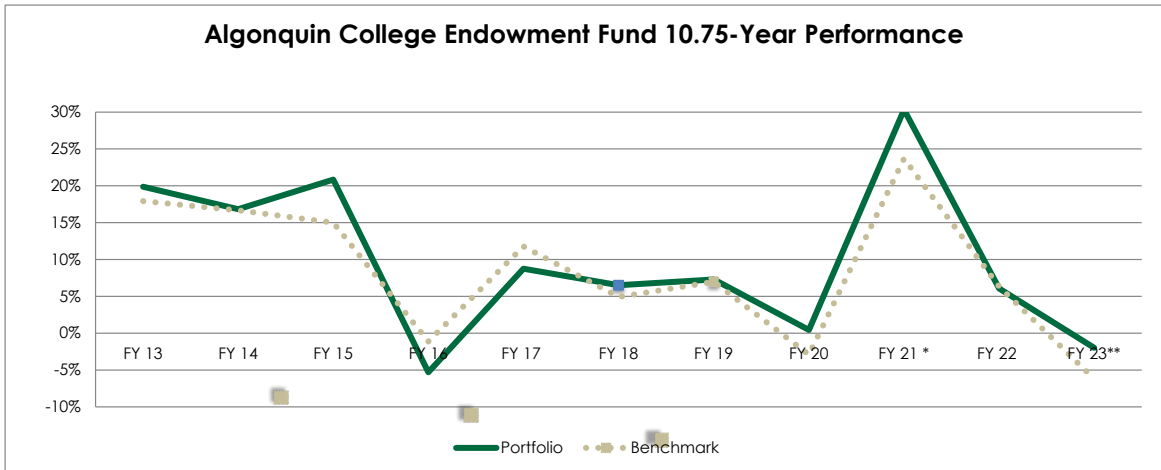
Performance Review-Endowment



Endowment Fund - Investment Returns

	3 Months	1 Year	3 Year*	5 Year*
Portfolio	6.38%	-4.26%	8.47%	8.39%
Benchmark	4.43%	-10.18%	3.81%	5.04%

* Compounded Annual Return



Sharpe Ratio

The Sharpe Ratio is the average return earned in excess of the risk-free rate per unit of volatility or total risk. Generally, the greater the value of the Sharpe ratio, the more attractive the risk-adjusted return.

Sharpe Ratio			
Endowment Funds Equity Portfolio vs Benchmark			
Period Ending	1 Year Equity Portfolio Sharpe Ratio	1 Year Equity Benchmark Sharpe Ratio	Relative Performance
30-Sep-17	5.98	5.82	0.16
31-Dec-17	4.78	5.66	-0.88
31-Mar-18	2.56	2.24	0.32
30-Jun-18	5.25	6.05	-0.80
30-Sep-18	7.82	5.55	2.27
31-Dec-18	-0.85	-1.01	0.16
31-Mar-19	1.65	0.98	0.67
30-Jun-19	0.76	0.98	-0.22
30-Sep-19	0.00	0.48	-0.48
31-Dec-19	8.27	5.71	2.56
31-Mar-20	-0.62	-0.98	0.36
30-Jun-20	1.78	1.09	0.70
30-Sep-20	3.24	1.72	1.52
30-Dec-20	1.17	0.56	0.61
31-Mar-21	11.56	5.35	6.21
30-Jun-21	10.41	5.68	4.73
30-Sep-21	7.88	6.24	1.64
31-Dec-21	5.30	3.98	1.32
31-Mar-22	1.86	1.38	0.48
30-Jun-22	-1.31	-1.45	0.14
30-Sep-22	-1.37	-1.61	0.24
31-Dec-22	-0.98	-1.85	0.87

Schedule of Cumulative Realized Investment Income/(Loss) Available for Distribution

	2017	2018	2019	2020	2021	2022	2023
Amount available for future distribution, beginning of year	\$ 2,699,434	\$ 3,543,474	\$ 4,213,486	\$ 3,755,820	\$ 3,587,707	\$ 8,862,764	\$ 10,100,422
Realized investment income/(loss)	\$ 1,830,019	\$ 1,703,517	\$ 622,076	\$ 1,792,398	\$ 6,433,494	\$ 2,479,530	\$ 464,190
Investment fees	\$ (87,257)	\$ (100,539)	\$ (97,112)	\$ (126,534)	\$ (121,872)	\$ (188,850)	\$ (125,041)
Amount Withdrawn	\$ (898,722)	\$ (932,966)	\$ (982,630)	\$ (1,833,977)	\$ (1,036,565)	\$ (1,053,022)	\$ (1,075,086)
Amount available for future distribution, end of year	\$ 3,543,474	\$ 4,213,486	\$ 3,755,820	\$ 3,587,707	\$ 8,862,764	\$ 10,100,422	\$ 9,364,485

Schedule of Unrealized Investment Income/ (Loss)

	2017	2018	2019	2020	2021	2022	2023
Unrealized income/(loss)	\$ 168,461	\$ (136,038)	\$ 1,255,147	\$ (1,583,331)	\$ 1,587,698	\$ (433,304)	\$ (2,027,197)

Fund Balance as per Leith Wheeler

	2017	2018	2019	2020	2021	2022	2023
Cash	6%	9%	13%	7%	5%	3%	3%
Fixed Income	27%	29%	29%	33%	31%	31%	33%
Canadian Equity	23%	17%	15%	17%	25%	25%	22%
Global Equity*	44%	45%	43%	43%	39%	41%	41%
Total	100%	100%	100%	100%	100%	100%	100%

* combined U.S. & international

Asset Mix - Market

	2017	2018	2019	2020	2021	2022	2023
Cash	\$ 1,511,625	\$ 2,240,828	\$ 3,594,267	\$ 1,780,221	\$ 1,689,732	\$ 1,124,556	\$ 1,030,106
Fixed Income	\$ 6,521,153	\$ 7,458,927	\$ 7,941,402	\$ 8,851,991	\$ 10,488,101	\$ 10,809,393	\$ 11,197,812
Canadian Equity	\$ 5,681,573	\$ 4,453,579	\$ 3,957,871	\$ 4,428,934	\$ 8,608,693	\$ 8,722,772	\$ 7,473,058
Global Equity*	\$ 10,644,332	\$ 11,366,416	\$ 11,561,129	\$ 11,535,128	\$ 13,345,504	\$ 14,651,910	\$ 13,747,266
Total	\$ 24,358,683	\$ 25,519,750	\$ 27,054,668	\$ 26,596,274	\$ 34,132,030	\$ 35,308,631	\$ 33,448,242

* combined U.S. & international

Third Quarter 2022-2023 College Operating Funds Investment Report

Period ended December 31, 2022

Operating Fund Balance

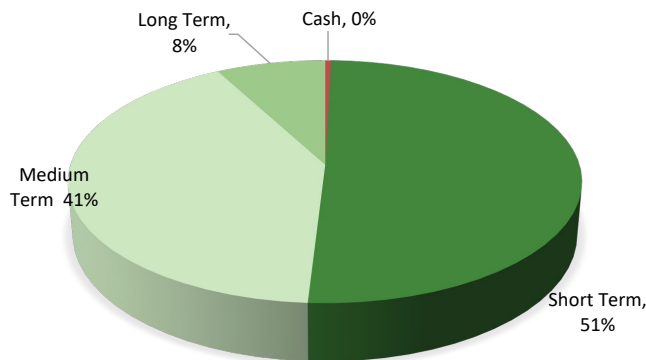
	Book Value	Market**
Fund Balance March 31, 2022	\$ 63,081,868	\$ 62,261,745
Deposits	-	-
Withdrawals	-	-
Accrued Interest from Buys/Sells	285,773	285,773
Investment Fees	(52,534)	(52,534)
Investment Income (Loss)	-	(116,186)
Interest Received	954,851	954,851
Unrealized Gain/Loss	-	(364,739)
Realized Gain/Loss	(708,547)	(708,547)
Market Value Gain/Loss		
Fund Balance December 31, 2022	\$ 63,561,411	\$ 62,260,363

** includes accrued interest

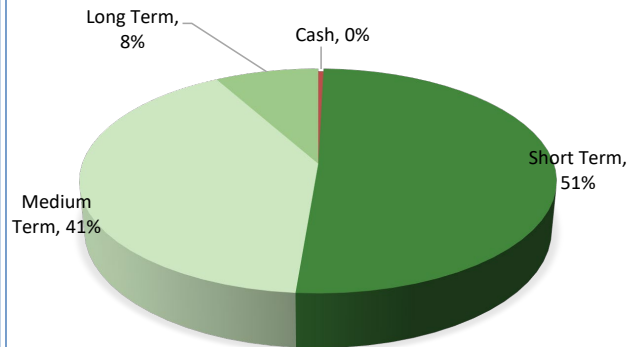
Asset Allocation-Operating

Fund Balance December 31, 2022	Cost	% of Cost	Market & Accrued Interest	% of Market & Accrued Interest	Target	Min/Max
Cash	\$ 259,374	0%	\$ 259,374	0%	0%	n/a
Short Term (0 - 1 year)	32,121,063	51%	31,679,314	51%	50%	40% - 100%
Medium Term (1 - 5 years)	26,188,728	41%	25,253,107	41%	45%	0% - 50%
Long Term (5 - 10 years)	4,992,246	8%	5,068,568	8%	5%	0% - 10%
Total Portfolio	\$ 63,561,411	100%	\$ 62,260,363	100%	100%	

ASSET ALLOCATION - COST



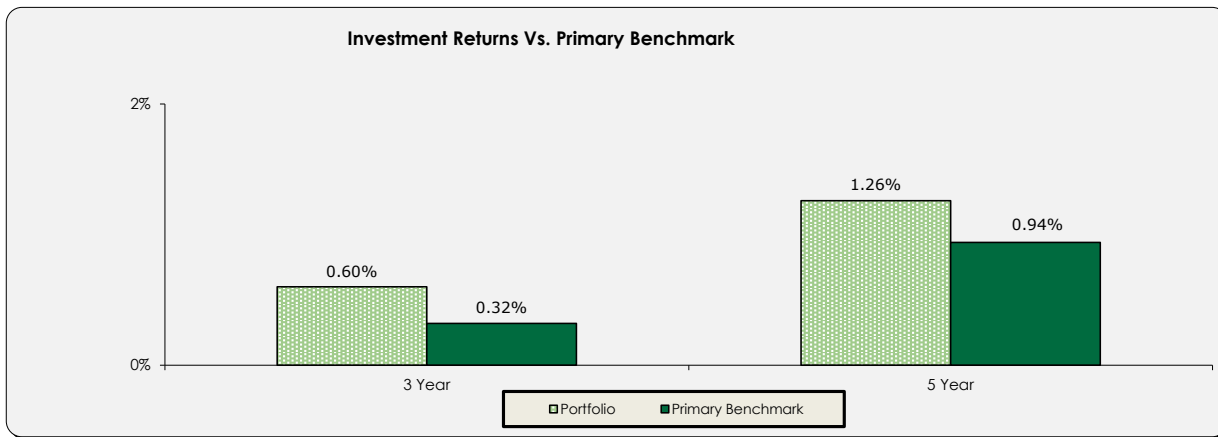
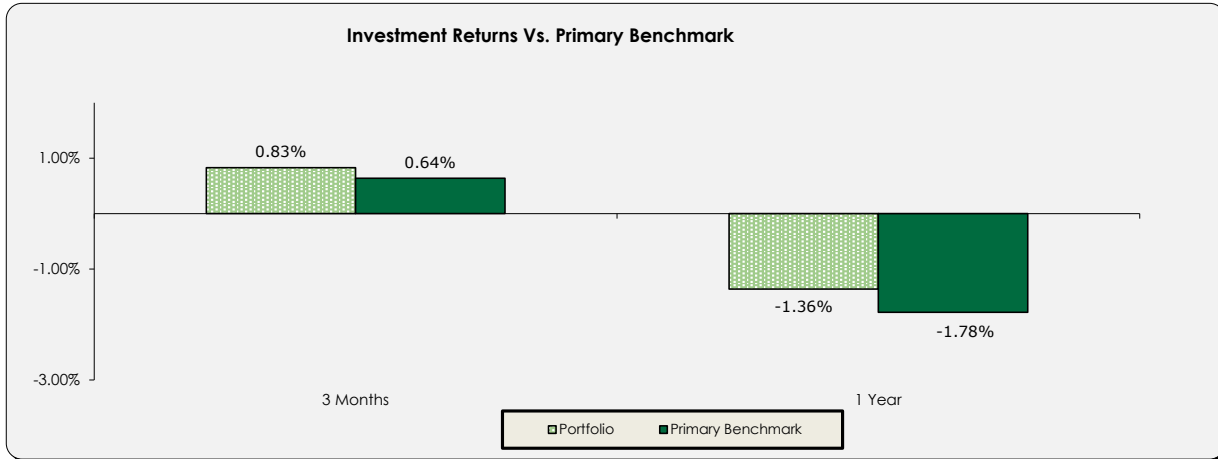
ASSET ALLOCATION - MARKET & ACCRUED INTEREST



Performance Review - Operating

	Portfolio Performance	Primary Benchmark*	Relative Performance
FY 2016	1.20%	0.86%	0.34%
FY 2017	0.90%	0.91%	-0.01%
FY 2018	0.20%	0.18%	0.02%
FY 2019	3.00%	2.61%	0.39%
FY 2020	3.40%	2.69%	0.71%
FY 2021	1.06%	1.58%	-0.53%
FY 2022	-1.50%	-1.87%	0.37%
Q1 FY 2023	-0.86%	-0.72%	-0.14%
Q2 FY 2023	0.12%	0.00%	0.12%
Q3 FY 2023	0.83%	0.64%	0.19%
FY2023 YTD Return	0.09%	-0.08%	0.17%
7.75-year Compounded Return	1.07%	0.88%	0.19%

Performance Review-Operating

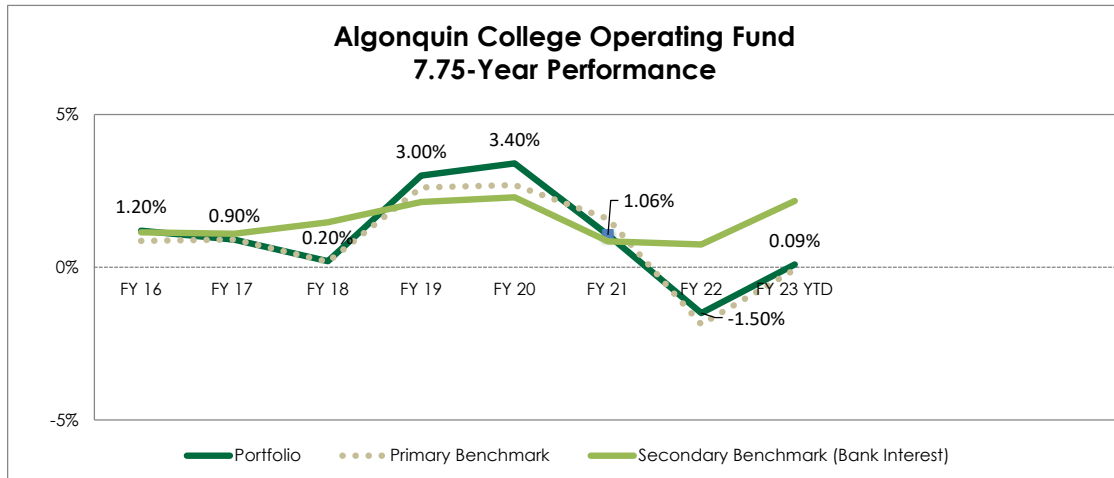


Investment Returns

	3 Months	1 Year	3 Year	5 Year
Portfolio	0.83%	-1.36%	0.60%	1.26%
Primary Benchmark*	0.64%	-1.78%	0.32%	0.94%

* Compounded Annual Return

Third Quarter 2022-2023 College Operating Funds Investment Report



	Portfolio	Primary Benchmark	Secondary Benchmark (Bank Interest)
FY 16	1.20%	0.86%	1.14%
FY 17	0.90%	0.91%	1.10%
FY 18	0.20%	0.18%	1.47%
FY 19	3.00%	2.61%	2.14%
FY 20	3.40%	2.69%	2.29%
FY 21	1.06%	1.58%	0.85%
FY 22	-1.50%	-1.87%	0.75%
FY 23 YTD	0.09%	-0.08%	2.17%

4.3 APPENDIX B
Third Quarter 2022-23
Major Capital Projects Report

Summary of Major Capital Projects

Page	Project	Board of Governors Approved Project Value \$M	Percentage of Current Major Capital Projects
2	Pedestrian Bridge to Bus Rapid Transit Station	3.3	5% - 4%
4	Campus Accessibility	3.3	5% - 4%
6	Salesforce Lightning Upgrade	5.5	8% - 6%
8	R3 (Student Information System)	58 - 78	82% - 86%
	Total Approved <u>Current</u> Projects Value	\$70.1 - \$90.1	100%
12	Summary of all Projects Completed Since Fiscal 2011-12	\$398.44	

4.3 APPENDIX B

Third Quarter 2022-23

Major Capital Projects Report

Pedestrian Bridge to Bus Rapid Transit Station

In partnership with the City of Ottawa, this investment will construct an above-grade pedestrian bridge that will link the Algonquin Centre for Construction Excellence (ACCE) facility with a new OC Transpo bus rapid transit station being built as part of the Light Rail Transit Stage 2 (LRT2) project. This pedestrian bridge will provide a safe method for crossing College Avenue and an efficient link for transit riders to enter Algonquin College's Ottawa campus.

Reviewed and approved by Algonquin College Executive Team Sponsor: D. McNair
Algonquin College Leadership Team Project Dean/Executive Director: R. Southwood
Project Manager: City of Ottawa (lead) – A. Waked (Algonquin College)

Board of Governors Key Approval Dates	Dates
Meeting #503 – The Board of Governors approves an investment of up to \$3.1 million from the College's Reserve Funds between 2018 and 2023 to support the construction of a pedestrian bridge, in collaboration with the City of Ottawa, between the new Baseline bus rapid transit station and the Algonquin Centre for Construction Excellence.	June 12, 2017
Meeting #529 – The Board of Governors approves a \$230,000 increase to the budget for the Major Capital Project: Pedestrian Bridge to Bus Rapid Transit Station to accommodate additional legal fees and construction related inflationary pressures.	June 6, 2022

Project Milestones	Dates
Project start date	2019
Anticipated construction start date	2022
Substantial completion date	Q3 2023-24

Project Funding	Value
Algonquin College reserves	\$3.33 million

Project Contingency	Value
Approved project contingency	\$0.08 million
Contingency balance remaining at December 31, 2022	\$0.02 million

Actual/Projected Project Cost	Value
Expenditures in Fiscal 2018-19	\$0.02 million
Expenditures in Fiscal 2019-20	0.66 million
Expenditures in Fiscal 2020-21	0.00 million
Expenditures in Fiscal 2021-22	1.40 million
Expenditures in Fiscal 2022-23 (April 1, 2022 to December 31, 2022)	0.35 million
Project Expenditures remaining in Fiscal 2022-23	0.08 million
Project Expenditures in Fiscal 2023-24	0.82 million
Total	\$3.33 million

Total Project Variance	\$0 million
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**4.3 APPENDIX B
Third Quarter 2022-23
Major Capital Projects Report**

Pedestrian Bridge to Bus Rapid Transit Station – continued

Project Risk and Status Dashboard *Green Good, Yellow Warning, Red Trouble

G	Governance	Project governance has been negotiated and is defined through a formal agreement with the City of Ottawa.
G	Scope Management	The scope for each party has been identified and is formalized in the agreement. The College team continues to meet with the City stakeholders on a monthly basis to review project updates.
G	Cost Management	The request to increase the budget by \$230,000 was presented and approved by the Board of Governors on June 6, 2022. Internal work in the building is completed. Any cost uncertainty is related to the reinstatement of the grounds once the City has completed the pedestrian link. The final college payment is due to the City of Ottawa upon project substantial completion. The final payment has been delayed to the fiscal year 2023-24 due to the City of Ottawa’s delays.
Y	Schedule Management	Schedule management is being presided over by the Light Rail Transit (LRT) Stage 2 Team. Algonquin College is currently coordinating with the City project manager to define clear milestones for construction. The City has started construction of the LRT pedestrian link. Construction within the ACCE building itself is almost complete. External flashing on the building, deficiencies, and fire testing is substantially complete. The City of Ottawa’s completion date is not yet confirmed but projected to be the end of 2023.
G	Project Resources	The College has an internal project manager to lead the implementation and has hired a consultant team.
G	Risk Management	A risk register has been developed. Risks involve City of Ottawa control of the pedestrian link schedule, which the College does not have influence over; noise and other disruption to ACCE building occupants during construction; and supply chain issues and labour shortages in certain trades in the region.
G	Stakeholder Engagement	Stakeholder engagement is ongoing with ACCE building end users, the College community, OC Transpo, and the City of Ottawa.
G	Operational Readiness	To be evaluated once construction is completed by the City of Ottawa.

4.3 APPENDIX B

Third Quarter 2022-23

Major Capital Projects Report

Campus Accessibility

Facilities Management previously completed an Accessibility Audit of all College-owned facilities which provided an extensive list of renovations to align with the Accessibility for Ontarians with Disabilities Act (AODA). This audit was supplemented with additional recommended renovations to further increase accessibility to meet the best standards in accessibility. This multi-year major capital project will implement various renovations to College grounds and existing buildings to align best practices for built environment standards related to accessibility. This multi-year project is estimated to cost between \$9.0 million and \$10.0 million, and funding requests will be presented to the Board of Governors for approval on an annual basis to address each phase of the project.

Reviewed and approved by Algonquin College Executive Team Sponsor: D. McNair
Algonquin College Leadership Team Project Dean/Executive Director: R. Southwood
Project Manager: A. Waked

Board of Governors Key Approval Dates	Dates
<u>Meeting #523</u> – The Board of Governors approves Phase 1: an expenditure of up to \$1.2 million, funded 50% from internally restricted net assets and 50% from in-year Strategic Investment Priorities budget for fiscal year 2021-22 to address non-mandatory campus infrastructure upgrades and select deferred maintenance liabilities to improve campus accessibility for learners and employees with disabilities.	April 19, 2021
<u>Meeting #526</u> – The Board of Governors approves Phase 2: an expenditure of up to \$2.1 million, funded 50% from internally restricted net assets and 50% from the in-year Strategic Investment Priorities budget for fiscal year 2022-23 to address campus infrastructure upgrades and select deferred maintenance liabilities to improve campus accessibility for learners and employees with disabilities.	December 6, 2021

Project Milestones	Dates
Project start date	April 30, 2021
Phase 1 (2021-22) completion date	March 31, 2022
Phase 2 (2022-23) completion date	March 31, 2023

Project Funding	Value
Algonquin College Reserves	\$1.65 million
Strategic Investment Priorities Budget allocation	1.65 million
Total	\$3.30 million

Project Contingency	Value
Approved budget project contingency	\$0.35 million
Contingency balance remaining as at December 31, 2022	\$0.18 million

Actual/Projected Project Cost	Value
Expenditures in Fiscal 2021-22	\$1.20 million
Expenditures in Fiscal 2022-23 (April 1, 2022 to December 31, 2022)	0.27 million
Project Expenditures remaining in Fiscal 2022-23	1.83 million
Total	\$3.30 million

Total Project Variance	\$0 million
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**4.3 APPENDIX B
Third Quarter 2022-23
Major Capital Projects Report**

Campus Accessibility – continued

Project Risk and Status Dashboard *Green Good, Yellow Warning, Red Trouble

G	Governance	The project Steering Committee was constituted in June 2021 and meets monthly.
G	Scope Management	The scope and extent of accessibility improvements has been previously established. The scope for the 2022-23 fiscal year will include accessibility improvements in ACCE building, B building, and J building. Scope for 2023-24 will be determined pending Board of Governor’s budget approval. Additional scope will be addressed on a case-by-case basis based on existing site conditions, technical constraints, design considerations or availability of materials. Site conditions were reviewed as part of the original site investigation and incorporated into the project construction cost estimates.
G	Cost Management	The 2022-23 scope of work was tendered using a Construction Management approach to address all the market, supply chain constraints and end-user’s requirements.
G	Schedule Management	Construction in 2023 is underway with the intention to complete ACCE building, B building, and J building before March 2023.
G	Project Resources	A prime consultant (architect) was retained by the College to complete the project design, site inspections and ongoing contract management. External project management resources have been previously assigned to the project. The College has retained the services of a construction manager for the 2022-23 project delivery. Review and monitoring of the progress are conducted on an ongoing basis by Facilities Management.
Y	Risk Management	A risk log is updated and presented at each Steering Committee meeting and is a standing item as part of weekly reporting. Risk involving supply chain and contractor capacity is ongoing due to current economic conditions. If material or contractors cannot be procured, funding may need to move to future fiscal years to accommodate long lead items. Use of a consistent construction manager for the remainder of the project will assist in placing orders on time to mitigate supply chain timelines.
G	Stakeholder Engagement	Engagement is ongoing at the site level to communicate disruptions affecting the facilities, building occupants and the larger College community. In addition, the Steering Committee has engaged supporting resources to provide feedback on future scope priorities for the upcoming fiscal year(s).
G	Operational Readiness	Design was previously reviewed with operational staff. Final commissioning and closeout of the project will include necessary training, issuance of operations and maintenance manuals and will incorporate any feedback from Facilities operators.

4.3 APPENDIX B

Third Quarter 2022-23

Major Capital Projects Report

Salesforce Lightning Upgrade

Algonquin College first implemented the Salesforce Classic Customer Relationship Management application in 2009. Since that time, this application has been rolled out to automate and support College processes across many departments including, but not limited to, Academic Services, International Education Centre, and the Registrar's Office. This major capital project will upgrade the College's Salesforce Customer Relationship Management system from the sunsetting "Classic" version to the current "Lightning" version.

Reviewed and approved by Algonquin College Executive Team Sponsor: D. McNair
Algonquin College Leadership Team Project Dean/Executive Director: L. Pollock / Y. Do
Project Manager: Isaac Akanbi

Board of Governors Key Approval Dates	Dates
Meeting #524 – The Board of Governors approves the expenditure of up to \$5.5 million over the fiscal years 2021-22 to 2023-24, with 50% of the funds drawn from College reserves and 50% from in-year Strategic Investment Priorities budgets.	June 7, 2021

Project Milestones	Dates
Project start date	November 1, 2021
Substantial completion date	November 30, 2024

Project Funding	Value
Algonquin College reserves	\$2.75 million
Strategic Investment Priorities Budget allocation	2.75 million
Total	\$5.5 million

Project Contingency	Value
Approved project contingency	\$594,000
Contingency balance remaining at December 31, 2022	\$594,000

Actual/Projected Project Cost	Value
Expenditures in Fiscal 2021-22	\$0.22 million
Expenditures in Fiscal 2022-23 (April 1 2022 to December 31, 2022)	1.05 million
Project Expenditures remaining in Fiscal 2022-23	0.53 million
Projected Expenditures in Fiscal 2023-24	2.64 million
Projected Expenditures in Fiscal 2024-25	1.06 million
Total	\$5.5 million

Total Project Variance	\$0 million
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**4.3 APPENDIX B
Third Quarter 2022-23
Major Capital Projects Report**

Salesforce Lightning Upgrade – continued

Project Risk and Status Dashboard *Green Good, Yellow Warning, Red Trouble

G	Governance	A Steering Committee was established on November 7, 2021, and members identified. Regular Steering Committee meetings take place monthly.
G	Scope Management	Scope remains in alignment with the Investment Case approved by the Board of Governors. Project deliverables are drafted and have been reviewed and approved by the Steering Committee.
G	Cost Management	To date, all costs are within the Approved Budget.
Y	Schedule Management	The project kick-off date was delayed due to limited availability of resources (the project start date was January 2022 against the initial plan date of October 2021). Subsequently, the onboarding of resources took longer than envisioned (it took over six months to fully on-board most of the required resources). High turnover rate of resources is also a challenge.
G	Project Resources	The hiring process was delayed due to the lack of resources in the market. All resources have now been hired (100%) which includes three new hires that are scheduled to start in January 2023.
G	Risk Management	The previously identified risk of limited resources has been mitigated with 75% of resources on-boarded and three other new hires to start in January 2023. Although the impact of this risk is being felt, which is responsible for the review of the project completion date. Regarding the risk related to the R3 Integration, the Integration Specialist is continuously assessing the existing architecture and actively engaging with the R3 team to ensure alignment (hence, no longer active risk).
G	Stakeholder Engagement	A part-time Communications resource has been engaged to assist with communications planning and stakeholder engagement activity development.
G	Operational Readiness	Change management plan to be developed during implementation phase.

4.3 APPENDIX B
Third Quarter 2022-23
Major Capital Projects Report

R3 (Student Information System) Project

Algonquin College’s current Student Information System, GeneSIS, is over 25 years old and is based on an unsupported programming language. As a result, the ongoing use of GeneSIS poses a significant resource, development, maintenance, and security risk. This multi-year project, from 2019-20 to 2024-25, and is estimated to cost between \$58.0 million and \$78.0 million, and funding requests will be presented to the Board of Governors for approval on an annual basis to address each phase as the project progresses.

Reviewed and approved by Algonquin College Executive Team Sponsor: L. Stanbra
Algonquin College Leadership Team Project Dean/Executive Director: K. Pearson and L. Pollock
Project Manager: S. Wong

Board of Governors Key Approval Dates	Dates
<u>Meeting #511</u> – The Board of Governors approves \$3.1 million for the Student Information System, with 50% of funding from the College’s internally restricted net asset account and 50% from the Strategic Investment Priorities budget in fiscal year 2019-20.	February 25, 2019
<u>Meeting #517</u> – The Board of Governors approves a \$4.0 million expenditure to continue development of the business architecture, identity and access management and data governance required to support implementation of a new Student Information System. These project expenditures will be funded 50% from the College’s internally restricted net asset account and 50% from the Strategic Investment Priorities budget in fiscal year 2020-21.	April 20, 2020
<u>Meeting #520</u> – The Board of Governors approves additional expenses of \$22.4 million as detailed in this entry. The Board of Governors approves the software company Unit4 as the software solution and implementer for the new Student Information System, as the second step in the two-step approach endorsed on April 20, 2020, including: (1) the procurement of a Software as a Services subscription contract with Unit4 with a value up to \$1.4 million per year for a five-year total of up to \$7.0 million; and (2) the implementation services contract with Unit4 with a value of up to \$13.0 million over the estimated three years of implementation (including contingency, proposed travel expense and net tax of 3.41%). The Board of Governors also approves the fourth quarter budget expenditure approval of \$2.4 million for the 2020-21 fiscal year.	October 26, 2020
<u>Meeting #523</u> – The Board of Governors approves \$21.8 million for the R3 Project for the 2021-22 fiscal year. The entire project will be funded to result in 50% of the total project funding to be drawn from the College’s internally restricted net asset account and 50% to be allocated from the Strategic Investment Priorities budgets.	April 19, 2021
<u>Meeting #528</u> – The Board of Governors approves \$20 million expenditure for fiscal year 2022-23, funded 60% from the in-year Strategic Investment Priorities budget and 40% from internally restricted net assets, to continue the implementation work for the R3 Project.	February 28, 2022

4.3 APPENDIX B
Third Quarter 2022-23
Major Capital Projects Report

R3 (Student Information System) Project – continued

Project Milestones	Dates
Project start date	May 1, 2019
The Board of Governors approved the selection of implementation vendor and financial commitment	October 26, 2020
Phase 1: Project Planning	January 11, 2021
Phase 2: Familiarize Stage	March 1, 2021
Phase 3: Personalize Stage	July 5, 2022
Phase 4: Integrated System Testing	November 1, 2023
Phase 5: User Acceptance Testing	April 1, 2024
Phase 6: Deployment of System	September 3, 2024
Phase 7: Project Close-Out	December 2, 2024

Project Funding	Value
Algonquin College reserves	\$29 - \$39 million
Strategic Investment Priorities Budget allocation	\$29 - \$39 million
Total	\$58 - \$78 million

Project Contingency	Value
Approved project contingency for 2022-23 funding allocation	\$3.0 million
Contingency balance as at December 31, 2022	\$3.0 million

Actual/Projected Project Cost	Value
Expenditures in Fiscal 2019-20	\$2.5 million
Expenditures in Fiscal 2020-21	6.2 million
Expenditures in Fiscal 2021-22	10.2 million
Expenditures in Fiscal 2022-23 (April 1, 2022 to December 31, 2022)	8.5 million
Project Expenditures remaining in Fiscal 2022-23	7.3 million
Projected Expenditures Fiscal 2023-24	14.5 to 27.0 million
Projected Expenditures Fiscal 2024-25	8.8 to 16.3 million
Total Projected Costs	\$58 to \$78 million

Total Project Variance (to approved expenditures)	\$0 million
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**4.3 APPENDIX B
Third Quarter 2022-23
Major Capital Projects Report**

R3 (Student Information System) Project – continued

Project Risk and Status Dashboard *Green Good, Yellow Warning, Red Trouble

G	Governance	Strong governance continues to be applied to the R3 Project through good governance principles and practices such as the ongoing Delivery Assurance Checkpoint meetings planned on a monthly basis with the R3-Thesis Executive Sponsors. In addition, Executive meetings with the Presidents of Algonquin College and Thesis continues its bi-monthly cadence. Scheduled updates are provided to the Audit and Risk Management Committee.
Y	Scope Management	Work continues for the Configuration, Data Migration, and Integration workstreams. Ontario Colleges Application Service and other complex platform integrations require further architectural and design validation in order to commence development work. Concerns around visibility into solution planning for the Thesis SM product are ongoing and product elaboration meetings are in progress to alleviate this issue.
G	Cost Management	As per the last reporting update, the revised in-year budget represents first and second quarter changes to the resource onboarding timeline, due to changes to the Implementation Schedule, as well as an expected reduction in contingency requirements. The Personalize Phase of the project informed the deferral of certain roles and deliverables to third and fourth quarters of Fiscal Year 2022-23 which included salary and related costs. These adjustments are primarily deferrals only to third and fourth quarters of this fiscal year and some to Fiscal Year 2023-24, and do not reflect changes in the overall scope or budget of the project.
Y	Schedule Management	The Master Project Schedule continues to be monitored through weekly Project Change Control governance. Work from multiple iterations has been delayed due to several ongoing product issues which are known.
G	Project Resources	At this time, Thesis has completed all necessary staffing in alignment with the Consolidated Action Plan. Final Integration Engineer on the Thesis project team has been sourced internally which has placed the Project Resources into a green status.
Y	Risk Management	All potential risks and issues are being tracked, monitored, and mitigation plans are being actioned accordingly. Enhancement log has requirements that do not have committed effort from Thesis to resolve – Product management placed on risk log for review, mitigation discussion and quality assurance oversight.
G	Stakeholder Engagement	Clear vision and strong executive support are in place (Algonquin College). College-wide Showcase Sessions to engage stakeholders are organized regularly and well-received.
G	Operational Readiness	Organizational Change Management plan has been defined. There is a synchronized way of working, concise messaging, and clear alignment between people at work stream levels, especially in the technical domain of the project.

As of December 15, 2022

4.3 APPENDIX B
Third Quarter 2022-23
Major Capital Projects Report

Summary of Projects Completed Since Fiscal 2011-12

Project	Final Project Value \$M	Fiscal Year Completed
Algonquin Centre for Construction Excellence (ACCE)	\$77.0	2011-12
Perth Campus	12.0	2011-12
Student Commons	51.0	2012-13
Pembroke Campus	34.0	2012-13
Digital College	12.0	2014-15
Healthy Living Education Phase 1A – Renovations	6.0	2014-15
B Building Window Replacement	1.1	2016-17
F Building Renovation	1.6	2016-17
Equipment Renewal and Electrical Lab Alterations Project in ACCE	2.3	2017-18
Welding Lab Project at the College’s Transportation Technology Centre – Building S	2.8	2017-18
Transformer Replacement Project	2.1	2017-18
Learning Management System	3.0	2018-19
Enterprise Resource Planning (ERP) – Project Workday	18.8	2018-19
Student Central	6.8	2018-19
Indigenous Gathering Circle	1.7	2018-19
DARE District	45.4	2019-20
Net Tuition Project	0.84	2019-20
Energy Service Company Project - (ESCO 2)	51.1	2021-22
Jack Doyle Athletics and Recreation Centre (ARC)	61.2	2021-22
Solar Photovoltaic Plan	7.7	2021-22
Total	\$398.44	

High-Risk Dashboard Report

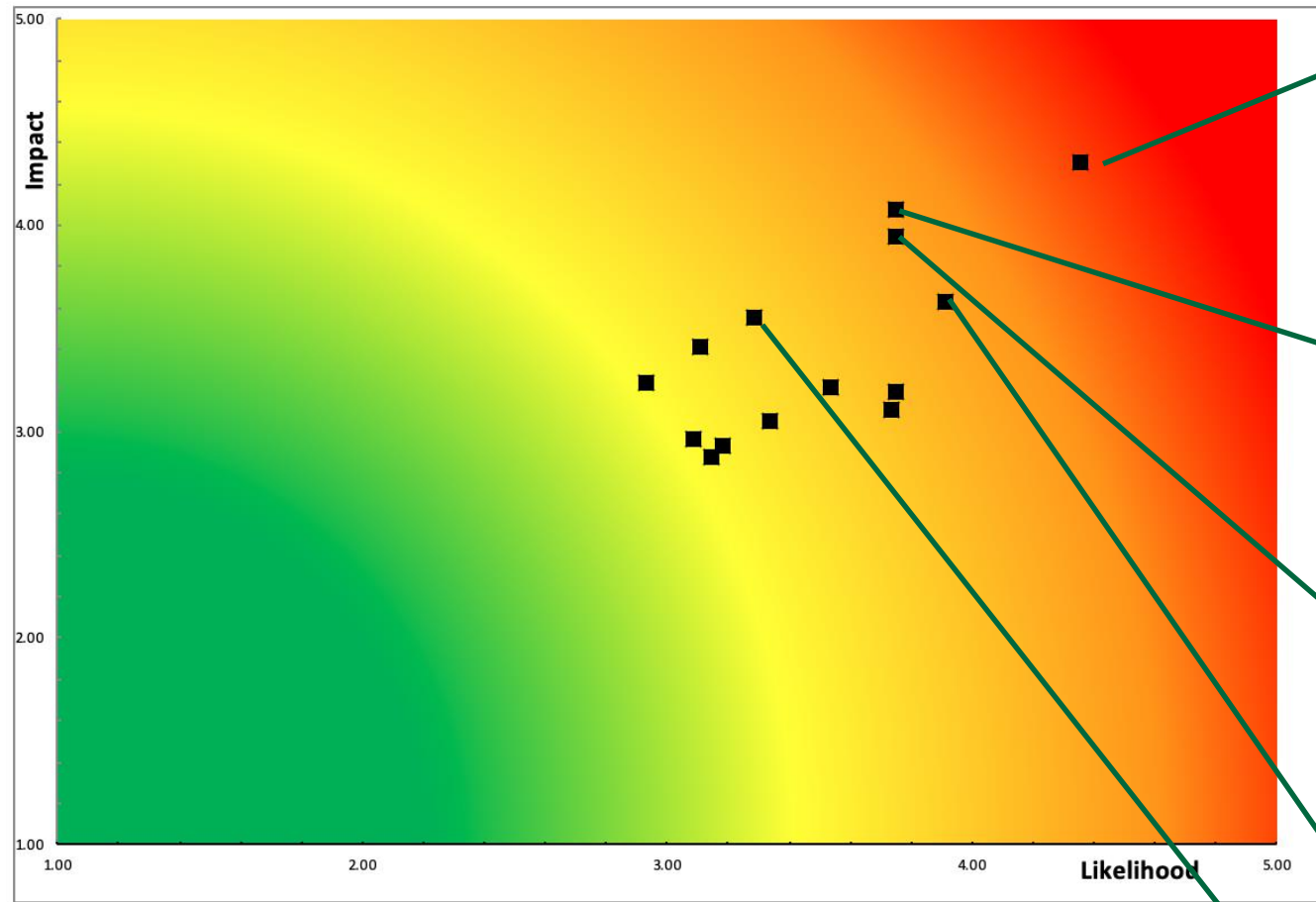
Third Quarter 2022-23

Audit & Risk Management Committee

January 31, 2023

High-Risks

Heat Map



Risk 1: The risk of financial loss due to international and domestic enrolment reductions, reduced international applicant demand amid changing policies by Immigration, Refugees and Citizenship Canada as well as future capabilities to raise revenues stemming from internal management efforts to absorb the effects of the pandemic.

Risk 2: The risk of inadequate performance in the implementation of various plans such as the Academic Continuity Plan, the Workforce Pandemic Mitigation Plan and the Workplace Recovery Plan as well as the risk of a second wave of COVID-19 that is community-based.

Risk 3: The risk that the use of capital reserves to offset COVID-19 losses and support recovery efforts will negatively impact strategic planning capabilities and diminish long-term financial health.

Risk 4: The risk of financial loss due to changes to the provincial funding formula, inadequate government support for COVID-19 losses, and reimbursements / refunds.

Risk 5: The risk of failure of IT infrastructure that requires significant investment to renew and align with business requirements.



Low Risk
(Green)

Moderate
(Yellow)

High
(Orange)

Critical
(Red)



Risk Scores

Note: This chart depicts the selected high-risks and scores attributed to these risks in the 2021 Corporate Risk Profile.

Risk 1



The risk of financial loss due to international and domestic enrolment reductions, reduced international applicant demand amid changing policies by Immigration, Refugees and Citizenship Canada, as well as future capabilities to raise revenues stemming from internal management efforts to absorb the effects of the pandemic.

Mitigation Update

Under-Performing, Close Monitoring Required

- The College planned for robust international enrolment for Spring 2022, Fall 2022 and Winter 2023 programs; however, the Government of Canada's processing of study permits continue to be delayed in all markets, resulting in some learners deferring their studies. Overall enrolment is trending behind the Approved Annual Budget target by 11% for domestic and international students combined. In August 2022, Immigration, Refugees and Citizenship Canada announced a temporary extension of COVID-19 policies allowing international learners to take 50% of programs online from outside of Canada from September 1, 2022, to August 31, 2023.
To support Level 1 learners outside of Canada, 36 Algonquin College programs of study created remote sections for Fall 2022. While we are projecting to meet Level 1 international targets for Winter 2023, to support Level 1 learners outside of Canada, 12 Algonquin College programs of study have created multi-modal or remote sections for Winter 2023.
- Mitigation strategies have been implemented to counter a potential revenue reduction from enrolment shortfalls. This includes, operational spending reductions, deferred hiring of new positions, and capital spending deferrals.
- Gross Revenue for Business Development and Corporate Training is below the Approved Annual Budget targets by \$6.8 million resulting in a projected net contribution shortfall of \$2.6 million. Mitigation plans to improve net contribution have been developed but will require five years to realize strong net contribution results.

Risk 2



The risk of inadequate performance in the implementation of various plans such as the Academic Continuity Plan, the Workforce Pandemic Mitigation Plan and the Workplace Recovery Plan as well as the risk of a second wave of COVID-19 that is community-based.

Mitigation Update

Performing Adequately, Monitoring

The Workplace Recovery Plan

In May 2022, Algonquin College suspended policy HS16, thus no longer requiring active screening for COVID-19 and proof of vaccination checks at campus entrances, while in June 2022, the College suspended its mandatory COVID-19 mask policy.

Since October 2022, the College experienced a significant drop in the number of on-campus cases in line with cases in the greater community. In November, COVID-19 continued a downward trend, however, it was necessary to begin monitoring the presence of Influenza and Respiratory Syncytial Virus (RSV) and the potential impact to operations.

By December 2022, both Influenza and RSV became less of a concern. It was noted that although COVID-19 began to increase throughout December, the number of on-campus cases remained very low.

The College continues to monitor reporting from Public Health at both the municipal and provincial levels as well as promoting vaccination practices, hand-washing, masking and physical distancing where possible, in conjunction with Public Health.

Risk 2 - Continued



The risk of inadequate performance in the implementation of various plans such as the Academic Continuity Plan, the Workforce Pandemic Mitigation Plan and the Workplace Recovery Plan as well as the risk of a second wave of COVID-19 that is community-based.

Mitigation Update

Performing Adequately, Monitoring

The Academic Continuity Plan

The College maintains the same strategy reported in the *High Risk Dashboard Report for Second Quarter 2022-23* by continuing to encourage masking for learners and employees attending Ottawa, Pembroke and Perth campuses. Masking remains required for certain program activities where a regulatory body requires a masking mandate.

The College continues to monitor the situation and the directives of local public health officials. If a heightened risk to the health and safety of employees and learners is indicated by local public health experts, the College would consider introducing such protocols and safeguards. Any changes to the College's direction on this matter will be communicated directly with employees and learners.

Risk 2 – Continued



The risk of inadequate performance in the implementation of various plans such as the Academic Continuity Plan, the Workforce Pandemic Mitigation Plan and the Workplace Recovery Plan as well as the risk of a second wave of COVID-19 that is community-based.

Mitigation Update

Performing Adequately, Monitoring

The Workforce Pandemic Mitigation Plan

The job protection strategies identified within the plan have been successfully implemented for all employee groups at the College. No further mitigation efforts required.

Risk 3



The risk that the use of capital reserves to offset COVID-19 losses and support recovery efforts will negatively impact strategic planning capabilities and diminish long-term financial health.

Mitigation Update

Under-Performing, Close Monitoring Required

The 2022-23 Approved Annual Budget provisions for draws on College reserves to support the delivery of significant initiatives and capital projects only. The Approved Annual Budget does not include the use of capital reserves to offset COVID-19 related losses. The College's cash expenditures are exceeding its cash revenues. The College is managing this through continued operating expense management and reducing reliance on corporate contingency funds that are set aside for unforeseen financial challenges. The College continues to actively contain spending and improve enrolment in 2022-23.

The Third Quarter 2022-23 Financial Projection forecasts a \$8.6 million reduction of internally restricted net asset reserves compared to the Approved Annual Budget of \$13.4 million. This \$4.8 million variance occurs because we will be drawing less from reserves than originally planned. The Third Quarter Financial Projection reports an overall \$2.9 million improvement in projected net contribution compared to the Approved Annual Budget; an increase from \$3.0 million to \$5.9 million. As reported under Risk 1, though the projected enrolment shortfall of 11% continues to impact the College's ability to contribute to reserves, the delay in expenditures in Strategic Investment Priorities has temporarily preserved our reserve balances. These planned draws on reserves are temporarily delayed to future years.

Mitigation strategies to reduce the erosion of reserves are under development and include a renewed program mix exercise to optimize enrolments and associated net revenues, a portfolio analysis to improve cash operating margins of our programs and commercial activities, and a services benchmarking initiative to enhance value for money.

Risk 4



The risk of financial loss due to changes to the provincial funding formula, inadequate government support for COVID-19 losses, and reimbursements / refunds.

Mitigation Update

Under-Performing, Close Monitoring Required

In the 2020-21 fiscal year, the provincial government provided a one-time \$8.3 million grant to Algonquin College to help offset COVID-19 related losses. Without this grant, the College would have realized a deficit in 2020-21.

For the 2022-23 fiscal year there were no changes to the Ontario colleges funding model as the Ministry of Colleges and Universities has delayed the planned activation of the variable performance-based funding model for 2022-23 due to the uncertainty of COVID-19 impacts. Tuition fee increases remained frozen for the fourth year following a 10% fee reduction in 2019-20. The College's rate of growth of expenditures continues to exceed its rate of growth of revenues and is forecasted to remain in this situation for the foreseeable future.

In response to these financial challenges, Colleges Ontario continues to advocate to the Ministry for improved funding and tuition fee policy for Ontario colleges. Locally, the Corporate Budgeting Team have continued to prepare and analyze scenarios and financial models to inform the development of risk mitigation plans. The College has published a Financial Sustainability Roadmap that will help guide decision making activities as the College works toward restoring financial sustainability. Increased review, analysis and scrutiny is taken prior to investing in initiatives or approving increases to operational capacity. Recommendations to contain and reduce spending are regularly submitted to the Algonquin College Executive Team for consideration.

Risk 5



The risk of failure of IT infrastructure that requires significant investment to renew and align with business requirements.

Mitigation Update

Performing Adequately, Monitoring

According to the Verizon 2022 Data Breach Investigations Report, Ransomware appears in 25% of breaches – an increase of 13% from last year. The top two methods used to infiltrate victim environments are phishing and using stolen credentials. Attacks on web applications continues to be high.

Malicious actors continue to improve their methods for infiltrating target entities. As a result, the College has continued to invest in new and improved controls, allowing the College to adequately mitigate this risk.

Key mitigation controls:

- Maintaining approximately 88% of our infrastructure is within its target age.
- End-user credentials are protected through password strength and expiry policies in place, as well as multi-factor authentication.
- Technology that blocks links to malicious websites and suspicious traffic entering and leaving our network is in place.
- Mandatory security training is implemented.
- Computing devices are protected via anti-virus and network threat detection software.
- Security patches are applied to servers and network devices within target timelines.
- Privacy and security risk assessments are conducted on new technology initiatives.
- Work in progress includes the renewal of College legacy systems (R3, Salesforce), formalizing a privacy program and development of a cybersecurity incident response plan.



Thank you.
Questions?

Report title:	R3 Project – 2023-24 Budget Request
Report to:	Board of Governors
Date:	February 27, 2023
Author(s)/Presenter(s):	Laura Stanbra, Vice President, Student Services & R3 Project Executive Sponsor Krista Pearson, Registrar and Business Co-Lead of the R3 Project Lois Pollock, Executive Technical Lead and Business Co-Lead of the R3 Project

1. RECOMMENDATION:

THAT the Algonquin College Board of Governors approves a \$20 million expenditure for fiscal year 2023-24, funded 50% from the in-year Strategic Investment Priorities budget and 50% from internally restricted net assets, to continue the implementation work for the R3 Project.

2. PURPOSE / EXECUTIVE SUMMARY:

The purpose of this report is to seek approval from the Board of Governors to proceed with the fiscal year 2023-24 scope of work as part of the R3 Major Capital Project. The R3 Project will support the College in delivering on its mission by procuring and implementing the Thesis Student Management (Student Information System) solution to manage student data and serve as the core System of Record for student information for the College; preparing a business and an enterprise architecture; instituting an Identity and Access Management program; supporting data conversion/migration activities as well as putting a data governance model in place; and delivering an enterprise portal where learners and employees will access the digital technology they require. The business and enterprise architectures, identity and access management program, data governance model, and enterprise portal will ensure the College is ideally positioned to support the Student Information System initiative in the near term and other College initiatives over the long term.

In accordance with previous College approvals, the Audit and Risk Management Committee and the Board of Governors will receive requests to approve funding, in a stage gate approach, as the financial sustainability of the College is determined each year.

3. BACKGROUND:

The objectives of the R3 Project are:

- Improved student success and satisfaction: As measured by the reduction in lead time and increase access to student supports and Student Net Promoter Scores.
- Improved employee satisfaction and productivity: As measured by the reduction of process cycle time enabling employees to reinvest their time in more rewarding work, and Employee Net Promoter Scores.
- Improved data quality, security, and resilience: As measured by the reduction in free text fields, double entry of data, access of private and personal information, and integrations with systems such as Workday, Brightspace, and Salesforce.
- Better, faster decision making: As measured by the access of employees to dashboards and reports.
- Growth in new markets: As measured by the capacity of the Student Information System to track student success in “non-direct” markets including continuing education, online education, in-the-workplace training, leisure learning, and corporate training.

The R3 Project continues to organize and report on activity through the project streams including the Communications, Change Management and Training project stream to highlight the importance of the business transformation initiative, to articulate benefits realization, and strategically support people through the organizational transformation including but not limited to comprehensive training. Each project stream has a Project Manager that reports to either the Senior Project Manager, the Manager, R3 Implementation and Business Transformation or the Manager, R3 Implementation and Digital Transformation. All these teams report into the Business Leads, Krista Pearson and Lois Pollock, who report directly to the Executive Sponsor, Laura Stanbra.

The seven project streams include:

1. Communications, Change Management and Training (also referred to as Organizational Change Management);
2. Student Information System solution implementation;
3. Data Governance (information management);
4. Identity and Access Management (security);
5. Integrations;
6. Business and Enterprise Architecture; and
7. Student Portal.

4. DISCUSSION:

The R3 Project is now half-way through the sixteen-month Personalize Phase – also referred to as the Design and Develop Phase – which is the third of seven phases of the overall project. This phase involves configuring the new Student Information System, Thesis Student Management, to meet the needs of Algonquin College as well as designing and developing new Business Processes and Integrations.

At this point during the Personalize Phase, the team is highlighting that the solutions and timelines as well as expected delivery of functionality is deemed part of the critical path success. The Thesis Student Management Product Team is working closely to understand the solution enhancement list requirements.

The monthly Delivery Assurance meetings between Thesis and Algonquin Executive Sponsors and Business Leads continue to focus on key deliverables, risks and quality assurance reviews. The most recent meeting took place on February 13, 2023.

Funding requests for this multi-year project will be presented to the Board of Governors for approval on an annual basis to address each phase as the project progresses. For fiscal year 2023-24, \$20 million has been identified to be funded – 50% from Internally Restricted Net Assets and 50% from operations – to continue the implementation work for the R3 Project. The Audit and Risk Management Committee endorsed the recommendation on January 31, 2023.

5. LINK TO STRATEGIC PLAN:

STRATEGIC PLAN 2022-2025	
LEARNER DRIVEN	
Goal 1: Provide Flexible, Personalized, and Lifelong Learner Experiences	<input checked="" type="checkbox"/>
PEOPLE	
Goal 2: Empower Our People to Foster a High-Quality, Innovative, Learner-Driven Culture	<input checked="" type="checkbox"/>
Goal 3: Create an Equitable, Diverse, and Inclusive Work Environment	<input type="checkbox"/>

6. STUDENT IMPACT:

This project supports and aligns with the Learner-Driven Plan. One of the objectives of the R3 Project (Student Information System) investment is to improve and modernize the student experience. This includes access to information and a system that supports the evolving needs of students in services and programming. Personalization and self-service are examples that support the Learner-Driven Plan objectives which the new Student Information System will be able to support once it is fully implemented.

7. FINANCIAL IMPACT:

The Algonquin College Board of Governors approved a \$20 million expenditure including a 15% contingency for fiscal year 2022-23, which is aligned to the five-year forecast. This funding allows for the continuation of the implementation work for the R3 Project consisting of the contracted work by the third-party vendor, Thesis, and the supporting activities of the seven project streams required to support implementation of a new Thesis Student Management System.

Fiscal Year 2023-24:

The R3 Project is a Major Capital Project overseen by the Board of Governors. The project is multi-year; however, to ensure cost containment and project deliverables, the project requires annual budget approval from the Board of Governors.

The proposed R3 Project budget for fiscal year 2023-24 supports existing and new resourcing requirements to continue with the work of the R3 Program. The budget and resourcing plans have been structured in consideration of the contractual commitments, project plan and the requisite skills and human capacity required to complete project streams and work.

The proposed budget for the R3 Program for fiscal year 2023-24 is \$20 million, which includes a contingency budget of nine percent (9%). This contingency reduction is in consideration of the close monitoring of the budget, and opportunities for quarterly adjustments, that has enabled the project to proceed in a fiscally responsible way without accessing contingency. Budget planning remains on-track with the original proposed overall budget (\$58 to \$78 million). This estimate will be further refined in Q1 2023-24 of the project whereby more design and development work will be known.

8. HUMAN RESOURCES IMPACT:

As a part of the Student Information System Project Plan, the project team has developed a multi-year human resource plan, including various employee categories (additional support staff opportunities, secondments, fixed term administration, student, and consultants), for the life of the project.

The R3 Project presents unprecedented workforce planning. This is due to (a) the multi-year timeline; (b) significant scope and organizational impact; and (c) the current pandemic and funding context that has necessitated budgetary constraints for financial sustainability.

In preparation for the 2023-24 fiscal year and in alignment with the approved budget and vendor contract, the Human Resource planning for the Student Information System is

proposed to grow the team by five from the fiscal year 2022-23 current plan of 69 to 74 people in fiscal year 2023-24 to meet project needs.

In the spirit of fiduciary responsibility, hiring is only pursued and completed upon confirmation of need and in alignment with the adjusted project schedule. Salary associated to the new positions have been budgeted for fiscal year 2023-24. This aligns with the fiscal year 2023-24 advanced planning presented to the Algonquin College Executive Team on November 23, 2022.

9. GOVERNMENT / REGULATORY / LEGAL IMPACT:

The implementation of a new Student Information System solution will fully comply with information privacy, access, and data storage regulations.

As part of its due diligence, the College has confirmed that it is complying with relevant Provincial legislation, regulations, and directives. Throughout the process, legal counsel was consulted for contract negotiations and reviews.

10. COMMUNICATIONS:

The project recognizes the importance of employee engagement, communications, and training. These components are included in the Organizational Change Management Strategies and Plan. Consultation on the detailed R3 Training Approach and Plan took place in the Fall, 2022 with sixteen consultation sessions across the organization. Feedback was incorporated into the recommended training approach, which was presented to the R3 Steering Committee, the Algonquin College Leadership Team, and then to the College community at the December Showcase Event.

Upcoming communication and engagement activities will include:

- **Subject Matter Experts.** Engagement of individuals with knowledge of the Algonquin College business and academic processes is key to successful process redesign. Participation of Subject Matter Experts will continue throughout the project. Many Subject Matter Experts participate in Working Groups that review specific business processes and make recommendations to the R3 Implementation Committee. There are currently seven active Working Groups. The R3 Implementation Committee has representation across the College and makes decisions or endorses recommendations for process change. Recent key decisions include streamlining the Annual Curriculum Review process and recommending Curriculum Alignment.
- **Change Champion Network.** 47 individuals have been nominated as Change Champions representing General Users across the College in diverse roles. They are provided with early opportunities to learn the new Student Information System, review training

materials, practice in test systems, and provide feedback for Go-Live planning. Additionally, Change Champions share project information with their home department or faculty and provide timely feedback to R3. The group meets monthly.

- **R3 Showcase.** This virtual College-wide event provides employees with an opportunity to ask questions and learn more about the R3 Project, including the implementation of a new Student Information System, as information becomes available. The most recent R3 Showcase was December 8, 2022, highlighting the Approach and Plan for R3 Training as well as celebrating the contributions of the many individuals involved in the project across the College. The next Showcase is planned for February 28, 2:00 – 2:45 p.m. and will provide a high-level overview of how the new SIS will manage course exemptions internal to AC. Related new concepts and terminology will also be shared.

11. CONCLUSION:

The R3 Project is a major business transformation initiative for Algonquin College. It will replace the Student Information System functionality, but also address numerous other functions currently supported by GeneSIS. It will leverage current technology and best practices to enhance learner and employee experience and improve the security of personal and corporate data.

Management continues to closely monitor the project and regularly reports project status updates and risks to the Algonquin College Executive Team, Audit and Risk Management Committee, and the Board of Governors.

Respectfully submitted:



Laura Stanbra
Vice President, Student Services

Approved for submission:



Claude Brulé
President and CEO

Report title:	College Accessibility Major Capital Project - Annual Budget Request
Report to:	Board of Governors
Date:	February 27, 2023
Author/Presenter:	Duane McNair, Vice President, Finance and Administration Ryan Southwood, Executive Director, Facilities Management

1. RECOMMENDATION:

THAT the Board of Governors approves an expenditure of up to \$1.0M from the College’s Strategic Investment Priorities budget for fiscal year 2023-24 to address campus infrastructure upgrades that support legislated Accessibility for Ontarians with Disabilities Act (AODA) compliance across the Ottawa, Perth and Pembroke campuses. Sources of funds include in-year net operating revenues, reserves and/or the Facilities Renewal Program Grant.

2. PURPOSE / EXECUTIVE SUMMARY:

The purpose of this report is to seek funding approval to proceed with the fiscal year 2023-24 scope as part of the College Accessibility Major Capital Project that includes the implementation of various renovations to College grounds and existing buildings to align with Provincial legislation and built environment standards related to accessibility. In accordance with previous College approvals, this project returns annually to the Board of Governors, in a stage gate approach, to request additional funds once the College’s fiscal picture is better defined. Future funding requests will address remaining accessibility improvements identified in the original investment case presented to the Board of Governors on April 19, 2021.

3. BACKGROUND:

Facilities Management previously completed an accessibility audit of all College-owned facilities which provided an extensive list of renovations required to ensure alignment with the AODA legislation. This audit was supplemented with additional recommended renovations to further increase accessibility that align with standards related to best practices in accessibility. The audit report was sub-divided into five priority areas which ranged from life safety and immediate hazards to best practices and enhanced paths of travel.

The Algonquin College Executive Team (ACET) previously endorsed the development of a full investment case on November 12, 2020. The final investment case was subsequently

presented and accepted by ACET on March 18, 2021. A formal legal review was undertaken and has indicated that the College is not obligated to conduct renovations to existing facilities to meet the January 1, 2025 legislative deadline. The AODA legislation is only applied to new construction or major renovations of existing facilities. However, there remains reputational risk to the College if accessibility to the existing facilities is not improved.

The Board of Governors received the Investment Case and approved it as a Major Capital Project on April 19, 2021.

The scope of work for fiscal year 2022-23 of \$2.1M includes completing accessibility improvements to Buildings B, ACCE and J, and if budget permits, Buildings E, T and P.

4. DISCUSSION:

The Campus Accessibility Major Capital Project includes a program of accessibility improvements across the three College campuses over a multi-year period. The improvements include renovations to existing facilities to go beyond Ontario Building Code requirements by implementing Facility Accessibility Design Standards / Ottawa Accessibility Standards and Design of Public Open Spaces standards.

The remaining work for the project is being phased over the next three years to align with the current fiscal realities of the College. For fiscal year 2023-24, \$1.0M has been identified to be funded through in-year net operating revenues, reserves and/or the Facilities Renewal Program Grant to complete the next stage of the improvements. An analysis was completed to support the prioritization of the accessibility improvements for fiscal year 2023-24. This analysis focused on overall building utilization (e.g. classrooms, labs and associated academic spaces), feedback from the Centre for Accessible Learning, Steering Committee comments, current Class 'D' cost estimate including recommendations from the Prime Consultant, Construction Manager, and overall strategic input from Facilities Management.

ACET gave direction that the minimum required amount be proposed for fiscal year 2023-24 due to current fiscal challenges. The expenditure of up to \$1.0M will complete the buildings E, P, and T on the Ottawa Campus as well as the complete Pembroke Campus should tender results be favourable.

This decision will increase the time required to complete the project and extend into fiscal year 2025-26. There is a risk that the overall cost of the project may increase due to inflation, market supply chain and additional soft costs. There is also a risk that the current construction manager will not renew their contract for subsequent activities once the work is completed in fiscal year 2023-24.

College administration will maintain the current construction management delivery methodology in order to achieve best value and accommodate the dynamic nature of the proposed scope of work. Specific components may be tendered on a fixed-fee basis where the scope of work is less complex and generally low risk of budget or schedule overrun.

5. LINK TO STRATEGIC PLAN:

STRATEGIC PLAN 2022-2025	
LEARNER DRIVEN	
Goal 1: Provide Flexible, Personalized, and Lifelong Learner Experiences	<input checked="" type="checkbox"/>
PEOPLE	
Goal 2: Empower Our People to Foster a High-Quality, Innovative, Learner-Driven Culture	<input type="checkbox"/>
Goal 3: Create an Equitable, Diverse, and Inclusive Work Environment	<input checked="" type="checkbox"/>

6. STUDENT IMPACT:

The project will enhance student experience by improving life safety, removing physical barriers to travel and promoting inclusivity for students regardless of ability.

7. FINANCIAL IMPACT:

For the fiscal year 2023-24, \$1.0M has been allocated to the project. The current budget for this scope of work is reported as follows:

Fiscal Year 2023-24 Project Costs		Comments
Design & Consultant Fees	\$ 110,000	Allowance
Construction - Building E, T and P	\$ 500,000	Inclusive of General Conditions, Construction Contingency
Construction - Pembroke	\$ 250,000	Inclusive of General Conditions, Construction Contingency
Permits, Other Costs	\$ 18,000	Allowance
Contingency	\$ 87,800	10% of overall costs
Taxation	\$ 32,934	3.41% (College Rate)
Total:	\$ 998,734	

Construction costs include an embedded contingency in addition to the overall project contingency identified. Estimated project costs will be further refined as the detailed design is finalized. Opportunities for value engineering to ensure best value for money continue to be considered while maintaining AODA compliance and meeting the accessibility goals of the College.

8. HUMAN RESOURCES IMPACT:

This initiative is not anticipated to result in any adjustments to the College’s current employee complement. It will provide further opportunities to promote the College as an inclusive work place, increase employee retention rates and retain new talent.

9. GOVERNMENT / REGULATORY / LEGAL IMPACT:

The College is not legally obligated to renovate existing facilities to comply with the AODA legislation by January 1, 2025 except when undertaking new construction or extensive renovations.

10. COMMUNICATIONS:

A detailed communications plan will be developed at the start of the project ahead of any physical construction work to minimize occupants' disruption and impact on overall service delivery.

Key communications initiatives will include:

- Early consultation with department leads on a building-by-building basis ahead of any works to minimize disruption and flag any potential issues;
- Consultation with Centre for Accessible Learning with regards to any potential impacts on accessible routes within buildings before work commencement;
- Distribution of disruption notices directly to the Algonquin College Leadership Team ahead of any works;
- Posting of disruption notices to College myAC website at least 72 hours before any disruptive work. This will be increased to one week, if work is longer-term, or causes significant disruption such as impacts to accessibility, paths of travel, or pick-up points (e.g. ParaTranspo); and,
- Construction signage and wayfinding for detours to be posted indicating the work and any immediate hazards to occupants.

11. CONCLUSION:

Algonquin College is committed to supporting learners, employees and the community by addressing existing barriers to our physical infrastructure. Implementing these renovations and modifications will increase accessibility for persons with disabilities and will make our campuses more welcoming and inclusive for all Ontarians. Our intent to exceed the minimum standard will be another example of aligning our physical campuses with Algonquin College's stated Mission, Vision, and Values.

Respectfully submitted:



Duane McNair
Vice President, Finance and Administration

Approved for submission:



Claude Brulé
President and CEO

Report title:	Third Quarter 2022-23 Financial Projection
Report to:	Board of Governors
Date:	February 27, 2023
Author/Presenter:	Grant Perry, Chief Financial Officer

1. RECOMMENDATION:

THAT the Board of Governors accepts the Third Quarter 2022-23 Financial Projection for information.

2. PURPOSE / EXECUTIVE SUMMARY:

The purpose of this report is to present Appendix A: Third Quarter 2022-23 Financial Projection, including a summary of funded positions, and to provide an updated compliance status of the Board Policy BGII-02: Financial Management, presented in Appendix B: Third Quarter 2022-23 Compliance Schedule.

3. BACKGROUND:

On February 28, 2022, the Board of Governors approved the 2022-23 Annual Budget with an overall net contribution of \$3.0 million in compliance with both the Board of Governors' Direction and the Ministry of Colleges and Universities Operating Directive.

4. DISCUSSION:

The Quarterly Projection takes into consideration any changes to the original assumptions underlying the Approved Annual Budget, including enrolment, funding and other operational and capital changes. Variance analysis for significant changes is included within the report.

Despite an overall 11% reduction in projected enrolments from the Approved Annual Budget, an increase of \$2.9 million is projected to the overall net contribution of the College for the fiscal year. This increase is mainly due to changes in planned spending within our Strategic Investment Priorities investments. Changes to Strategic Investment Priorities include additional revenue from the Ministry of Colleges and Universities. These additional revenue grants were announced after the Annual Budget 2022-23 was approved. Also contributing to the increase in the projected net contribution of the College is the deferral of planned

expenditures for Strategic Investment Priorities projects to future years. When considered together, these in-year expenditure deferrals, and unexpected grant funding allocations have helped to offset the lower than originally projected net contributions in College operations from reduced enrolments and reduced contract activity.

\$M	Approved 2022-23 Net Contribution	Third Quarter 2022-23 Net Contribution	Variance Approved vs Third Quarter
Funded Activity / College Operations	\$ (5.6)	\$ (6.6)	\$ (1.0)
Contract and Other Non-Funded Activity	4.3	1.2	(3.1)
Campus Services	7.3	7.1	(0.2)
International Education Centre	<u>22.9</u>	<u>20.9</u>	<u>(2.0)</u>
Net Contribution from Total College Operations	28.9	22.6	(6.3)
Net Strategic Investment Priorities	(35.7)	(25.6)	10.1
Non-Cash Adjustments: Capitalization & Depreciation	<u>9.8</u>	<u>8.9</u>	<u>(0.9)</u>
Net Contribution	\$3.0	\$5.9	\$2.9
	Approved Annual Budget 2022-23	Third Quarter 2022-23 Projection	Variance Approved vs Third Quarter
Domestic & International Enrolment	49,565	44,079	(5,486)
Public College Private Partnership Enrolment (Toronto)	449	539	90
Total Enrolments	50,014	44,618	(5,396)

5. LINK TO STRATEGIC PLAN:

STRATEGIC PLAN 2022-2025	
LEARNER DRIVEN	
Goal 1: Provide Flexible, Personalized, and Lifelong Learner Experiences	<input checked="" type="checkbox"/>
PEOPLE	
Goal 2: Empower Our People to Foster a High-Quality, Innovative, Learner-Driven Culture	<input checked="" type="checkbox"/>
Goal 3: Create an Equitable, Diverse, and Inclusive Work Environment	<input checked="" type="checkbox"/>

6. STUDENT IMPACT:

Students will benefit from additional investments in technology infrastructure, renovations, and adaptations to learning spaces, maintenance of existing learning spaces, and investment in new program development, academic equipment, and new facilities.

7. FINANCIAL IMPACT:

The Third Quarter 2022-23 Financial Projection reports an increase in net contribution of \$2.9 million from the 2022-23 Approved Annual Budget of \$3.0 million, for a total projected net contribution of \$5.9 million. Between the date of the First Quarter Financial Projection Report and this Third Quarter Financial Projection, overall enrolment continued to fall short of expected targets. This has resulted in significant decreases to overall College revenues. The College has maintained a positive net contribution despite the revenue decline by undertaking several cost reduction initiatives and through the deferral of current year capital projects. It is important to note that the College's cash flow continues to be negatively impacted by operational expenditures that are exceeding revenues. In summary, although the College is projecting an increase to the projected net contribution for the fiscal year, it is due to short term measures taken to preserve capital, and to the receipt of unexpected funding through grant allocations within the fiscal year.

8. HUMAN RESOURCES IMPACT:

The 2022-23 Approved Annual Budget provided required funding for all existing full-time permanent staff, complement positions, and other than permanent positions.

9. GOVERNMENT / REGULATORY / LEGAL IMPACT:

The Quarterly Projections/Reports comply with the Ministry of Colleges and Universities' Business Plan Operating Procedure Directive.

10. COMMUNICATIONS:

All required communications will be administered through the Communications and External Relations Office.

11. CONCLUSION:

The Algonquin College Third Quarter 2022-23 Financial Projection identifies resources supporting the Strategic Plan and Business Plan of the College while complying with Provincial government directives and ensuring the financial health of the College now and into the future. College management will continue to monitor enrolments, revenue, and expenditures closely, with a focus to explore and implement mitigation strategies until financial sustainability is achieved.

Respectfully submitted:

Approved for submission:



Duane McNair
Vice President, Finance and Administration

Claude Brulé
President and CEO

Appendices:

Appendix A: Third Quarter 2022-23 Financial Projection
Appendix B: Third Quarter 2022-23 Compliance Schedule

Financial Projection

THIRD QUARTER
2022-23

Board of Governors
February 27, 2023

ALGONQUIN
COLLEGE



Third Quarter 2022-23 Financial Projection

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	Approved Annual Budget	Q1 Year-End Projection	Q2 Year-End Projection	Q3 Year-End Projection	Q3 vs. Approved Variance Favourable/ Unfavourable	Variance as % of Approved
Funded Activity/College Operations						
Revenue	\$ 284,239	\$ 281,550	\$ 274,683	\$ 274,407	\$ (9,832)	-3%
Expenditures	289,850	286,881	284,168	281,040	8,810	3%
Net Contribution	(5,611)	(5,331)	(9,485)	(6,633)	(1,022)	-18%
Contracts & Other Non-Funded Activity						
Revenue	46,592	42,963	42,746	40,964	(5,628)	-12%
Expenditures	42,331	41,351	41,067	39,739	2,592	6%
Net Contribution	4,261	1,612	1,679	1,225	(3,036)	-71%
Campus Services						
Revenue	35,567	34,498	32,772	33,206	(2,361)	-7%
Expenditures	28,280	27,716	26,265	26,136	2,144	8%
Net Contribution	7,287	6,782	6,507	7,070	(217)	-3%
International Education Centre						
Revenue	73,277	68,379	66,757	67,861	(5,416)	-7%
Expenditures	50,398	48,274	46,672	46,993	3,405	7%
Net Contribution	22,879	20,105	20,085	20,868	(2,011)	-9%
Strategic Investment Priorities						
Revenue	6,503	7,495	8,187	8,187	1,684	26%
Expenditures	42,160	40,246	34,828	33,740	8,420	20%
Net Contribution	(35,657)	(32,751)	(26,641)	(25,553)	10,104	28%
Non-Cash Revenue Adjustments						
Capital Grants recorded as Deferred Capital Contributions	(1,100)	(1,100)	(1,400)	(1,400)	(300)	-27%
Amorization of Deferred Capital Contributions	7,900	7,800	7,800	7,800	(100)	-1%
Non-Cash Expenditure Adjustments						
Expenditures to be Capitalized (Moved to Balance Sheet)	18,700	20,500	19,100	18,400	(300)	-2%
Amorization Expense	(16,200)	(15,500)	(15,500)	(15,500)	700	4%
Change in Vacation, Sick Leave & Post-Employment Benefits	500	(300)	(390)	(390)	(890)	-178%
Net Contribution as per Public Sector Accounting Standards (PSAS)						
	\$ 2,959	\$ 1,817	\$ 1,755	\$ 5,887	\$ 2,928	99%

	March 31, 2022 Year-End Actual	March 31, 2023 Approved Annual Budget	March 31, 2023 Q1 Projected	March 31, 2023 Q2 Projected	March 31, 2023 Q3 Projected	Q3 vs. Approved Variance
ASSETS						
Current Assets						
Cash and Short Term Investments	\$ 98,786	\$ 76,018	\$ 79,589	\$ 78,601	\$ 85,932	\$ 9,914
Accounts Receivable	26,818	29,000	28,000	28,000	28,000	(1,000)
Inventory	1,936	2,200	2,200	2,200	2,200	-
Prepaid Expenses	5,538	4,500	5,500	5,500	5,500	1,000
	133,078	111,718	115,289	114,301	121,632	9,914
Investments	37,155	28,500	36,300	39,017	36,517	8,017
Long Term Prepaid Asset	5,500	5,326	5,326	5,326	5,326	-
Endowment Assets	35,383	35,337	36,383	36,383	36,383	1,046
Capital Assets	287,509	294,036	294,613	293,213	290,976	(3,060)
TOTAL ASSETS	\$ 498,625	\$ 474,917	\$ 487,911	\$ 488,240	\$ 490,834	\$ 15,917
LIABILITIES & NET ASSETS						
Current Liabilities						
Accounts Payable & Accrued Liabilities	\$ 30,315	\$ 29,000	\$ 29,000	\$ 29,000	\$ 29,000	\$ -
Accrued Salaries & Employee Deductions Payable	10,901	9,500	9,500	9,500	9,500	-
Deferred Revenue	57,965	45,000	55,294	55,294	55,294	10,294
Current Portion of Long Term Debt	3,846	4,084	4,084	4,084	4,084	-
	103,027	87,584	97,878	97,878	97,878	10,294
Long Term Debt	32,339	28,254	28,254	28,254	28,254	-
Vacation, Sick Leave & Post-Employment Benefits	18,808	17,225	19,108	19,198	19,198	1,973
Deferred Capital Contributions	147,554	138,817	140,854	141,154	141,154	2,337
Interest Rate Swaps	2,212	4,203	2,212	2,212	2,212	(1,991)
Asset Retirement Obligation¹	-	2,103	2,103	2,103	1,817	(286)
Net Assets						
Unrestricted	1,000	1,000	1,000	1,000	1,000	-
Investment in Capital Assets	103,771	122,881	121,421	119,721	117,484	(5,397)
Vacation, Sick Leave & Post-Employment Benefits	(18,808)	(17,225)	(19,108)	(19,198)	(19,198)	(1,973)
Internally Restricted	76,737	58,709	61,204	62,933	68,050	9,341
Endowment Fund	35,383	35,337	36,383	36,383	36,383	1,046
	198,083	200,702	200,900	200,839	203,719	3,017
Accumulated Remeasurement Losses	(3,398)	(3,971)	(3,398)	(3,398)	(3,398)	573
	194,685	196,731	197,502	197,441	200,321	3,590
TOTAL LIABILITIES & NET ASSETS	\$ 498,625	\$ 474,917	\$ 487,911	\$ 488,240	\$ 490,834	\$ 15,917

¹ Public Sector Accounting Standard PS3280 - Asset Retirement Obligations (ARO) came into effect on April 1, 2022.

(all figures in \$ 000's)

	Approved Annual Budget	Q1 Year-End Projection	Q2 Year-End Projection	Q3 Year-End Projection	Q3 vs. Approved Variance Favourable/Unfavourable
FUNDED ACTIVITY/COLLEGE OPERATIONS					
Grants					
Post Secondary Activity	\$ 105,439	\$ 106,339	\$ 107,306	\$ 107,306	\$ 1,867
Apprentice	5,302	5,321	5,368	6,554	1,252
Flow-Through Student Aid	1,620	2,218	2,218	2,218	598
TOTAL GRANTS	112,361	113,878	114,892	116,078	3,717
Tuition Fees					
Full-Time Post Secondary ^{2,3}	91,720	88,890	84,707	83,821	(7,899)
Full-Time Non-Funded	298	298	486	486	188
Part-Time ²	10,927	10,691	10,453	9,827	(1,100)
Apprenticeship Fees (formerly Adult Training) ²	1,159	1,115	1,100	1,128	(31)
Student Technology Fees	9,054	8,444	7,975	7,919	(1,135)
TOTAL TUITION FEES	113,158	109,438	104,721	103,181	(9,977)
Contract Educational Services					
Corporate & Other Programs	6,219	6,436	6,687	6,572	353
TOTAL CONTRACT EDUCATIONAL SERVICES	6,219	6,436	6,687	6,572	353
Other					
Early Learning Centre	1,118	1,118	1,118	1,118	-
Student Ancillary Fees	6,548	6,435	5,813	6,022	(526)
Investment Income	722	2,258	2,258	2,258	1,536
Transfer from International Education Centre ¹	33,132	31,318	29,557	30,194	(2,938)
Miscellaneous	10,981	10,669	9,637	8,984	(1,997)
TOTAL OTHER	52,501	51,798	48,383	48,576	(3,925)
TOTAL FUNDED ACTIVITY/COLLEGE OPERATIONS³	284,239	281,550	274,683	274,407	(9,832)
CONTRACTS & OTHER NON-FUNDED ACTIVITY³	46,592	42,963	42,746	40,964	(5,628)
CAMPUS SERVICES	35,567	34,498	32,772	33,206	(2,361)
INTERNATIONAL EDUCATION CENTRE	73,277	68,379	66,757	67,861	(5,416)
STRATEGIC INVESTMENT PRIORITIES	6,503	7,495	8,187	8,187	1,684
TOTAL REVENUE	\$ 446,178	\$ 434,885	\$ 425,145	\$ 424,625	\$ (21,553)

¹ 50% of the International Fee Premium is shared with Academic Services (part of Funded Activity/College Operations).

² \$169K in revenue that was categorized within the Approved Annual Budget 2022-23 in the category previously known as Adult Training was recategorized to Full-Time Post Secondary tuition and Part-Time tuition. The revenue remaining in that category has been relabeled as Apprenticeship Fees.

³ The Approved Annual Budget 2022-23, First Quarter and Second Quarter Projection values have been restated due to cost centers recategorized from Contract & Other Non-Funded Activity to Funded Activity.

Description	Variance Favourable/ (Unfavourable)	Comments
Post Secondary Activity	\$ 1,867	Favourable variance mainly due to the confirmation of an additional \$1M in provincial funding for an extension of the Personal Support Worker Accelerated program which was not announced by the Ministry until after the Annual Budget was approved. Also, a \$746K favourable variance due to lower than projected International Student Recovery by the Ministry of Colleges and Universities.
Apprentice	\$ 1,252	Favourable variance due to In-Class Enhancement Fund (IEF) per diem rate increase effective fiscal year 2022-23 as well as an increase to the apprenticeship administrative funding announced by the Ministry of Labour, Immigration, Training and Skills Development in November 2022.
Flow-Through Student Aid	\$ 598	Favourable variance due to the confirmation of an additional \$598K in provincial funding for Personal Support Worker Accelerated program bursaries which was not announced by Colleges Ontario until after the Annual Budget was approved.
Full-Time Post Secondary Tuition Fees	\$ (7,899)	Unfavourable variance due to a 11.1% reduction in total enrolment from the Approved Annual Budget 2022-23.
Part-Time Tuition Fees	\$ (1,100)	Unfavourable variance due to a \$626K decrease in Algonquin College online learning part-time funded programs revenue related to lower than projected enrolment; a 346K decrease as a result of the Building Trades program wind-down at the Algonquin Centre for Construction Excellence (ACCE). Also, a \$169K decrease in the Technology and Trades non-funded programs due to lower than planned enrolment in Continuing Education activities.
Student Technology Fees	\$ (1,135)	Unfavourable variance due to a 11.1% reduction in total enrolment from the Approved Annual Budget 2022-23.
Corporate & Other Programs	\$ 353	Favourable variance mainly due to a \$328K new City of Ottawa Food Services program within the School of Hospitality and Tourism, \$150K increase of the collaborative nursing program with the University of Ottawa at the Pembroke campus, and a \$85K increase due to the Algonquin Centre for Construction Excellence (ACCE) Wood Manufacturing Council program and a \$59K increase in other various programs. The increase is offset by a \$269K decrease in the Bachelor of Information Technology (BIT) – Interactive Multimedia and Design degree program with Carleton University within the Faculty of Arts, Media & Design.
Student Ancillary Fees	\$ (526)	Unfavourable variance due to 11.1% reduction in total enrolment from the Approved Annual Budget 2022-23.
Investment Income	\$ 1,536	Favourable variance due to a \$1.5M increase in estimated investment income as a result of transferring \$40M in short-term investments into a higher-yielding investment.

Description	Variance Favourable/ (Unfavourable)	Comments
Transfer from International Education Centre	\$ (2,938)	Unfavourable variance due to decrease of International Fee Premiums allocated to Funded Activity as a result of a 7.5% decline in international student enrolment from the Approved Annual Budget.
Miscellaneous	\$ (1,997)	Unfavourable variance mainly due to a decrease in unallocated revenue included within the Approved Annual Budget 2022-23 as well as a \$400K decrease in Special Projects revenue (offset by a decrease in Special Projects expenditures).
Contract and Other Non-Funded Activity	\$ (5,628)	Unfavourable variance due to a \$7.6M decrease in Business Development and Corporate Training as the SkillsAdvance Ontario (SAO) contracts were not awarded in 2022-23 as projected, as well as lower than expected Corporate Training activities. A \$415K decrease in school contracts mainly due to the lower than expected activities for the Employment Ontario Literacy and Basic Skills program, as well as the SAO Forestry project. Also, a \$284K unfavourable variance due to a number of Applied Research projects that were not awarded as anticipated. These revenue decreases are partially offset by a favourable variance of \$2.3M in Truth, Reconciliation and Indigenization contract activities as a result of the delay in the start of the Indigenous YouthBuild Canada Expansion program in 2021-22 and the extension of the program into 2022-23. An additional \$334K favourable variance due to a 20% increase in Public College Private Partnership (PCPP) enrolment from the Approved Annual Budget 2022-23. As well as a \$542K increase in School contracts mainly due to a one-time adjustment for the Nunavut Sivuniksavut project.
Campus Services	\$ (2,361)	Unfavourable variance due to a \$1.2M decrease in Bookstore sales mainly as a result of lower enrolment. A \$1M decrease in Food and Conference Services sales as a result of a delay in re-opening four out of seven Food Services locations, as well as lower than anticipated post-pandemic food sales. Also, a \$301K decrease in Residence revenue due to a decline in occupancy rate and a 44% reduction in Summer Hotel Revenues as a result of the delay in the re-opening of the Summer Hotel.
International Education Centre	\$ (5,416)	Unfavourable variance mainly due to a \$5.9M decrease in Full-Time Tuition Fees & International Premium revenues due to a 7.5% reduction in international student enrolment from the Approved Annual Budget 2022-23. Also due to a \$1M decrease in contract and other revenues as a result of a decline in insurance premiums, delays in restarting short-term programs, and a delay in the launch of the Algonquin College - Kuwait degree program.
Strategic Investment Priorities	\$ 1,684	Favourable variance due to additional \$900K in Facilities Renewal Program Grant funding announced by the Ministry of Colleges and Universities after the Annual Budget was approved. Also, an additional \$483K for Apprenticeship Capital Grant funding mainly related to a new Electronics Lab and an additional \$300K donation towards the Health Sciences Lab.
Total Explained Variances	\$ (21,710)	
Other Minor Variances	\$ 157	
Total Variance	\$ (21,553)	

(all figures in \$ 000's)

	Approved Annual Budget	Q1 Year-End Projection	Q2 Year-End Projection	Q3 Year-End Projection	Q3 vs. Approved Variance Favourable/Unfavourable
FUNDED ACTIVITY/COLLEGE OPERATIONS					
TOTAL SALARIES & BENEFITS ¹	\$ 209,341	\$ 207,433	\$ 206,374	\$ 205,933	\$ 3,408
Other Operating Costs					
Mandated Student Aid	5,321	5,321	5,321	5,321	-
Contingencies	5,358	4,358	3,108	3,108	2,250
Long Term Debt Interest	612	612	612	612	-
Contract Services ¹	20,893	18,286	18,242	16,678	4,215
Instructional Supplies & Equipment ¹	5,298	6,103	5,996	5,894	(596)
Information Technology	13,285	13,060	13,015	12,644	641
Marketing and Promotion	2,087	2,102	2,017	1,795	292
Building Maintenance & Utilities	13,579	13,307	13,743	13,742	(163)
Flow-Through Student Aid	1,620	2,218	2,218	2,218	(598)
Cost of Goods Sold	322	328	287	287	35
Other ¹	12,134	13,753	13,235	12,808	(674)
TOTAL OTHER OPERATING	80,509	79,448	77,794	75,107	5,402
TOTAL FUNDED ACTIVITY/COLLEGE OPERATIONS ¹	289,850	286,881	284,168	281,040	8,810
CONTRACTS & OTHER NON-FUNDED ACTIVITY ¹	42,331	41,351	41,067	39,739	2,592
CAMPUS SERVICES	28,280	27,716	26,265	26,136	2,144
INTERNATIONAL EDUCATION CENTRE	50,398	48,274	46,672	46,993	3,405
STRATEGIC INVESTMENT PRIORITIES	42,160	40,246	34,828	33,740	8,420
TOTAL EXPENDITURES	\$ 453,019	\$ 444,468	\$ 433,000	\$ 427,648	\$ 25,371

¹ The Approved Annual Budget 2022-23, First Quarter and Second Quarter Projection values have been restated due to cost centers recategorized from Contract & Other Non-Funded Activity to Funded Activity.

Description	Variance Favourable/ (Unfavourable)	Comments
Salaries and Benefits	\$ 3,408	Favourable variance due to vacancies within the College which is partly being driven by the competitive market for talent and hiring impacts due to the pandemic. Favourable variance also due to lower than anticipated enrolment resulting in salary savings.
Contingencies	\$ 2,250	Favourable variance due to \$2M reduction in the Special Contingency allocation and \$250K reduction in General Contingency allocation to offset financial impact of lower than projected enrolment.
Contract Services	\$ 4,215	\$4.6M favourable variance due to reduction of Contract Services expenditures for Academic Services due to lower enrolment and other factors. A favourable variance of \$286K within Facilities Management due to lower than projected maintenance expenditures as a result of reduced running hours of the facilities' cogeneration engines. Offset by the unfavourable variance of \$702K within Information Technology Services due to contracts put in place to address project management capacity (partially offset by vacancy savings).
Instructional Supplies & Equipment	\$ (596)	Unfavourable variance due to the extension of the provincially funded Personal Support Worker Accelerated program for the second year which was announced by the Ministry after approval of the Annual Budget 2022-23 (offset by corresponding increase in revenue).
Information Technology	\$ 641	Favourable variance due to lower than projected expenditures related to software licenses and hardware maintenance.
Marketing and Promotion	\$ 292	\$210K favourable variance due to lower than projected spending on Special Projects (offset by a decrease in revenue), as well as a favorable variance due to cost containment measures with reductions in consulting, promotional expenditures and travel activities.
Flow-Through Student Aid	\$ (598)	Unfavourable variance due to the bursary distribution for the extension of the provincially funded Personal Support Worker Accelerated program (offset by corresponding increase in revenue).
Other Costs	\$ (674)	\$508K unfavourable variance in Professional fees due to delays in filling some positions as well as some expense reallocations from the Approved Annual Budget. \$1 66K in other minor variances.

Description	Variance Favourable/ (Unfavourable)	Comments
Contract and Other Non-Funded Activity	\$ 2,592	\$4.4M favourable variance in Business Development and Corporate Training due to reduced activity on SkillsAdvance Ontario contracts, as well as new contracts not awarded as projected. Also, \$583K favourable variance due to the savings in School Contracts related to the lower-than-expected activities in various programs and the closure of the Smiths Falls site for the Literacy and Basic skills program. Partially offset by a \$1.9M unfavourable variance due to delays and lower than projected activities in Indigenous YouthBuild Canada Expansion program in 2021-22 and the extension of the program into the fiscal year 2022-23, as well as a \$118K unfavourable variance due to a 20% increase in Public College Private Partnership (PCPP) enrolment from the Approved Annual Budget 2022-23 (offset by a corresponding increase in revenue).
Campus Services	\$ 2,144	Favourable variance due to a decrease in the cost of goods sold as a direct result of the decrease in Textbook and E-Text sales, as well as Residence operational savings in maintenance costs and upkeep of the facility as a result of the delay in re-opening the Summer Hotel. Also, due to a decrease in staffing costs as a result of the delay in the hiring process due to the competitive labour market.
International Education Centre	\$ 3,405	Favourable variance mainly due to a 7.5% decline in international student enrolment from the Approved Annual Budget 2022-23, as well as other savings in health insurance, travel expenditures, cell phones and office supplies related to the shift to remote work.
Strategic Investment Priorities	\$ 8,420	See <i>Strategic Investment Priorities Variances</i> page for details.
Total Explained Variances	\$ 25,499	
Other Minor Variances	\$ (128)	
Total Variance	\$ 25,371	

(all figures in \$ 000's)

	Approved Annual Budget	Q1 Year-End Projection	Q2 Year-End Projection	Q3 Year-End Projection	Q3 vs. Approved Variance Favourable/Unfavourable
SOURCE OF FUNDS:					
Facilities Renewal Grant	\$ 4,000	\$ 4,900	\$ 4,900	\$ 4,900	\$ 900
College Equipment Renewal Fund Grant	1,503	1,503	1,503	1,503	-
Apprenticeship Capital Grant	1,000	1,092	1,484	1,484	484
Donations	-	-	300	300	300
TOTAL SOURCE OF FUNDS	6,503	7,495	8,187	8,187	1,684
EXPENDITURES:					
Major Capital Projects					
Campus Accessibility	2,100	2,126	2,126	2,126	(26)
Pedestrian Bridge to Bus Rapid Transit Station	1,161	1,161	341	341	820
R3 (Student Information System)	20,000	20,000	15,800	15,800	4,200
Salesforce Lightning Upgrade	3,154	2,126	2,126	1,628	1,526
Total Major Capital Projects	26,415	25,413	20,393	19,895	6,520
Other					
Academic & Other Equipment	1,000	1,000	1,000	1,000	-
Apprenticeship Capital Grant	1,000	1,092	1,484	1,484	(484)
Campus Services	275	275	275	275	-
College Space & Infrastructure	5,527	6,300	6,055	5,736	(209)
College Technologies	2,715	2,715	2,715	2,561	154
Initiatives & Opportunities	4,146	4,369	2,444	2,327	1,819
New Program Initiatives	1,082	1,082	962	962	120
Adjustment for Anticipated Underspend	-	(2,000)	(500)	(500)	500
Total Other	15,745	14,833	14,435	13,845	1,900
TOTAL EXPENDITURES	42,160	40,246	34,828	33,740	8,420
TOTAL NET CONTRIBUTION	\$ (35,657)	\$ (32,751)	\$ (26,641)	\$ (25,553)	\$ 10,104

Description	Variance Favourable/ (Unfavourable)	Comments
Revenue		
Facilities Renewal Grant	\$ 900	Favourable variance due to additional funding announced by the Ministry of Colleges and Universities in May 2022 after the Annual Budget 2022-23 was approved.
Apprenticeship Capital Grant	\$ 484	Favourable variance due to \$392K in funding for a new Electronics Lab for the Electrician Apprenticeship program and an increase of \$92K related to the base Apprenticeship Capital Grant announced after the Annual Budget 2022-23 was approved (offset by an increase in expenditures).
Donations	\$ 300	Favourable variance due to donations received for the Health Sciences Lab.
Expenditures		
Pedestrian Bridge to Bus Rapid Transit Station	\$ 820	Favourable variance due to deferral of expenditures to 2023-24 related to delays in the City of Ottawa portion of the construction of the pedestrian bridge.
R3 (Student Information System)	\$ 4,200	Favourable variance due to the carry forward of project costs to future fiscal years as a result of changes to the resource onboarding timeline and an expected reduction in contingency requirements.
Salesforce Lightning Upgrade	\$ 1,526	Favourable variance due to delays in hirings. Expenses will be realized in a future fiscal year.
Apprenticeship Capital Grant	\$ (484)	Unfavourable variance offset by increased revenue as detailed above.
College Space & Infrastructure	\$ (209)	Unfavourable variance due to the carry forward of project costs from 2021-22 resulting from delays related to supply chain issues partially offset by other project costs deferred to 2023-24.
Initiatives & Opportunities	\$ 1,819	Favourable variance due to lower than projected expenditures on multiple projects with some deliverables being deferred to 2023-24.
Adjustment for Anticipated Underspend	\$ 500	Based on historical trends, a provision has been added to account for anticipated underspending on Strategic Investment Priorities projects.
Total Explained Variances	\$ 9,856	
Other Minor Variances	\$ 248	
Total Variance	\$ 10,104	



Third Quarter 2022-23 Financial Projection
INTERNALLY RESTRICTED NET ASSETS SCHEDULE
 (all figures in \$ 000's)

	Year-End Actual March 31, 2022	Projected In-Year Use of Funds (2022-23)	Projected Year- End Adjustments (2022-23)	Projected March 31, 2023
Specific Reserves:				
Other Projects & Initiatives	\$ 36,418	\$ 11,866	\$ 452	\$ 25,004
Campus Services Reserve Fund	287	275	2,140	2,152
Employment Stabilization Funds	589	-	4	593
	37,294	12,141	2,596	27,749
Contingency Reserve Fund	9,449	-	965	10,414
Reserve Funds:				
Future Capital Expansion	27,552	341	203	27,414
Net Proceeds from Sale of March Road Land	2,442	-	31	2,473
	29,994	341	234	29,887
TOTAL INTERNALLY RESTRICTED NET ASSETS ¹	\$ 76,737	\$ 12,482	\$ 3,795	\$ 68,050
TOTAL UNRESTRICTED NET ASSETS	\$ 1,000	\$ -	\$ -	\$ 1,000
Investment in Capital Assets	103,771	-	13,713	117,484
Vacation, Sick Leave & Post-Employment Benefits	(18,808)	-	(390)	(19,198)
Interest Rate Swaps	(3,398)	-	-	(3,398)
Endowment Fund	35,383	-	1,000	36,383
TOTAL NET ASSETS	\$ 194,685	\$ 12,482	\$ 18,118	\$ 200,321

¹ Budgeted balances of Internally Restricted Net Assets and Unrestricted Net Assets include the impact of budgeted expenditures from Specific Reserves and Reserve Funds, and contributions to Reserve Funds for the fiscal year 2022-23. The Board of Governors' Financial Management Policy requires that the Board of Governors approve any spending from Reserve Funds.

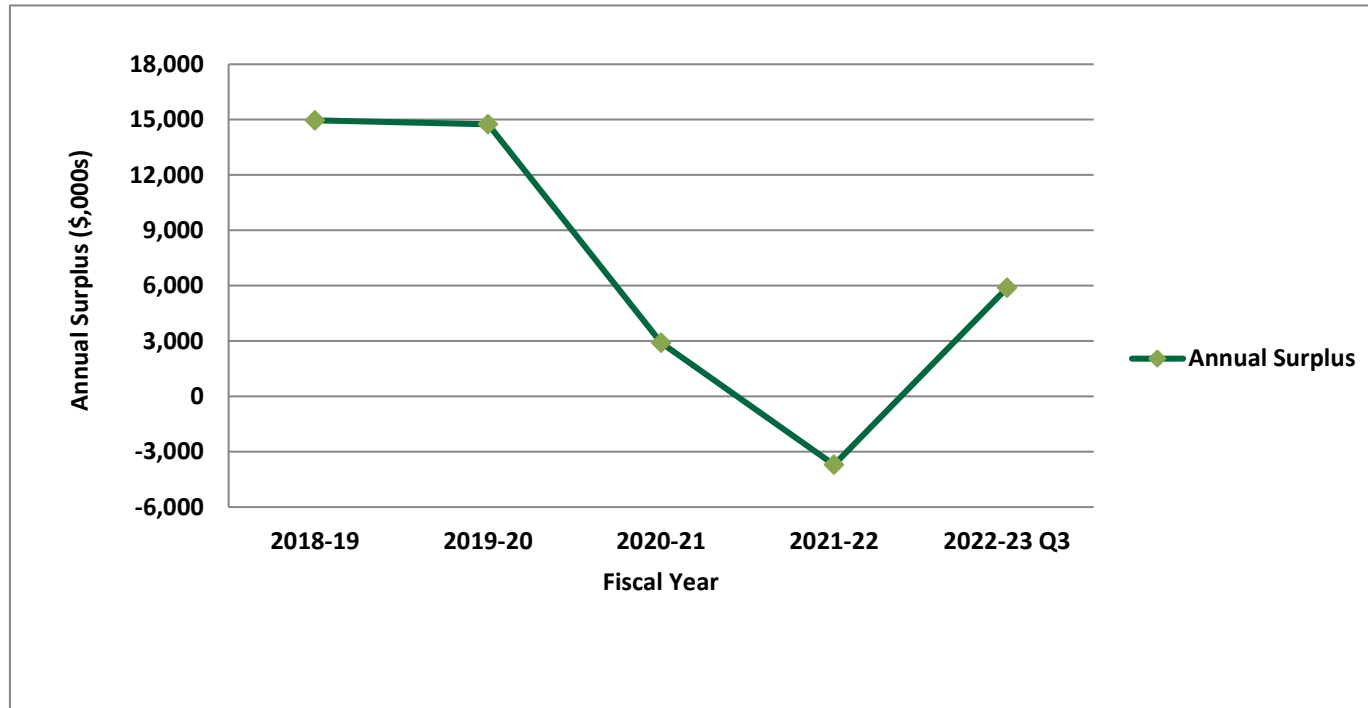
	Academic			Administrative			Support			Total		
	Positions	Staffed	Vacant	Positions	Staffed	Vacant	Positions	Staffed	Vacant	Positions	Staffed	Vacant
Academic Services												
Academic Development	9	9	-	6	6	-	12	10	2	27	25	2
Academic Operations & Planning	1	1	-	4	3	1	9	7	2	14	11	3
Algonquin College Heritage Institute	9	9	-	3	3	-	9	9	-	21	21	-
Algonquin College In The Ottawa Valley	29	27	2	7	7	-	39	38	1	75	72	3
Algonquin Centre for Construction Excellence	67	65	2	4	4	-	12	12	-	83	81	2
Associate Vice-President - Experiential Learning and Innovation	-	-	-	9	8	1	26	23	3	35	31	4
Associate Vice-President - Global, Online and Corporate Learning	-	-	-	27	27	-	69	64	5	96	91	5
Faculty of Arts Media & Design	121	116	5	9	9	-	32	30	2	162	155	7
Faculty of Health, Public Safety & Comm. Studies	135	128	7	11	10	1	37	37	-	183	175	8
School of Advanced Technology	120	107	13	7	6	1	19	18	1	146	131	15
School of Business	93	86	7	5	4	1	9	9	-	107	99	8
School of Hospitality & Tourism	41	40	1	4	3	1	10	10	-	55	53	2
Senior Vice-President Academic	9	-	9	3	3	-	-	-	-	12	3	9
Academic Services Total	634	588	46	99	93	6	283	267	16	1,016	948	68
Advancement & Strategy												
Advancement Operations	-	-	-	7	7	-	5	4	1	12	11	1
Strategy	-	-	-	1	1	-	1	-	1	2	1	1
Advancement & Strategy Total	-	-	-	8	8	-	6	4	2	14	12	2
Finance & Administration												
Campus Services	-	-	-	16	16	-	73	69	4	89	85	4
Facilities Management	-	-	-	12	12	-	36	32	4	48	44	4
Finance And Administrative Services	-	-	-	15	15	-	26	26	-	41	41	-
Information Technology Services	-	-	-	27	22	5	99	94	5	126	116	10
Internal Control	-	-	-	1	1	-	-	-	-	1	1	-
Risk Management	-	-	-	9	8	1	1	1	-	10	9	1
Vice-President Finance and Administration	-	-	-	2	2	-	-	-	-	2	2	-
Finance & Administration Total	-	-	-	82	76	6	235	222	13	317	298	19
Human Resources												
Employee & Labour Relations	-	-	-	19	17	2	-	-	-	19	17	2
People and Culture	-	-	-	18	16	2	4	4	-	22	20	2
Vice-President Human Resources	-	-	-	2	1	1	-	-	-	2	1	1
Human Resources Total	-	-	-	39	34	5	4	4	-	43	38	5

	Academic			Administrative			Support			Total		
	Positions	Staffed	Vacant	Positions	Staffed	Vacant	Positions	Staffed	Vacant	Positions	Staffed	Vacant
President And Board Of Governors												
Communications	-	-	-	4	4	-	7	6	1	11	10	1
President and Board of Governors	-	-	-	4	4	-	-	-	-	4	4	-
President And Board Of Governors Total	-	-	-	8	8	-	7	6	1	15	14	1
Student Services												
Marketing & Recruitment	-	-	-	3	3	-	29	28	1	32	31	1
R3 Executive Business Lead	-	-	-	-	-	-	8	7	1	8	7	1
R3 Executive Technical Lead	-	-	-	-	-	-	4	3	1	4	3	1
Registrar	-	-	-	10	10	-	69	69	-	79	79	-
Student Support Services	20	20	-	12	12	-	41	39	2	73	71	2
Vice-President Student Services	-	-	-	2	2	-	-	-	-	2	2	-
Student Services Total	20	20	-	27	27	-	151	146	5	198	193	5
Truth, Reconciliation & Indigenization												
Indigenous Services and Partnerships	-	-	-	4	3	1	-	-	-	4	3	1
Truth, Reconciliation & Indigenization Total	-	-	-	4	3	1	-	-	-	4	3	1
College Totals	654	608	46	267	249	18	686	649	37	1,607	1,506	101
							Total % for the positions:			100.0%	93.7%	6.3%
Funded Positions as per Approved Annual Budget 2022-23	645			258			620			1,523		
Q3 vs. Approved Annual Budget Variance - Increase / (Decrease)	9			9			66			84		
Variance % - Increase / (Decrease)	1%			3%			11%			6%		



Third Quarter 2022-23 Financial Projection
Financial Health Indicators

Operating Results: Annual Surplus



Objective:

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

Benchmark:

Must be greater than \$0.

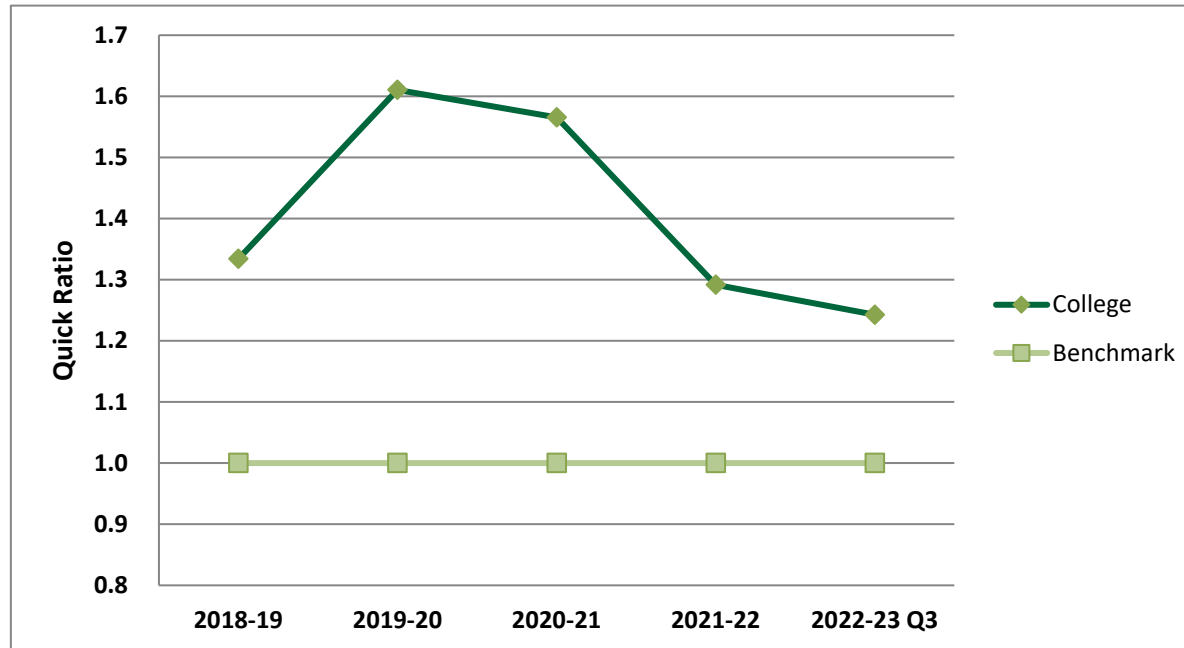
Rationale:

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



Third Quarter 2022-23 Financial Projection Financial Health Indicators

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.

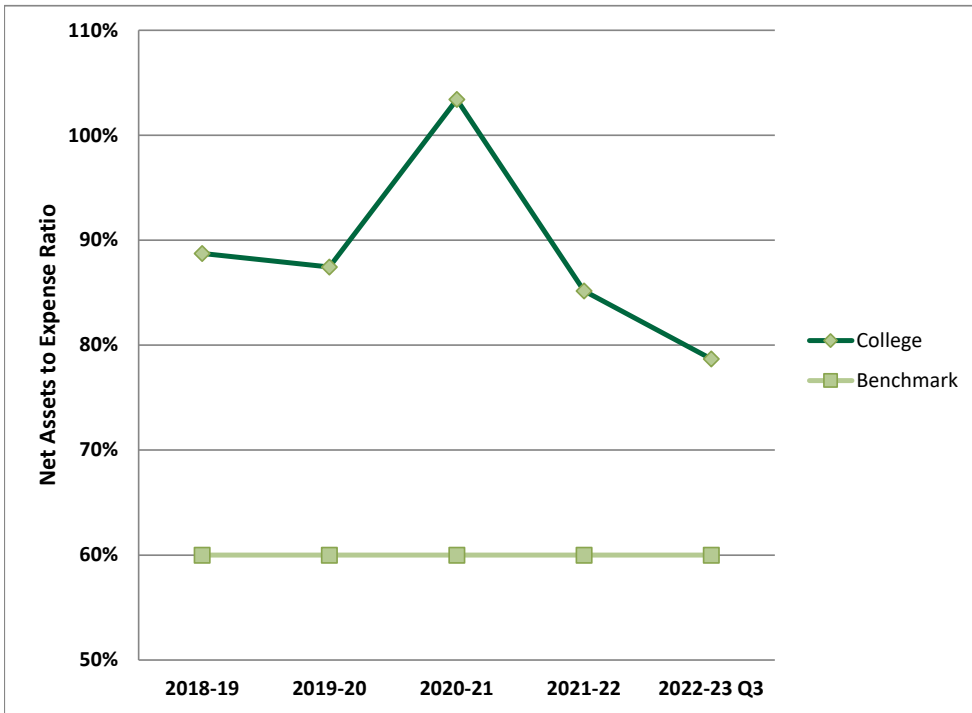
Rationale:

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 1.62 for Q3 2022-23.



Third Quarter 2022-23 Financial Projection
Financial Health Indicators

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.

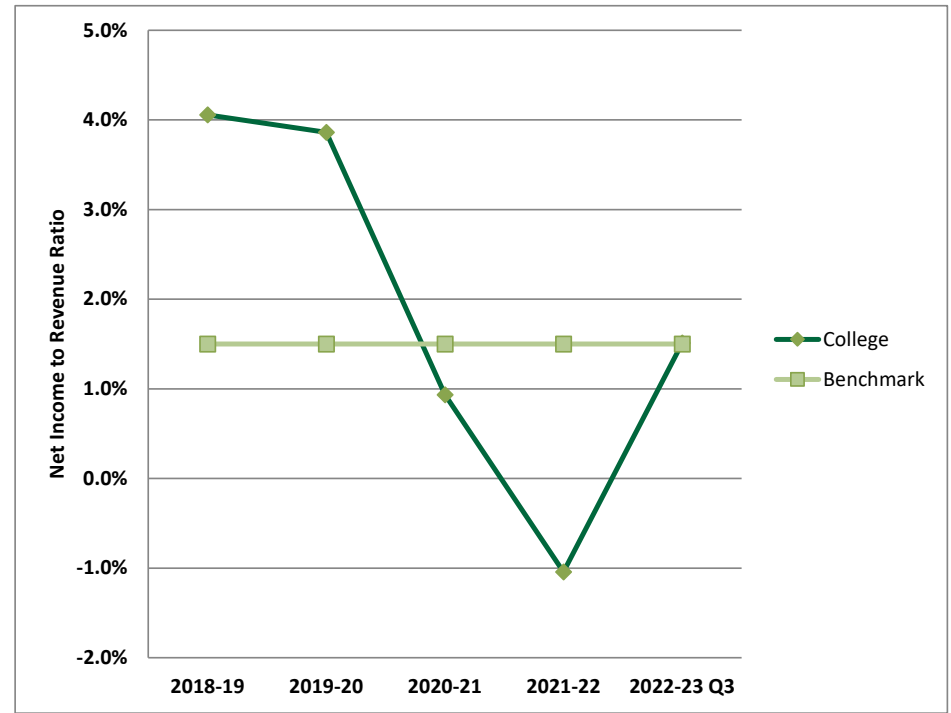
Benchmark:

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.

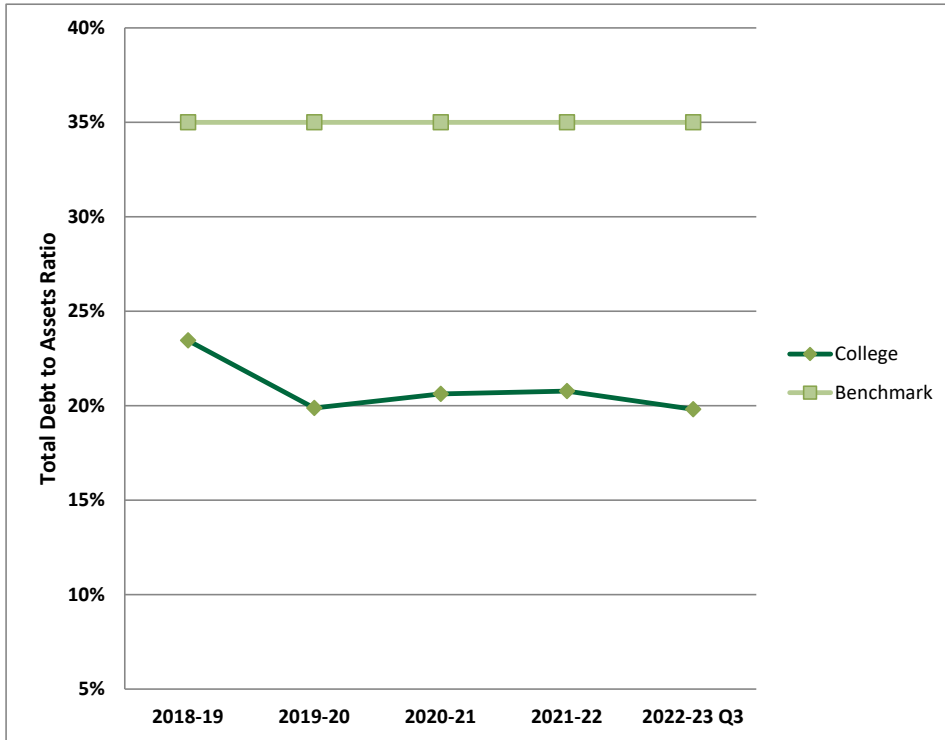
Rationale:

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

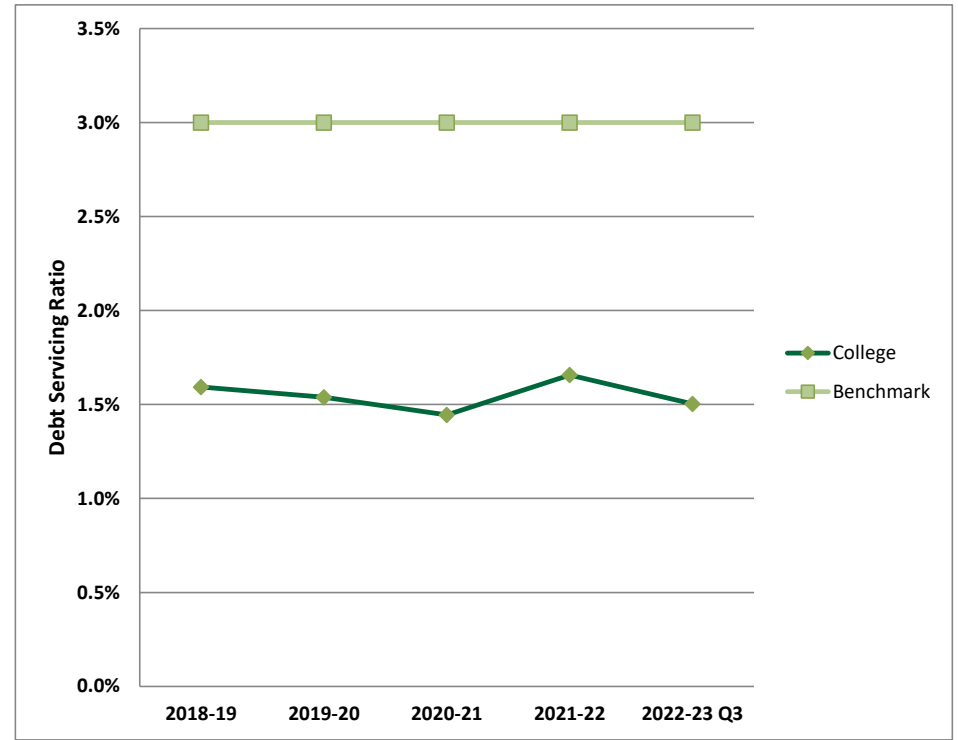


Third Quarter 2022-23 Financial Projection
Financial Health Indicators

Managing Debt: Total Debt to Assets Ratio



Managing Debt: Debt Servicing 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.

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.

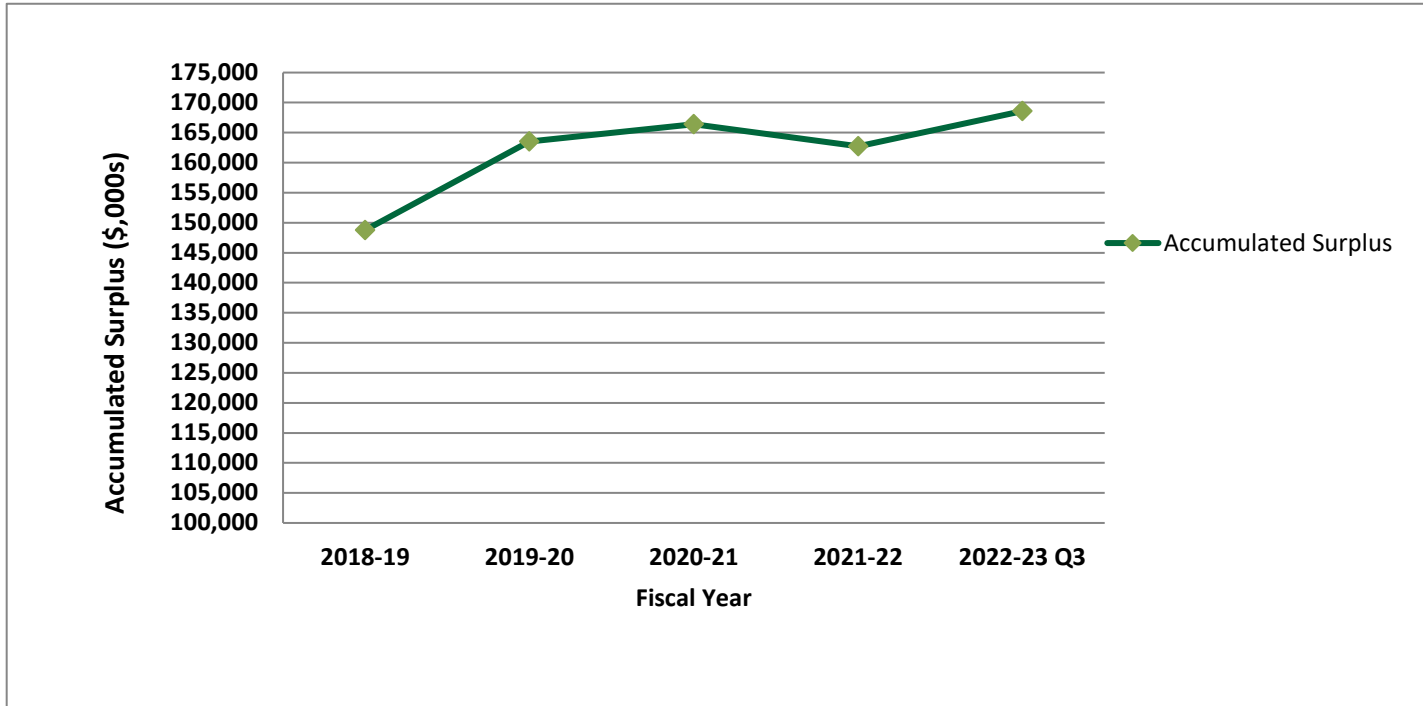
Rationale:

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.



Third Quarter 2022-23 Financial Projection
Financial Health Indicators

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.

06.1 APPENDIX B

ANNUAL BUDGET AND QUARTERLY FINANCIAL PROJECTIONS COMPLIANCE SCHEDULE Third Quarter 2022-23 Financial Projection

	<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	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 Strategic Investment Priorities expenditures (budgeted and projected) do not exceed the sum of: - Non-Funded Activities net 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:	Third Quarter 2022-23 Business Plan Performance Update
Report to:	Board of Governors
Date:	February 27, 2023
Author(s)/Presenter(s):	Scott Gonsalves, Director, Strategy and Planning

1. RECOMMENDATION:

THAT the Board of Governors accepts this update for information.

2. PURPOSE / EXECUTIVE SUMMARY:

The Board of Governors is responsible for monitoring the College’s progress against key metrics and performance outcomes related to the institution’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 using a Business Plan Performance Dashboard and Exceptions Report. The Business Plan Performance Dashboard for the Third Quarter covers the period October 1 through to December 31, 2022, provided in *Appendix A - Third Quarter 2022-2023 Business Plan Performance Dashboard*.

The legend for the Performance Dashboard reads as follows:

- *Blue* – Completed: Identifies targets or initiatives completed within the current fiscal year.
- *Green* – In Progress: Identifies targets or initiatives on-track to be completed within the originally established quarter of the fiscal year.
- *Yellow* – Delayed: Identifies targets or initiatives that are delayed in being reached but are on track to be completed within the fiscal year.
- *Orange* – At Risk: Identifies targets or initiatives that may be at risk of being completed within the fiscal year.
- *Red* – Not Completed: Identifies targets or initiatives that will not be completed within the current fiscal year.

The Exceptions Report highlights any targeted actions or initiatives from the Business Plan Performance Dashboard that are labelled as either *Yellow, Orange* or *Red*. The Exceptions

Report outlines the reason(s) for the exception (e.g. delay, risk, circumstance). The Exceptions Report for the Third Quarter covers the period October 1 through to December 31, 2022 and is provided in *Appendix B - Third Quarter 2022-2023 Exceptions Report*.

4. DISCUSSION:

The 2022-23 Business Plan is made up of a collection of nine major initiatives meant to achieve progress across the three goals in the College Strategic Plan. Each initiative is broken into specific targeted actions that are monitored. There is a total of 29 targeted actions for 2022-23. On a quarterly basis, a status colour is assigned to each target.

As of December 31, 2022, 11 targeted actions have been successfully completed and 8 targets are on-track to be completed within the originally-established quarter of the fiscal year. Of the remaining targets, 3 are experiencing delays in the third quarter and 7 are forecasted not to be fully completed within the current fiscal year.

GOAL 01: Provide flexible, personalized, and lifelong learner experiences

- 2.1a) Two (2) new part-time online programs launched by AC Online by March 31, 2023.
- 2.2a) International Level 01 enrolment increased by 1,700 over fiscal 2021-22 by March 31, 2023.
- 2.2c) Two (2) new two-year Ontario College Graduate Certificate programs with strong potential for international applicant demand approved by March 31, 2023.
- 3a) Business case for a new academic school focused on graduate, professional and/or part-time programs endorsed by the Algonquin College Executive Team by December 31, 2022.
- 5c) Three (3) additional Public College-Private Partnerships programs launched by January 31, 2023.

GOAL 02: Empower our people to foster a high-quality, innovative, learner-driven culture.

- 6a) Personalize Phase (Phase 3) of R3 Student Information System 65% completed by March 31, 2023.

GOAL 03: Create an equitable, diverse, and inclusive work environment.

- 8.1a) Indigenization strategic framework developed and presented to Board of Governors by June 21, 2022.
- 8.1b) Indigenization strategic plan implemented by March 31, 2023.
- 8.2a) Indigenous leadership and governance advisory group formalized by September 1, 2022.
- 8.2b) Indigenous Advisory Group inaugural one-year work plan completed by September 30, 2022.

Detailed status updates for the 10 initiatives above are laid out in the Exceptions Report.

5. LINK TO STRATEGIC PLAN:

STRATEGIC PLAN 2022-2025	
LEARNER DRIVEN	
Goal 1: Provide Flexible, Personalized, and Lifelong Learner Experiences	<input checked="" type="checkbox"/>
PEOPLE	
Goal 2: Empower Our People to Foster a High-Quality, Innovative, Learner-Driven Culture	<input checked="" type="checkbox"/>
Goal 3: Create an Equitable, Diverse, and Inclusive Work Environment	<input checked="" type="checkbox"/>

6. STUDENT IMPACT:

There is no negative student impact identified. Students will benefit from the achievement of the targets of the annual Business Plan.

7. FINANCIAL IMPACT:

The concerns with international enrolment, as outlined in the Exceptions Report, is currently being monitored for its financial impact to the College. Subsequent budget adjustments are being made as a result.

8. HUMAN RESOURCES IMPACT:

There is no current human resources impact identified at this time.

9. GOVERNMENT / REGULATORY / LEGAL IMPACT:

There is no government/regulatory/legal impact identified at this time.

10. COMMUNICATIONS:

This third quarter update is made available to the public on the Board of Governors website prior to the Board of Governors February 27, 2023 meeting.

11. CONCLUSION:

Through the quarterly Business Plan Updates, the Board of Governors will be kept informed of the progress towards Business Plan initiatives throughout the year. Targets and initiatives within a Business Plan are intended to balance an ambition to move the organization forward while maintaining the ability to manage daily operations of the College. Given the Business

Plan objectives are established a minimum of six months prior to a new fiscal year, coupled with the long-term impact of the COVID-19 pandemic, the breadth and depth of the College's business operations and the highly dynamic nature of the College system, it is not unusual to have some business plan initiatives incomplete at the conclusion of the year.

Respectfully submitted:

Approved for submission:

Mark Savenkoff
Vice President, Advancement & Strategy






Claude Brulé
President and CEO

Appendices:

Appendix A: Third Quarter 2022-2023 Business Plan Performance Dashboard
Appendix B: Third Quarter 2022-2023 Exceptions Report










06.2 Appendix A

Business Plan Performance [2022-23: Q3]

Legend	
	Completed
	In progress to reach completion
	Measures that may be delayed in reaching target
	Measures that may be at risk in reaching target
	Measures that will not reach target by March 31, 2023






Executive Sponsor

AC Academic	HR Human Resources
SS Student Services	COM Communications
FA Finance & Administration	ADV Advancement
TRI Truth, Reconciliation & Indigenization	

GOAL 01. Provide flexible, personalized, and lifelong learner experiences.					
Initiative	Sponsor	2022-23 Target(s)	Desired Outcome	Deadline	Q3 Status
1. Increased number of flexible program options, including multimodal and virtual, to learners.					
1a)	AC	Ten (10) classrooms meet multimodal standard	1.2 A variety of academic and support services delivery modalities to meet the diverse needs of learners.	March 31, 2023	
1b)	AC	100 courses offered with multimodal delivery	1.2 A variety of academic and support services delivery modalities to meet the diverse needs of learners.	March 31, 2023	
1c)	AC	Multimodal pedagogy training modules developed	1.2 A variety of academic and support services delivery modalities to meet the diverse needs of learners.	June 30, 2022	
1d)	AC	100 faculty members complete multimodal training modules	1.2 A variety of academic and support services delivery modalities to meet the diverse needs of learners.	March 31, 2023	
2. Strategic Enrolment Management Objectives					
2.1 Flexible online, multimodal and part-time delivery options increased.					
2.1a)	AC	Two (2) new part-time online programs launched by AC Online	1.2 A variety of academic and support services delivery modalities to meet the diverse needs of learners.	March 31, 2023	
2.1b)	AC	500 additional course-level part-time enrolments	1.3 A strategy for serving part-time learners that responds to their needs and educational goals.	March 31, 2023	
2.2 International level 01 enrolment increased.					
2.2a)	AC	International level 01 enrolment increased by 1,700 over fiscal 2021-22 (Q3 Projection)	1.5 Learner experiences and pathways support enrolments that achieve financial sustainability.	March 31, 2023	
2.2b)	AC	Four (4) new programs with strong potential for international applicant demand introduced	1.5 Learner experiences and pathways support enrolments that achieve financial sustainability.	March 31, 2023	
2.2c)	AC	Two (2) new two-year Ontario College Graduate Certificate programs with strong potential for international applicant demand approved	1.5 Learner experiences and pathways support enrolments that achieve financial sustainability.	March 31, 2023	

2.2d)	AC	Two (2) new full-time online programs approved	1.5 Learner experiences and pathways support enrolments that achieve financial sustainability.	March 31, 2023	
2.3 Co-operative Education intake model reviewed and workplace-based, work- integrated learning feasibility tool created to meet strategic enrolment objectives.					
2.3a)	AC	250 additional co-op enrolments	1.4 Innovative, high-quality, hands-on, applied learning that is aligned to industry needs.	March 31, 2023	
3. Business case for a new academic school focused on graduate, professional and/or part-time programs developed.					
3a)	AC	Business case endorsed by the Algonquin College Executive Team	1.3 A strategy for serving part-time learners that responds to their needs and educational goals.	December 31, 2022	
4. Strategic industry and community partnerships developed and stewarded.					
4a)	ADV	Response to External Partner Engagement and Needs Assessment Survey findings completed	1.4 Innovative, high-quality, hands-on, applied learning that is aligned to industry needs.	June 1, 2022	
4b)	ADV	Two (2) new strategic partnerships launched	1.4 Innovative, high-quality, hands-on, applied learning that is aligned to industry needs.	March 31, 2023	
5. Algonquin College's first partnership pursuant to the MCU Binding Policy Directive: Public College Private Partnerships (PCPP) launched.					
5a)	AC	225 PCPP learners enrolled	1.5 Learner experiences and pathways support enrolments that achieve financial sustainability.	March 31, 2023	
5b)	AC	Three (3) new PCPP programs launched	1.5 Learner experiences and pathways support enrolments that achieve financial sustainability.	September 30, 2022	
5c)	AC	Three (3) additional PCPP programs launched	1.5 Learner experiences and pathways support enrolments that achieve financial sustainability.	January 31, 2023	

Business Plan Performance [2022-23: Q3]








Legend	
	Completed
	In progress to reach completion
	Measures that may be delayed in reaching target
	Measures that may be at risk in reaching target
	Measures that will not reach target by March 31, 2023

Executive Sponsor






AC Academic	HR Human Resources
SS Student Services	COM Communications
FA Finance & Administration	ADV Advancement
TRI Truth, Reconciliation & Indigenization	

GOAL 02.

Empower our people to foster a high-quality, innovative, learner-driven culture.

Initiative	Sponsor	2022-23 Target(s)	Desired Outcome	Deadline	Q3 Status
6. Student Information System Project continues a multi-year plan to transform systems to a cloud-based technology.					
6a)	SS	Personalize (Phase 3) 65% completed	2.2 People have the necessary tools, systems, facilities, and support to create and deliver high-quality learner experiences.	March 31, 2023	
6b)	SS	Annual project budget remained within allocation	2.2 People have the necessary tools, systems, facilities, and support to create and deliver high-quality learner experiences.	March 31, 2023	
7. Strategic Workforce Planning project focused on optimized data driven approach to planning workforce requirements launched.					
7a)	HR	Strategic Workforce Planning Framework developed	2.2 People have the necessary tools, systems, facilities, and support to create and deliver high-quality learner experiences.	August 31, 2022	
7b)	HR	Technical Gap Analysis completed	2.2 People have the necessary tools, systems, facilities, and support to create and deliver high-quality learner experiences.	October 31, 2022	
7c)	HR	High Level Solution Design completed	2.2 People have the necessary tools, systems, facilities, and support to create and deliver high-quality learner experiences.	January 27, 2023	
7d)	HR	Detailed Business Case developed	2.2 People have the necessary tools, systems, facilities, and support to create and deliver high-quality learner experiences.	February 28, 2023	
7e)	HR	Business case presented and endorsed by Algonquin College Executive Committee	2.2 People have the necessary tools, systems, facilities, and support to create and deliver high-quality learner experiences.	March 31, 2023	






Business Plan Performance [2022-23: Q3]

Legend	
	Completed
	In progress to reach completion
	Measures that may be delayed in reaching target
	Measures that may be at risk in reaching target
	Measures that will not reach target by March 31, 2023

Executive Sponsor	
AC Academic	HR Human Resources
SS Student Services	COM Communications
FA Finance & Administration	ADV Advancement
TRI Truth, Reconciliation & Indigenization	

GOAL 03.

Create an equitable, diverse, and inclusive work environment.

Initiative	Sponsor	2022-23 Target(s)	Desired Outcome	Deadline	Q3 Status
8. Indigenization Initiatives					
8.1 "Standing Up the Tree" multiyear Indigenization strategic framework developed.					
8.1a)	TRI	New "Standing Up the Tree" multiyear Indigenization strategic framework developed and presented to the Board of Governors	3.3 Indigenous ways of knowing are integrated into College practices.	June 21, 2022	
8.1b)	TRI	Standing Up the Tree Indigenization strategic plan implemented	3.3 Indigenous ways of knowing are integrated into College practices.	March 31, 2023	
8.2 Indigenous Leadership and Governance framework established.					
8.2a)	TRI	Indigenous leadership and governance advisory group formalized	3.3 Indigenous ways of knowing are integrated into College practices.	September 1, 2022	
8.2b)	TRI	Indigenous advisory group inaugural one-year work plan completed	3.3 Indigenous ways of knowing are integrated into College practices.	September 30, 2022	
9. College employee value proposition enhanced through design and implementation of a flexible work model program.					
9a)	HR	100% of College full-time positions reviewed for flexible work model options	3.4 Flexible, adaptive work arrangements that meet the needs of the College and our people.	March 31, 2023	

06.2 Appendix B

Exceptions Report [2022-23: Q3]

Legend

	Measures that may be delayed in reaching target
	Measures that may be at risk in reaching target
	Measures that will not reach target by March 31, 2023

Executive Sponsor

AC Academic	HR Human Resources
SS Student Services	COM Communications
FA Finance & Administration	ADV Advancement
TRI Truth, Reconciliation & Indigenization	

GOAL 01. Provide flexible, personalized, and lifelong learner experiences.

Initiative	Sponsor	2022-23 Target(s)	Deadline	Q1 Status	Q1 Update	Q2 Status	Q2 Update	Q3 Status	Q3 Update
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2. Strategic Enrolment Management Objectives

2.1 Flexible online, multimodal and part-time delivery options increased.

2.1a)	AC	Two (2) new part-time online programs launched by AC Online	March 31, 2023		One (1) new part-time program (<i>Bachelor of Business Administration in Trades Management</i>) was launched this Fall. Additional part-time programs are expected to be approved this year but not launched until 2023-24.		One (1) new part-time program (<i>Bachelor of Business Administration in Trades Management</i>) was launched this Fall. The second part-time program (<i>Cloud Computing and Interactive Media Design</i>) is expected to be approved this year but not launched until Fall 2023.		One (1) new part-time program (<i>Bachelor of Business Administration in Trades Management</i>) was launched this Fall. The second part-time program (<i>Building Information Modeling</i>) was supposed to be launched in Winter 2023 but postponed to Spring 2023 due to low enrolment.
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2.2 International level 01 enrolment increased.

2.2a)	AC	International level 01 enrolment increased by 1,700 over fiscal 2021-22 (Q3 Projection)	March 31, 2023		International students still experiencing delays in study permit processing in time to attend start of Fall term. Expect some to defer registration to Winter 2023.		Delays in study permit processing for international students contributed to not reaching Fall enrolment target. As expected, some international students did defer to Winter and projections are currently ahead of the target for Winter international enrolment. Mitigation efforts to have international students start their studies in their home country were employed but it is not expected that the target specified for this initiative will be met.		To date, international Level 01 enrolment has increased 1,357 over fiscal 2021-22 target. While this is 93% of the target, we are not expecting to reach this target by the end of this fiscal year. Delays in study permit processing for international students negatively impacted the achievement of Spring and Fall targets. While Winter 2023 Level 01 enrolment has surpassed the target by 70%, that was not enough to make up for the shortfalls of the previous terms. Nevertheless, overall international enrolment (new and returning) is currently 12% above last year's levels.
2.2c)	AC	Two (2) new two-year Ontario College Graduate Certificate programs with strong potential for international applicant demand approved	March 31, 2023		One (1) new program (<i>Building Information Modelling - Lifecycle Management</i>) was approved at Initial Scoping.		One (1) new program (<i>Building Information Modelling - Lifecycle Management</i>) was approved at Initial Scoping. Additional new program (<i>Embedded Systems and Design</i>) to launch development in early 2023.		Only one (1) new program (<i>Building Information Modelling - Lifecycle Management</i>) is expected to be approved before the deadline. The second Ontario College Graduate Certificate program (<i>Embedded Systems and Design</i>) will be approved in the next fiscal year.

3. Business case for a new academic school focused on graduate, professional and/or part-time programs developed.

3a)	AC	Business case endorsed by the Algonquin College Executive Team	December 31, 2022		Business case under development.		Business case under development.		After a thorough environmental scan and an analysis of potential returns on investment, it was determined that a new academic school was not a prudent option at this time. Instead, a potential new approach was taken and a business case has been developed to create virtual hubs for graduate, professional and part-time learners. This proposal will be presented to ACET in January 2023.
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5. Algonquin College's first partnership pursuant to the MCU Binding Policy Directive: Public College Private Partnerships (PCPP) launched.

5c)	AC	Three (3) additional PCPP programs launched	January 31, 2023		Three (3) PCPP programs are set to launch with a Winter 2023 intake - <i>Interactive Media Design; Project Management; and Business - Accounting.</i>		On track to launch two (2) new PCPP programs for Winter 2023 - <i>Interactive Media Design and Project Management. Business - Accounting</i> was offered as a third program but its launch was suspended due to low enrolment.		Two (2) new PCPP program have been launched for Winter 2023 intake - <i>Interactive Media Design and Project Management</i> . Business - Accounting was offered as a third program but its launch was suspended due to low enrolment. Nevertheless, PCPP Level 01 enrolment exceeded the target set for this year by 66%.
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GOAL 02. Empower our people to foster a high-quality, innovative, learner-driven culture.

Initiative	Sponsor	2022-23 Target(s)	Deadline	Q1 Status	Q1 Update	Q2 Status	Q2 Update	Q3 Status	Q3 Update
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6. Student Information System Project continues a multi-year plan to transform systems to a cloud-based technology.

6a)	SS	Personalize (Phase 3) 65% completed	March 31, 2023		The extension of the previous phase (Familiarize) led to a delayed start of the Personalize Phase, which had been accounted for with the original projection of 65% completion by March 31, 2023. In April 2022, the estimation of work for the integration platform and related configurations necessitated a schedule review and a two-month extension was added to the Personalize Phase. This resulted in a change in the projected completion by end of current fiscal year from 65% to 50%. This change is not expected to impact the overall project schedule, which is still planned for completion in 2025.		The extension of the previous phase (Familiarize) led to a delayed start of the Personalize Phase, which had been accounted for with the original projection of 65% completion by March 31, 2023. In April 2022, the estimation of work for the integration platform and related configurations necessitated a schedule review and a two-month extension was added to the Personalize Phase. This resulted in a change in the projected completion by end of current fiscal year from 65% to 50%. This change is not expected to impact the overall project schedule, which is still planned for completion in 2025.		The extension of the previous phase (Familiarize) led to a delayed start of the Personalize Phase, which had been accounted for with the original projection of 65% completion by March 31, 2023. In April 2022, the estimation of work for the integration platform and related configurations necessitated a schedule review and a two-month extension was added to the Personalize Phase which equated to the Personalize Phase concluding in October 2023. It is anticipated the Personalize phase will once again be extended. An update will be provided to the to the Board once this information is available.
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GOAL 03.

Create an equitable, diverse, and inclusive work environment.

Initiative	Sponsor	2022-23 Target(s)	Deadline	Q1 Status	Q1 Update	Q2 Status	Q2 Update	Q3 Status	Q3 Update
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8. Indigenization Initiatives

8.1 “Standing Up the Tree” multiyear Indigenization strategic framework developed.

8.1a)	TRI	New “Standing Up the Tree” multiyear Indigenization strategic framework developed and presented to the Board of Governors	June 21, 2022		The Office of Truth, Reconciliation and Indigenization, Advancement and Strategy, Academic Services, and Student Support Services are bundling their arrows in support of indigenization initiatives. The formalization of a strategic framework will be reviewed with key internal stakeholders.		The Office of Truth, Reconciliation and Indigenization, Advancement and Strategy, Academic Services, and Student Support Services are bundling their arrows in support of indigenization initiatives. The formalization of a strategic framework will be reviewed with key internal stakeholders.		The Office of Truth, Reconciliation and Indigenization, Advancement and Strategy, Academic Services, and Student Support Services are bundling their arrows in support of indigenization initiatives. The formalization of a strategic framework will be reviewed with key internal stakeholders.
8.1b)	TRI	Standing Up the Tree Indigenization strategic plan implemented	March 31, 2023		The Office of Truth, Reconciliation and Indigenization, Advancement and Strategy, Academic Services, and Student Support Services are bundling their arrows in support of indigenization initiatives. The formalization of a strategic framework will be reviewed with key internal stakeholders.		The Office of Truth, Reconciliation and Indigenization, Advancement and Strategy, Academic Services, and Student Support Services are bundling their arrows in support of indigenization initiatives. The formalization of a strategic framework will be reviewed with key internal stakeholders.		The Office of Truth, Reconciliation and Indigenization, Advancement and Strategy, Academic Services, and Student Support Services are bundling their arrows in support of indigenization initiatives. The formalization of a strategic framework will be reviewed with key internal stakeholders.

8.2 Indigenous Leadership and Governance framework established.

8.2a)	TRI	Indigenous leadership and governance advisory group formalized	September 1, 2022		President Brulé and Della Meness will serve as Co-chairs of the College's 2022-23 Indigenous Education Council (IEC). The first IEC meeting is scheduled for October 3, 2022.		The Office of Truth, Reconciliation and Indigenization, Advancement and Strategy, Academic Services, and Student Support Services are bundling their arrows in support of indigenization initiatives. The formalization of a strategic framework will be reviewed with key internal stakeholders.		The Office of Truth, Reconciliation and Indigenization, Advancement and Strategy, Academic Services, and Student Support Services are bundling their arrows in support of indigenization initiatives. The formalization of a strategic framework will be reviewed with key internal stakeholders.
8.2b)	TRI	Indigenous Advisory Group inaugural one-year work plan completed	September 30, 2022		The College's 2022-23 Indigenous Education Council will review its annual work plan at its October 3, 2022 meeting.		The Office of Truth, Reconciliation and Indigenization, Advancement and Strategy, Academic Services, and Student Support Services are bundling their arrows in support of indigenization initiatives. The formalization of a strategic framework will be reviewed with key internal stakeholders.		The Office of Truth, Reconciliation and Indigenization, Advancement and Strategy, Academic Services, and Student Support Services are bundling their arrows in support of indigenization initiatives. The formalization of a strategic framework will be reviewed with key internal stakeholders.

Report title:	2023-25 Draft Business Plan and 2023-24 Proposed Annual Budget
Report to:	Board of Governors
Date:	February 27, 2023
Author/Presenter:	Mark Savenkoff, Vice President, Advancement and Strategy Scott Gonsalves, Director, Strategy and Planning Duane McNair, Vice President, Finance and Administration Emily Woods, Director, Corporate Planning

1. RECOMMENDATION:

THAT the Board of Governors approves the 2023-25 Draft Business Plan and the 2023-24 Proposed Annual Budget, with a projected net contribution of \$4.0 million.

2. PURPOSE / EXECUTIVE SUMMARY:

The purpose of this report is to present details of the 2023-25 Draft Business Plan and the 2023-24 Proposed Annual Budget for approval by the Board of Governors on February 27, 2023.

3. BACKGROUND:

The Ministry of Colleges and Universities requires Ontario colleges to prepare an annual budget and business plan to be submitted by June 30th of each year.

College management presents the Draft Business Plan and Proposed Annual Budget to the Board of Governors for approval in February each year. This enables staff to begin undertaking projects that align with the Business Plan at the start of the first quarter of the new fiscal year.

4. DISCUSSION:

4.1 2023-25 Draft Business Plan

The 2023-25 Draft Business Plan has been developed to deliver on the College’s mission to “transform hopes and dreams into lifelong success”, and is aligned with the goals, desired outcomes and measures of success in the 2022-25 Strategic Plan.

The College will maintain a focus on being learner-driven and supporting its people. Being learner-driven is a core strategic pillar of Algonquin College. It is key to the College's mission, and the College ensures that the needs of the learners are embedded into every decision. The College strives to ensure that learners want to return to the institution throughout their lives to continue their educational journeys and become lifelong learners. At the same time, the College is committed to all its employees who play a critical role in delivering upon our promise to learners. The College continues to equip its people to create an outstanding learning experience for all and empower them to support learner success.

LEARNER-DRIVEN

Goal #1: Provide flexible, personalized, lifelong learning experiences

The College will provide flexible, personalized, and lifelong learner experiences through a focus on learner experiences and pathways that support enrolments that achieve financial sustainability. A number of initiatives are culminating in the upcoming years to accomplish this including the implementation of the Strategic Enrolment Management Plan with a focus on full-time enrolment, public college-private partnerships, and retention, as well as two select initiatives from the Financial Sustainability Roadmap.

Algonquin College is active with industry and meets the needs of the various communities it serves. Strategic industry and community partnerships will continue to be developed and stewarded, and the College will initiate two strategic renewal exercises (College Strategic Plan and Master Campus Development Plan) that will have an impact on our learners and people for years to come.

CONNECTED

Goal #2: Empower people to foster a high-quality, innovative, learner-driven culture

To empower its people to foster a high-quality, innovative, learner-driven culture, the R3 – Student Information System Transformation continues to be a multi-year initiative to transform systems to cloud-based technology and evolve the learner and employee experience. In support of Algonquin's employees, the implementation of Strategic Workforce Planning is also a significant data-driven initiative to planning the workforce requirements of the College, assessing gaps, and determining targeted talent management strategies in response.

PEOPLE

Goal #3: Create an equitable, diverse, and inclusive work environment

Algonquin College recognizes the importance of an equitable, diverse and inclusive work environment and has committed to pursuing a number of key focus areas in its renewed Inclusion, Diversity, Equity and Accessibility Blueprint. The College remains committed to Truth, Reconciliation, and Indigenization through an integrative “Bundled Arrows” approach to generate progress across the College on the Truth, Reconciliation, and Indigenization portfolio.

Underpinning the College’s Business Plan are a set of Divisional, School, and Departmental plans that align each business area’s work with the College’s targeted metrics. This cascading effect allows the College to steward its resources and strengths in support of the College’s strategic direction, mission, vision and values.

4.2 2023-24 Proposed Annual Budget

Supporting the achievement of the College’s Business Plan is the 2023-24 proposed Annual Budget. It presents the financial resources required to operate the programs and services of the College over the next fiscal year, while also resourcing essential capital investments and other Strategic Investment Priorities projects.

Full-time enrolment in the Proposed 2023-24 Annual Budget is expected to increase by 7.6% over the 2022-23 Third Quarter Projection, and is primarily driven by a projected increase in international student enrolment of 27.2%. In addition, the Public College-Private Partnership enrolments are projected to increase to 2,333 enrolments, an increase of 333% over the 2022-23 Third Quarter Projection.

The College will maintain a stable fiscal position as evidenced by projecting six of the seven Financial Health Indicators being at or above the established benchmarks. As the College continues to adjust to domestic demographic enrolment impacts and restrictions on revenue increases through the ongoing tuition freeze, and the Ministry of Colleges and Universities Corridor Funding Model which is not indexed to account for inflationary impacts, the College’s Net Income to Revenue Ratio remains below target. However, ongoing initiatives to support financial sustainability will help to improve this ratio in future years.

The 2023-24 Proposed Annual Budget includes key assumptions for capital, operating and Business Plan requirements that will require the use of Internally Restricted Net Assets. Detailed schedules of the proposed budget are provided in Appendix A: 2023-25 Draft Business Plan and 2023-24 Proposed Annual Budget.

5. LINK TO STRATEGIC PLAN:

STRATEGIC PLAN 2022-2025	
LEARNER DRIVEN	
Goal 1: Provide Flexible, Personalized, and Lifelong Learner Experiences	<input checked="" type="checkbox"/>
PEOPLE	
Goal 2: Empower Our People to Foster a High-Quality, Innovative, Learner-Driven Culture	<input checked="" type="checkbox"/>
Goal 3: Create an Equitable, Diverse, and Inclusive Work Environment	<input checked="" type="checkbox"/>

6. STUDENT IMPACT:

Through this proposed business plan and budget, students will benefit from additional investments in information technology infrastructure, industry and community engagement, advances in equity, diversity, inclusion, and Indigenization, as well as involvement in the strategic renewal of the College.

7. FINANCIAL IMPACT:

The Proposed 2023-24 Annual Budget projects an overall net contribution of \$4.0 million on an accounting basis (\$5.9 million at Third Quarter of 2022-23), but an \$11.4 million deficit on a modified cash flow basis (\$6.9 million deficit on a modified cash flow basis at Third Quarter of 2022-23).

The 2023-24 Proposed Annual Budget includes the impacts of recently imposed changes to the Public Sector Accounting Standards resulting in adjustments to the College’s Statement of Financial Position as follows:

- the recognition and reporting of additional debt and associated assets resulting from the Energy Services Company (ESCO) investment and financing. This project was implemented over the past 10 years.
- the recognition and reporting of additional liabilities for asset retirement obligations arising from the future responsibility of the College to retire tangible, long-lived assets with appropriate and safe clean-up and disposal of hazardous materials.

The Proposed 2023-24 Annual Budget also includes draws of up to \$20.7 million from Internally Restricted Funds that support projects and initiatives in the Strategic Investment Priorities projects budget.

8. HUMAN RESOURCES IMPACT:

The Proposed 2023-24 Annual Budget provides the required funding for all existing full-time and other than full-time positions.

9. GOVERNMENT / REGULATORY / LEGAL IMPACT:

In compliance with both the Board of Governors' [Financial Management Policy](#), and the Ministry of Colleges and Universities [Business Plan Operating Procedure Directive](#), the Proposed 2023-24 Annual Budget maintains a positive accumulated surplus position.

10. COMMUNICATIONS:

Pending approval of the Proposed 2023-25 Draft Business Plan and the 2023-24 Proposed Annual Budget by the Board of Governors, the documents will be submitted to the Ministry of Colleges and Universities and posted to the [College's website](#).

11. CONCLUSION:

The 2023-25 Draft Business Plan supports strategic initiatives of the College, and the 2023-24 Proposed Annual Budget identifies resources supporting the Strategic Plan and Business Plan of the College while complying with Provincial government directives and maintaining the financial health of the College. College administration will continue to monitor enrolments, revenues, and expenditures closely and provide financial projection updates throughout each fiscal year. The Algonquin College Executive Team endorses the attached 2023-25 Draft Business Plan and the 2023-24 Proposed Annual Budget.

Respectfully submitted:



Duane McNair
Vice President, Finance and Administration

Respectfully submitted:



Mark Savenkoff
Vice President, Advancement and Strategy

Approved for submission:



Claude Brulé
President and CEO

Appendices:

Appendix A: 2023-25 Draft Business Plan and 2023-24 Proposed Annual Budget
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BUSINESS PLAN

2023-2025

DRAFT

February 27, 2023





Algonquin College campuses are located on the traditional unceded, unsurrendered territory of the Anishinaabe Algonquin People.

The Algonquin People have inhabited and cared for these lands long before today. We take this time to show our gratitude and respect to them, and to the land for all that it provides us: trees to give shade, water and food to sustain us, and paths to connect us. As a post-secondary institution, we embrace the responsibility to help ensure that the next generations of land stewards are respectful and grateful for the bounty of this land on which we all live, work, play, and study.

We commit to continue exploring and making meaningful contributions to the Calls to Action that result from the Truth and Reconciliation Commission of Canada (TRC).



Over the past three years, Algonquin College has demonstrated remarkable flexibility and adaptiveness in a rapidly changing, competitive environment. Through initiatives that foster strong engagement with our employees and learners, the College is advancing its strategic competitiveness with priorities on equity, diversity and inclusion, talent development, system transformation, and financial sustainability.

As we continue to learn from the experiences that sustained us during the pandemic, we are honing our focus to seize upon emerging opportunities. This first year of the 2023-2025 Business Plan emphasizes a number of exciting initiatives of significance which will fulfill the key goals of our 2022-2025 Strategic Plan. Providing flexible, personalized lifelong learning experiences, fostering a high quality, innovative, learner-driven culture, and creating equitable diverse and inclusive campus environments remain top priorities.

With an innovative, entrepreneurial spirit, and guided by integrated Indigenous ways of knowing, the College will continue to generate growth and expand resource capacity. We are confident that our employees' resilience, creativity, and commitment to excellence will drive us toward our desired outcomes, and help learners transform their hopes and dreams into lifelong success.

Sincerely



Claude Brulé
President and Chief Executive Officer



OUR MISSION VISION & VALUES

OUR MISSION

To transform hopes and dreams into lifelong success

OUR VISION

To be a global leader in personalized, digitally connected, experiential learning

OUR VALUES

Caring, Learning, Integrity, Respect

DIRECTION & GOALS

LEARNER-DRIVEN

Goal 1: Provide flexible, personalized, lifelong learning experiences.

CONNECTED

Goal 2: Empower people to foster a high-quality, innovative, learner-driven culture.

PEOPLE

Goal 3: Create an equitable, diverse, and inclusive work environment.



Each area within the College has made their own commitments to achieving these goals, and the associated outcomes and initiatives are detailed in our multi-year business plan. We will also engage with our community – industry, government, alumni, donors and others – to identify how they can be partners in transforming the hopes and dreams of our learners, to ensure that we all recover and thrive together. Every member of the College community has an invaluable role to play in supporting these commitments to our learners and our people, in helping us to “become again”.

BECOMING AGAIN

Our 2022-25 Strategic Plan is our roadmap to how we recover and thrive as an institution, while helping our learners, and the communities we serve, prosper in the new economic landscape. Our organizational focus of being learner-driven while supporting our people continues as we nurture innovation and quality in our programs, services, and operations.

With the first year of our three-year Strategic Plan completed, there is more to do in terms of accomplishing the desired outcomes and strategic goals therein. The 2023-25 Business Plan takes Algonquin College to the conclusion of our current Strategic Plan and outlines a set of initiatives and deliverables over the next two years to positively contribute to our measures of success – and to fulfill our quest of Becoming Again.

As we move forward, we are focusing our energy on a few key strategic initiatives that will ensure that we continue to provide a best-in-class learning experience, while transforming hopes and dreams into lifelong success.

STRATEGIC INITIATIVES

MASTER CAMPUS DEVELOPMENT PLAN

By 2025, Algonquin College will have developed a ten-year Master Campus Development Plan that outlines a vision of how the Ottawa, Perth, and Pembroke campuses are going to evolve and transform in line with the College's strategic priorities and with municipal official plans.

COLLEGE STRATEGIC PLAN

With the current Algonquin College Strategic Plan concluding in 2025, the College will embark on the development of a new Strategic Plan that is intended to provide an updated direction for the College in a time of significant financial challenges and an increasingly competitive environment. This initiative will give us an opportunity to strategically position the institution with more clarity, as we emerge out of the COVID-19 pandemic.

STRATEGIC ENROLMENT MANAGEMENT PLAN IMPLEMENTATION

With the recent development of a five-year Strategic Enrolment Plan, the College has a clear set of goals and tactics to address enrolment challenges around three primary pillars with 1) Full-time enrolment; 2) Public College-Private Partnerships and; 3) Retention. The implementation of these tactics is intended to ensure the College meets its enrolment growth targets.

STRATEGIC INDUSTRY AND COMMUNITY PARTNERSHIPS

As a polytechnic institution, Algonquin College is committed to engage with industry and community partners and develop multi-disciplinary talent pipelines as we transform the hopes and dreams of our learners into lifelong success. To this end, the College will continue to create and cultivate partnerships with leading organizations resulting in high-value knowledge transfer, employment and talent, and student and community well-being for all parties.

FINANCIAL SUSTAINABILITY ROADMAP: PORTFOLIO ANALYSIS AND COST CONTAINMENT

With the development of the Financial Sustainability Roadmap, the College will embark on both a portfolio review process to assess the financial performance of revenue-generating lines of business and academic programs, and a benchmarking exercise of administrative services to ensure value for money with peer post-secondary institutions. These select initiatives from the Financial Sustainability Roadmap will provide important input on current actions to be taken but also develop systems for continued monitoring and analysis.

R3: STUDENT INFORMATION SYSTEM TRANSFORMATION

The College continues its multi-year implementation of a new student information system, Thesis Student Management. The five-year R3 (Rethink, Redesign, Reimagine) College Transformation Project will evolve the learner and employee experience through a human-centered, business-focused implementation of this modern, cloud-based system. In addition to streamlined integrations, improved data quality, and reduced manual effort, the College will transform business processes to enable flexibility, promote personalization, and foster faster decision-making for growth in new markets. The R3 Project will also improve the overall security and resilience of the College's technology infrastructure to positively impact information protection and integrity.

STRATEGIC WORKFORCE PLANNING IMPLEMENTATION

Strategic Workforce Planning is designed to ensure the College has the right people, with the right capabilities, at the right time, to execute on its strategic and operational objectives. The implementation of Strategic Workforce Planning at the College will involve analyzing, forecasting, and planning workforce supply and demand, assessing gaps, and determining targeted talent management strategies in response.

INTEGRATED LEADERSHIP TO ADVANCE TRUTH AND RECONCILIATION WITH INDIGENOUS COMMUNITIES

Taking a "Bundled Arrows" approach, the College will continue to advance our commitment to Truth, Reconciliation, and Indigenization through the development of an annual plan with the Indigenous Education Council, taking action on elevating the campus and academic experience of our Indigenous students, providing additional learning opportunities for faculty and learners, and further enhancing Indigenous education in courses and programs.

INCLUSION, DIVERSITY, EQUITY AND ACCESSIBILITY BLUEPRINT IMPLEMENTATION

With the renewal of the 2023-26 Inclusion, Diversity, Equity, and Accessibility Blueprint, the College will pursue a number of key improvements to ensure that we progress on our journey to "create an equitable, diverse, and inclusive work environment" and advance the efforts of the College along the four elements of driving strategy, attracting talent, aligning our activities, and serving society.

2023-2024 BUSINESS PLAN (FLEXIBLE)

#	INITIATIVES	2023-24 DELIVERABLES	OWNER
GOAL 1: Provide flexible, personalized, and lifelong learner experiences			
1	Ten-Year Integrated Master Campus Development Plan	<ul style="list-style-type: none"> a. Stakeholder consultations for Master Campus Development Plan completed by October 31, 2023. b. Strategic planning framework for Master Campus Development Plan developed and endorsed by Board of Governors by February 28, 2024. 	Finance & Administration
2	College Strategic Plan 2025	<ul style="list-style-type: none"> a. Strategic planning framework for College Strategic Plan developed and endorsed by Algonquin College Executive Team by February 28, 2024. 	Advancement & Strategy
3	Strategic Enrolment Management Plan Implementation	<ul style="list-style-type: none"> a. 47,435 full-time learners enrolled for the 2023-24 academic year by March 31, 2024. 	Academic
4	Strategic Industry and Community Partnerships	<ul style="list-style-type: none"> a. College Partnership Strategy completed by December 31, 2023. b. One new strategic partnership agreement signed by March 31, 2024. 	Advancement & Strategy
5	Financial Sustainability: Portfolio Analysis and Cost Containment	<ul style="list-style-type: none"> a. Recommendations for Portfolio Analysis of commercial activities presented to the Algonquin College Executive Team by September 30, 2023. b. Recommendations for Portfolio Analysis of academic programming presented to the Algonquin College Executive Team by January 31, 2024. c. Recommendations for Administrative Services Benchmarking pilot presented to the Algonquin College Executive Team by March 31, 2024. 	Finance & Administration
GOAL 2: Empower our people to foster a high-quality, innovative, learner-driven culture.			
6	R3: Student Information System Transformation	<ul style="list-style-type: none"> a. Project schedule re-baselined with critical milestone criteria and dates by April 28, 2023. b. Project budget range validated by June 30, 2023. 	Student Services
7	Strategic Workforce Planning Implementation	<ul style="list-style-type: none"> a. Position management data issues resolved, and processes developed to ensure ongoing data integrity by December 31, 2023. b. College-wide complement tracking and reporting (for full-time and other-than-full-time employee groups) implemented by March 31, 2024. c. Workforce Planning processes and tools piloted within four College areas/departments by March 31, 2024. 	Human Resources
GOAL 3: Create an equitable, diverse, and inclusive work environment.			
8	Integrated Leadership to Advance Truth and Reconciliation with Indigenous Communities	<ul style="list-style-type: none"> a. Indigenous Education Council Annual Plan approved by December 31, 2023. b. New Indigenous learning opportunities delivered to faculty and learners by March 31, 2024. c. Action taken on the top presenting issue from the student experience survey as identified by Indigenous learners by August 30, 2023. 	President's Office
9	Inclusion, Diversity, Equity and Accessibility Blueprint 2023-26 Implementation	<ul style="list-style-type: none"> a. Employment Equity program designed and developed by June 30, 2023. b. Two Employee Resource Groups to provide forums for discussion, opportunities to network, and create a more inclusive workplace launched by March 31, 2024. 	Human Resources

2024-2025 BUSINESS PLAN (FLUID)

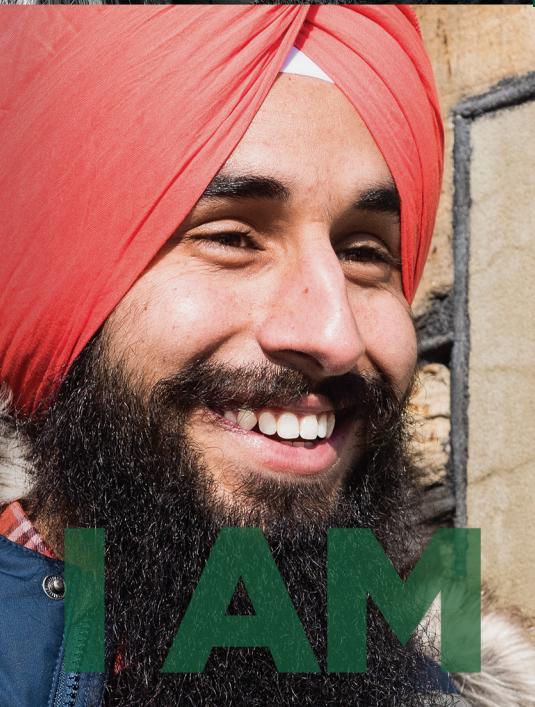
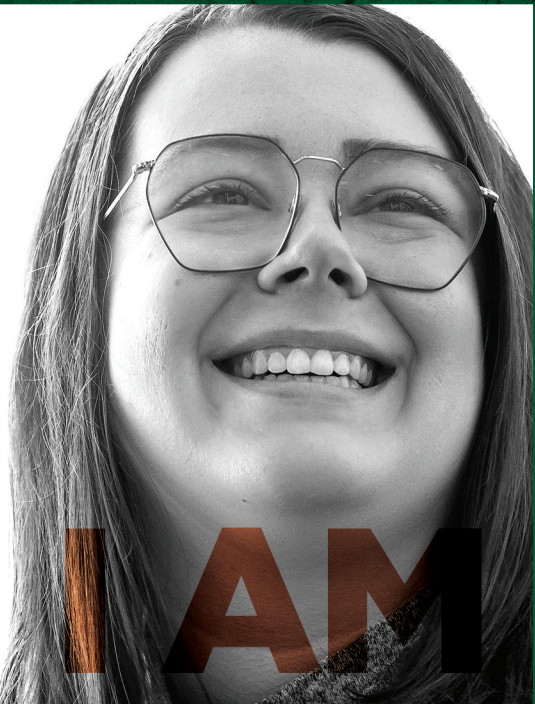
#	INITIATIVES	2024-25 DELIVERABLES	OWNER
GOAL 1: Provide flexible, personalized, and lifelong learner experiences			
1	Ten-Year Integrated Master Campus Development Plan	<ul style="list-style-type: none"> a. Master Campus Development Plan final report completed by December 31, 2024. b. Master Campus Development Plan approved by Board of Governors by March 31, 2025. 	Finance & Administration
2	College Strategic Plan 2025	<ul style="list-style-type: none"> a. Kick-off of strategic planning process for development of next College Strategic Plan completed by June 30, 2024. b. College Strategic Plan drafted and endorsed by Algonquin College Executive Team by March 31, 2025. 	Advancement & Strategy
3	Strategic Enrolment Management Plan Implementation	<ul style="list-style-type: none"> a. 48,612 full-time learners enrolled for the 2024-25 academic year by March 31, 2025. 	Academic
4	Strategic Industry and Community Partnerships	<ul style="list-style-type: none"> a. Partnership Hub launched by March 31, 2025. b. One new strategic partnership agreement signed by March 31, 2025. 	Advancement & Strategy
5	Financial Sustainability: Portfolio Analysis and Cost Containment	<ul style="list-style-type: none"> a. People, technology, and processes to maintain an ongoing Portfolio Analysis program for both academic programs and commercial activities implemented by March 31, 2025. b. People, technology, and processes to maintain ongoing Administrative Services Benchmarking to optimize value for money implemented by March 31, 2025. c. Recommendations to optimize resource allocation methods through a review of the College's budget structure, responsibility-centered management, and associated policies and practices presented to Algonquin College Executive Team by March 31, 2025. 	Finance & Administration
GOAL 2: Empower our people to foster a high-quality, innovative, learner-driven culture.			
6	R3: Student Information System Transformation	<ul style="list-style-type: none"> a. Training initiated by September 30, 2024. b. Milestones from re-baselined project schedule accomplished by March 31, 2025. 	Student Services
7	Strategic Workforce Planning Implementation	<ul style="list-style-type: none"> a. Workforce Planning processes and tools piloted within five additional College areas/departments by March 31, 2025. b. Workforce Planning technology platforms assessed and evaluated by March 31, 2025. 	Human Resources
GOAL 3: Create an equitable, diverse, and inclusive work environment.			
8	Integrated Leadership to Advance Truth and Reconciliation with Indigenous Communities	<ul style="list-style-type: none"> a. Indigenous Education Council Annual Plan approved by November 15, 2024. b. Action Plan to achieve priorities in the Academic Plan enhancing Indigenous education in courses and programs developed by May 31, 2024. 	President's Office
9	Inclusion, Diversity, Equity and Accessibility Blueprint 2023-26 Implementation	<ul style="list-style-type: none"> a. Enhanced recruitment processes to attract talent from under-represented groups launched by June 30, 2024. b. Equity, diversity, and inclusion training and resources developed and deployed by March 31, 2025. 	Human Resources

BUSINESS PLAN SCORECARD - METRICS

2022-2025 METRIC	5-Year Average Actual	2022-23 Target	2022-23 Actual (as at Jan 2023)	2023-24 Target	2024-25 Target	Owner
GOAL 1: Provide flexible, personalized, and lifelong learner experiences.						
Full-Time Enrolment	42,189	49,565	44,079	47,435	48,612	Academic
Learner Satisfaction	76.5%	78.2%	TBD	78.4%	78.6%	Academic and Student Services
Graduation Rate	65.5%	65%	TBD	65.1%	65.2%	Academic
Strategic Community and Industry Partnerships	N/A	6	6	7	8	Academic and Advancement & Strategy
Net Operating Revenue	7.7%	6.6%	4.5%	5.2%	7.1%	Finance & Administration
Return on Net Assets	7.8%	1.3%	2.9%	2.1%	0.8%	Finance & Administration
GOAL 2: Empower our people to foster a high-quality, innovative, learner-driven culture.						
Quality Assurance Audit Affirmations and Recommendations	N/A	75% completed	78% completed	100% completed within 18 months from site visit	100% completed within 18 months from site visit	Academic
Employee Engagement Score	62.2%	69%	TBD	N/A	70%	Human Resources
GOAL 3: Create an equitable, diverse, and inclusive work environment.						
Departmental Support for Diversity	81.1%	81.5%	TBD	N/A	82%	Human Resources
Flexible Work Arrangements	N/A	30%	43%	35%	40%	Human Resources
Transmission of Indigenous Knowledge	Students: 1,057 Employees: 379 Community: 678	2,000 300 200	2,135 663 625	2,100 350 200	2,200 400 250	Truth, Reconciliation, and Indigenization

NOTES:

Future Targets to be reviewed annually
TBD = not available at time of publication



ANNUAL BUDGET

2023-24

PROPOSED



ALGONQUIN
COLLEGE

TREASURER'S **REPORT**

of the 2023-24 Annual Budget

Algonquin College concluded the 2021-22 fiscal year with an accounting deficit of \$3.7 million, its first deficit since 2003-04. During the 2021-22 fiscal year, in the latter half of the pandemic period, the administration maintained healthy cash balances through responsible spending decisions. The College responded to the various pandemic waves by adjusting teaching and service modalities to remain accessible as necessary. This was to ensure that our learners experienced a quality educational experience, and so that our employees remained safe.

As the College transitioned into the 2022-23 fiscal year, we adjusted to post-pandemic opportunities and challenges. The College realized higher demand and enrolment in its AC Online program and course offerings. Teaching spaces were equipped to improve accessibility and accommodate in-person and online course delivery in a synchronous manner. College employees were consulted and supported a new Flexible Work Arrangement policy to improve engagement, support retention and lead to greater worker productivity. While challenges with processing of student study permits at the Federal Government level prohibited achievement of our international student enrolment targets, the College still realized record year-over-year growth in this student segment, and also, successfully launched its Public College-Private Partnership in the greater Toronto area.

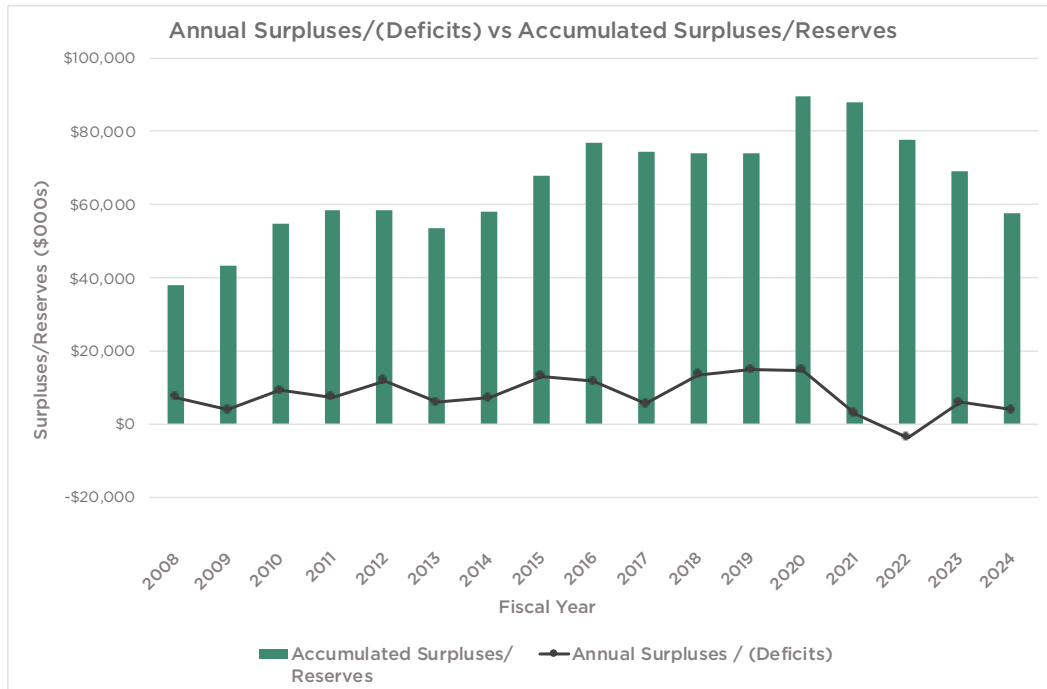
The College continues to face challenges to its financial sustainability as a result of declining domestic enrolments, an ongoing freeze on tuition fee rates, an operating grant with no adjustments for inflation or growth, and increasing operating costs. Despite these challenges, the College is focused on growing alternate revenues and high margin activity, and adjusting operations to respond to the new learning and working realities in a post-pandemic world.

The College's projected net cash flow deficit of \$6.9 million in 2022-23 is an improvement over the budgeted \$10.7 million net cash flow deficit, and is primarily a result of lower than anticipated in-year Strategic Investment Priorities expenditures. The 2023-24 Annual Budget provides the College with the resources required to deliver on the commitments detailed in the 2023-25 Business Plan and the College's 2022-25 Strategic Plan. The 2023-24 Annual Budget projects a net cash flow deficit of \$11.4 million and a positive net income of \$4.0 million on an accounting basis.

INTERNALLY RESTRICTED NET ASSETS/ACCUMULATED SURPLUSES

While the College continues to face challenges in generating sufficient net cash flows from its operating activities to fund capital investments and grow its reserve balances, it has maintained cash balances for several Strategic Investment Priorities projects. The College's investments in necessary projects such as the R3 Major Capital Project (Student Information System upgrade) are helping to modestly increase the College's overall Net Assets through an increase in Investment in Capital Assets, though cash from the College's Internally Restricted Net Assets are being drawn upon to fund these necessary investments.

The College has grown and maintained an accumulated surplus balance during the past 15 years in its Internally Restricted Net Asset accounts. These funds are managed closely to provide resources for Strategic Investment Priorities projects that will enhance the overall experience of learners, as well as providing contingency funds that the College was able to draw on in response to the financial impacts of the COVID-19 pandemic. The College also draws on reserves to fund Major Capital Projects such as the Salesforce Lightning software upgrade, a Pedestrian Bridge to the City of Ottawa Bus Rapid Transit Station, and to enhance physical accessibility on campus.



The graph above displays how the College had steadily grown its reserve balances from 2008 to 2020 where it peaked at the start of the pandemic period. This growth in reserves was primarily due to modest increases in international student enrolments, an operating grant that funded the realized domestic enrolment growth, policies that permitted limited tuition fee rate increases and prudent decisions on spending on operations and capital investments.

Through a business planning process that engaged all areas of the College, a series of significant initiatives aimed at making improvements to academic facilities, student services and business process automation that require draws from internally restricted accounts were identified.

The President is submitting a recommendation to the Board of Governors to approve spending from the College's Specific Reserves and Reserve Funds for Future Capital Expansion within Internally Restricted Net Assets for the following significant capital projects and initiatives in 2023-24:

CAPITAL PROJECTS AND INITIATIVES IN 2023-24:			
	2023-24 Total Project Expenditures	2023-24 Expenditures funded from In- year Operations / Surpluses / External Sources	2023-24 Expenditures funded from Internally Restricted Net Assets
R3 (Student Information System Replacement)	\$20,000,000	\$10,000,000	\$10,000,000
Algonquin College Sustainability: Improved Heating, Ventilation and Air Conditioning Systems - Residence Facilities	5,750,000	0	5,750,000
Salesforce Lightning Upgrade (this is not an additional new request but within the allocation approved at the June 7, 2021, Board of Governors meeting)	2,245,000	1,122,500	1,122,500
Information Technology and Physical Infrastructure Renewal Projects	8,686,000	6,920,426	1,765,574
Campus Accessibility	1,000,000	500,000	500,000
Academic Equipment	1,000,000	500,000	500,000
Pedestrian Bridge to Rapid Transit Station (this is not an additional new request but within the allocation approved at the June 12, 2017, Board of Governors meeting)	820,000	0	820,000
Alumni Affinity	150,000	0	150,000
Health Services Agreement with the Students' Association	115,000	0	115,000
Total Expenditures	\$39,766,000	\$19,042,926	\$20,723,074

Please refer to the Net Assets Continuity Schedule for more information on budgeted adjustments and expenditures from Internally Restricted Net Assets.

The budgeted 2023-24 fiscal year-end total balance of Unrestricted Net Assets plus Internally Restricted Net Assets are as follows:

UNRESTRICTED AND INTERNALLY RESTRICTED NET ASSETS	
Unrestricted Net Assets	\$1,000,000
Internally Restricted Net Assets	
• Specific Reserves	
o Other Projects and Initiatives	13,119,000
o Campus Services Reserve Fund	952,000
o Employment Stabilization Fund	600,000
o Contingency Reserve Fund	11,529,000
• Reserve Fund - Future Capital Expansion	27,939,000
• Net Proceeds from Sale of March Road Land	2,504,000
Total Unrestricted and Internally Restricted Net Assets	\$57,643,000

CHALLENGES AND OPPORTUNITIES

The development of the 2023-24 Annual Budget required significant engagement from the Algonquin College Leadership Team, and input from the College community. The Funded Activity / College Operations segment continues to operate in a net cash flow deficit position as a result of rising operational costs that are outpacing revenue growth. Operating costs are growing at a faster rate than revenues even after allocating 50% of international student tuition revenues to this budget segment. Of particular note is stagnant government grant funding and an ongoing tuition freeze. International student enrolments present the most significant opportunity to generate additional net operating revenue for the College. In the Ontario public college sector, growing and maintaining international student enrolments and associated revenues are a necessity to fund capital requirements, address increasing operating costs and for contributions to cash reserves. The 2023-25 Business Plan includes several initiatives focused on increasing program delivery options, increasing program intakes and improving financial sustainability.

The Ministry of Colleges and Universities maintains the existing operating grant funding model in 2023-24, the fourth year of the Strategic Mandate Agreement 2020-25 (SMA3). The grant funding model includes three major components:

1. Enrolment Envelope: Includes a Core Operating Grant governed by an enrolment corridor mechanism. The College receives full funding by maintaining domestic enrolment at an established midpoint and has an allowable variance of +3% and -7% from the midpoint.
2. Differentiation Envelope: Funding related to the Performance-Based Grant where a portion of total operating grant funding is based on performance against outcomes on metrics identified in the SMA3 agreement.
3. Special Purpose Grants/Other Institutional Grants: Funding the government provides to address priorities such as improving access to education for Indigenous learners and students with disabilities.

In 2023-24, the Ministry is activating the Performance-Based Grant mechanisms for the first time during the SMA3 five-year term. Colleges and universities must achieve specified key performance metrics in order to receive full grant funding. While this presents an opportunity for the College to realize a modest increase in grant funding with successful achievement on established metric outcomes, it also presents a downside risk to grant funding if targeted outcomes are not achieved.

While the corridor funding model provides predictability, it does not provide year-to-year grant funding increases for domestic enrolment growth, or inflationary pressures. This requires the College to monitor program costs to ensure that there are sufficient margins generated to support the overhead and corporate costs of the College. In addition, the corridor funding model requires a continuous analysis of the revenue mix between funded domestic enrolment growth and non-funded International fee premiums.

Compounding the impacts of the corridor funding model, in 2019, the Ministry of Colleges and Universities announced a mandated tuition rollback of 10%, and an initial freeze in tuition rate increases for a two-year period. However, the tuition freeze has remained in effect through 2022-23, and it is anticipated to remain in place for the 2023-24 fiscal year. This reduction and freeze in tuition means that students today are paying approximately the same tuition as students in 2015.

To help offset these revenue challenges, the College continues a focus on its greatest opportunity to generate strong cash flow margins, international enrolment growth. The budget projects overall post-secondary enrolment growth of 7.6% over the 2022-23 Third Quarter Projection. This growth is primarily driven by a planned 27.2% increase in international enrolments (excluding growth in the Public College-Private Partnership). Additionally, the Public College-Private Partnership, which is entering its second year of operations this fall term, is expected to grow by 333%, from 539 enrolments projected at the 2022-23 Third Quarter, to 2,333 enrolments in 2023-24. The net contribution from the Public College-Private Partnership must be restricted for reinvestment in the College's own campuses. Appropriate investments are being made in quality assurance, student supports and ethical recruiting practices to ensure the success of our international learners.

During this past fall, the new Academic Employees Collective Agreement was finalized for the period October 1, 2021 to September 30, 2024. On September 1, 2022, the new Support Staff Collective Agreement came into effect for the period September 1, 2022 to August 31, 2025. The budget has been developed with the terms set out in these collective agreements. However, the court decision that struck down Bill 124 in November 2022 may result in renegotiation of some aspects of the collective agreements pending the Province of Ontario's consideration of appeal of the November 2022 decision. It is anticipated that any changes will result in manageable adjustments to the College's operating budget.

The College relies on people, processes and technologies to operate and transform its service operations and program delivery. Several significant investments are being made in the College's enterprise resource planning information technology systems to support transformation. The R3 project development and implementation of a new student information system software solution was launched in 2020-21, and this multi-year transformation is planned to continue and is resourced in the 2023-24 Annual Budget.

ASSUMPTIONS

A number of assumptions were made in the preparation of estimates to be included in the Annual Budget. A list of the most significant assumptions for 2023-24 are as follows:

Revenues

- The College's operating grant revenues are budgeted at the same value as the past three years, since the start of SMA3.
- Tuition fee rates for funded programs are budgeted at the same values as 2019-20 following the 10% reduction imposed that year by the Provincial government.
- Enrolment growth in full-time post-secondary programs on Algonquin College campuses is projected to increase by 7.6% over the 2022-23 Third Quarter Projection enrolment levels. Domestic enrolment growth is projected to increase by 1.3% over the 2022-23 Third Quarter Projection, and international enrolment (excluding the Public College-Private Partnership) by 27.2% over the 2022-23 Third Quarter Projection.
- The Public College-Private Partnership, which will enter its second year of operation in fall of 2023, is anticipating enrolment growth of 333% over the 2022-23 Third Quarter Projection, increasing enrolments to 2,333, from 539.
- Other non-funded revenue sources have been updated to respond to the projected enrolment changes, new opportunities, the economy, international opportunities, and anticipated market conditions.

Operating Expenditures

- Salary and benefit increases for unionized employees will not exceed the current collective agreements.
- Salary and benefit increases for other employees will be in general alignment with increases at other organizations in the Ontario broader public sector.
- Other expenditures will increase at a rate consistent with the rate of inflation or will remain constant. Current and projected inflation rate increases have been considered.

Strategic Investment Priorities

- The College's investment in Strategic Investment Priorities projects for 2023-24 were prepared to ensure all proposed investments were deemed to be essential for ongoing operations and in support of the College's Strategic Plan. Included are projects that support transformation of services, renewal of existing curriculum and development of new programs, delivery of high-quality instructional equipment for students, and mitigating the risk of physical and technological infrastructure failure. More specifically, the 2023-24 Annual Budget provides funding for the following initiatives:
 - Development and implementation of the Strategic Enrolment Management Plan, through increased flexible programs and program delivery options.
 - Continued development of a new student information system, the R3 Major Capital Project.
 - Upgrading the College's Salesforce platform to the current Lightning version.
 - Improvement to physical campus accessibility for learners and employees.
 - Investments in addressing deferred maintenance of College facilities and infrastructure.
 - Managing cyber risks and improving the resiliency of the College's information and technology systems.
 - Implementing strategies to improve employee engagement; and
 - Continuing to upgrade and improve the service and reliability of information, communications and technology infrastructure.

RISKS

Management believes that this budget is reasonable under the circumstances. The following identifies and assesses financial risks:

FINANCIAL RISK SCHEDULE			
Risk Identification	Impact in 2023-24	Likelihood in 2023-24	Risk Mitigation
International enrolment less than budgeted	Moderate	Possible	<ul style="list-style-type: none"> • New programs and intakes • Increased focus on conversion of applications to registrations • Investment in multi-modal classroom renovations • Contain spending • Defer capital investments
Cash reserve balances drawn down more than budgeted	Minor	Possible	<ul style="list-style-type: none"> • Investments in growth of international student enrolments • Financial Sustainability Roadmap Initiatives – Portfolio Analysis and Benchmarking Reviews • Increased rigour on new investment decisions
Other revenues less than budgeted	Moderate	Possible	<ul style="list-style-type: none"> • International initiatives focus • Budgeted contingency provision and reserves • Contain spending • Defer capital investments
Labour relations – impact of recent repeal of Bill 124, wage moderation legislation. (Scenario One)	Insignificant	Likely	<ul style="list-style-type: none"> • Province of Ontario will launch an appeal of the decision which will result in no change to current College approach.
Labour relations – impact of recent repeal of Bill 124, wage moderation legislation. (Scenario Two)	Minor	Unlikely	<ul style="list-style-type: none"> • Province of Ontario will not appeal this decision which will result in College Employer Council (CEC) and union bodies re-entering into negotiations with respect to wage entitlements set by legislation during the last negotiation process.

FINANCIAL RISK SCHEDULE			
Risk Identification	Impact in 2023-24	Likelihood in 2023-24	Risk Mitigation
Major cybersecurity incident	Moderate	Unlikely	<ul style="list-style-type: none"> Upgraded IT infrastructure Business continuity/ disaster recovery planning Investing in cyber security infrastructure and applications Cybersecurity Insurance
Major capital projects exceed budget	Minor	Unlikely	<ul style="list-style-type: none"> Project governance structure Major capital projects internal audit recommendations Ongoing monitoring and reporting
Expenses higher than budget due to aging facilities and deferred maintenance liability	Minor	Likely	<ul style="list-style-type: none"> Contingency funds Ongoing monitoring Prioritization of critical projects

Conclusion

The 2023-24 Annual Budget provides the College with the resources required to deliver on the commitments detailed in the 2023-25 Business Plan and the College’s 2022-25 Strategic Plan.

While the 2023-24 Annual Budget results in a modest surplus on an accounting basis, the College is forecasting another year of spending more cash than it realizes in revenues resulting in a net reduction in cash reserve balances. The College continues to focus on pursuing opportunities to increase net revenues, reviewing its spending and through the execution of initiatives from its Financial Sustainability Roadmap to ensure that the College can mitigate financial risks and has the resources to invest in the future.

This budget continues the College’s history of investing in the future of the College and its people. Investments in teaching and learning, academic equipment, physical and information technology infrastructure, and process improvements will result in an enhanced learner experience.

Additional details of new initiatives are included in the College’s Annual Business Plan for 2023-25.

PRO FORMA SUMMARY

(All figures in 000's)

	Actual 2021-22	Annual Budget 2022-23	Q3 Projection 2022-23	Annual Budget 2023-24	Pro Forma 2024-25	Pro Forma 2025-26
Funded Activity/College Operations						
Revenue	\$ 262,375	\$ 284,239	\$ 274,407	\$ 291,351	\$ 301,298	\$ 317,854
Expenditures	266,547	290,764	281,954	300,272	308,789	320,256
Net Contribution as per Modified Cash Flow Basis	(4,172)	(6,525)	(7,547)	(8,921)	(7,491)	(2,402)
Contract Activity & Other Non-Funded Activity						
Revenue	47,467	46,592	40,964	46,809	63,012	68,053
Expenditures	45,348	42,331	39,739	44,268	57,475	60,538
Net Contribution as per Modified Cash Flow Basis	2,119	4,261	1,225	2,541	5,537	7,515
Campus Services						
Revenue	20,148	35,567	33,206	38,341	40,049	40,850
Expenditures	20,587	31,212	29,068	33,804	34,868	35,643
Net Contribution as per Modified Cash Flow Basis	(439)	4,355	4,138	4,537	5,181	5,207
International Education Centre						
Revenue	46,698	73,277	67,861	86,450	105,052	121,488
Expenditures	34,453	50,398	46,993	60,517	72,029	82,653
Net Contribution as per Modified Cash Flow Basis	12,245	22,879	20,868	25,933	33,023	38,835
Net Contribution on Operating Activities	9,753	24,970	18,684	24,090	36,250	49,155
Strategic Investment Priorities						
Revenue	13,029	6,503	8,187	7,495	7,495	7,495
Expenditures ¹	33,263	42,160	33,740	42,988	51,008	49,648
Net Contribution as per Modified Cash Flow Basis	(20,234)	(35,657)	(25,553)	(35,493)	(43,513)	(42,153)
Net Contribution as per Modified Cash Flow Basis	(10,481)	(10,687)	(6,869)	(11,403)	(7,263)	7,002
Non-Cash Revenue Adjustments						
Capital Grants recorded as Deferred Capital Contributions	(2,224)	(1,100)	(1,400)	(1,100)	(1,100)	(1,100)
Amortization of Deferred Capital Contributions	7,531	7,900	7,800	8,000	8,200	8,500
Non-Cash Expenditure Adjustments						
Expenditures to be Capitalized	14,034	18,700	18,400	21,500	13,100	3,200
Amortization Expense	(15,607)	(16,200)	(15,500)	(18,700)	(19,100)	(22,200)
Change in Vacation, Sick Leave & Post-Employment Benefits	(582)	500	(390)	(350)	(350)	(350)
Add Back: Principal Portion of Debt Payments	3,622	3,846	3,846	6,066	6,513	6,377
Net Contribution as per Public Sector Accounting Standards (PSAS)	\$ (3,707)	\$ 2,959	\$ 5,887	\$ 4,013	\$ -	\$ 1,429

1. Strategic Investment Priorities Expenditures includes authorized and proposed spending from Internally Restricted Net Assets.

PRO FORMA SUMMARY - continued

(All figures in 000's)

	Actual 2021-22	Annual Budget 2022-23	Q3 Projection 2022-23	Annual Budget 2023-24	Pro Forma 2024-25	Pro Forma 2025-26
Net Assets						
Unrestricted	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Investment in Capital Assets	103,771	122,881	117,484	131,274	138,887	133,668
Vacation, Sick Leave and Post-Employment Benefits	(18,808)	(17,225)	(19,198)	(19,548)	(19,898)	(20,248)
Internally Restricted						
Specific Reserves	37,294	22,296	27,749	14,671	3,958	7,027
Contingency Reserve Fund	9,449	10,988	10,414	11,529	12,575	13,561
Reserve Funds - Future Capital Expansion	27,552	22,940	27,414	27,939	30,313	33,224
Reserve Funds - Net Proceeds from Sale of March Road Land	2,442	2,485	2,473	2,504	2,534	2,566
Endowments	35,383	35,337	36,383	37,383	38,383	39,383
	198,083	200,702	203,719	206,752	207,752	210,181
Accumulated Remeasurement Losses	(3,398)	(3,971)	(3,398)	(2,198)	(1,598)	(998)
TOTAL NET ASSETS	\$ 194,685	\$ 196,731	\$ 200,321	\$ 204,554	\$ 206,154	\$ 209,183

STATEMENT OF FINANCIAL POSITION

(All figures in 000's)

	March 31, 2023 Annual Budget	March 31, 2023 Q3 Projection	March 31, 2024 Proposed Budget ¹
ASSETS			
Current Assets			
Cash and Short Term Investments	\$ 76,018	\$ 85,932	\$ 83,088
Accounts Receivable	29,000	28,000	28,000
Inventory	2,200	2,200	2,200
Prepaid Expenses	4,500	5,500	5,500
	111,718	121,632	118,788
Investments	28,500	36,517	30,538
Long Term Prepaid Asset	5,326	5,326	5,216
Endowment Assets	35,337	36,383	37,383
Capital Assets	294,036	290,976	332,018
TOTAL ASSETS	\$ 474,917	\$ 490,834	\$ 523,943
LIABILITIES AND NET ASSETS			
Current Liabilities			
Accounts Payable & Accrued Liabilities	\$ 29,000	\$ 29,000	\$ 29,000
Accrued Salaries & Employee Deductions Payable	9,500	9,500	9,700
Deferred Revenue	45,000	55,294	57,000
Current Portion of Long Term Debt	4,084	4,084	6,513
	87,584	97,878	102,213
Long Term Debt	28,254	28,254	59,977
Vacation, Sick Leave & Post-Employment Benefits	17,225	19,198	19,548
Deferred Capital Contributions	138,817	141,154	134,254
Interest Rate Swaps	4,203	2,212	1,580
Asset Retirement Obligation	2,103	1,817	1,817
Net Assets			
Unrestricted	1,000	1,000	1,000
Investment in Capital Assets	122,881	117,484	131,274
Vacation, Sick Leave & Post-Employment Benefits	(17,225)	(19,198)	(19,548)
Internally Restricted	58,709	68,050	56,643
Endowment Fund	35,337	36,383	37,383
	200,702	203,719	206,752
Accumulated Remeasurement Losses	(3,971)	(3,398)	(2,198)
	196,731	200,321	204,554
TOTAL LIABILITIES AND NET ASSETS	\$ 474,917	\$ 490,834	\$ 523,943

1. Includes the projected impacts from the adoption of accounting changes related to the Energy Savings Contract (ESCO).

REVENUE SCHEDULE

(All figures in 000's)

	Funded Activity/ College Operations	Contract Activity & Other Non-Funded Activity	Campus Services	International Education Centre	Strategic Investment Priorities	Annual Budget 2023-24	Q3 Projection 2022-23	Annual Budget 2022-23	Actual 2021-22
Grants									
Post Secondary Activity	\$ 104,149	\$ -	\$ -	\$ -	\$ -	\$ 104,149	\$ 107,306	\$ 105,440	\$ 109,598
Capital & Equipment	-	-	-	-	7,495	7,495	7,887	6,503	7,372
Apprentice	7,282	-	-	-	-	7,282	6,554	5,302	4,859
Flow-Through Student Aid	1,610	-	-	-	-	1,610	2,218	1,620	3,618
TOTAL GRANTS	113,041	-	-	-	7,495	120,536	123,965	118,865	125,447
Tuition Fees									
Full-Time Post Secondary	91,695	-	-	78,694	-	170,389	145,336	157,411	119,536
Full-Time Non-Funded	473	17,422	-	-	-	17,895	4,404	3,956	425
Part-Time	9,575	1,212	-	-	-	10,787	11,139	12,594	11,777
Apprenticeship Fees	1,262	-	-	-	-	1,262	1,128	1,159	690
Student Technology Fees	8,553	-	-	-	-	8,553	7,919	9,054	7,771
TOTAL TUITION FEES	111,558	18,634	-	78,694	-	208,886	169,926	184,174	140,199
Contract Educational Services									
Provincially Funded Programs	-	9,949	-	-	-	9,949	13,913	20,598	25,473
Corporate & Other Programs	6,365	11,621	-	1,795	-	19,781	25,410	22,582	22,997
TOTAL CONTRACT EDUCATIONAL SERVICES	6,365	21,570	-	1,795	-	29,730	39,323	43,180	48,470
CAMPUS SERVICES SALES	-	-	38,341	-	-	38,341	33,206	35,567	20,148
Other									
Students' Association Contribution (Athletics and Recreation Centre)	-	-	-	-	-	-	-	-	5,625
Early Learning Centre	1,115	-	-	-	-	1,115	1,118	1,118	764
Student Ancillary Fees	6,139	-	-	-	-	6,139	6,022	6,548	6,090
Investment Income	4,160	-	-	-	-	4,160	2,258	722	704
Transfer from International Education Centre	40,118	-	-	-	-	40,118	30,194	33,301	24,157
Miscellaneous	8,855	6,605	-	5,961	-	21,421	18,613	22,703	18,113
TOTAL OTHER	60,387	6,605	-	5,961	-	72,953	58,205	64,392	55,453
TOTAL REVENUE	\$ 291,351	\$ 46,809	\$ 38,341	\$ 86,450	\$ 7,495	\$ 470,446	\$ 424,625	\$ 446,178	\$ 389,717

Funded Activity/College Operations	\$ 291,351	\$ 274,407	\$ 284,239	\$ 262,375
Contract Activity & Other Non-Funded Activity	46,809	40,964	46,592	47,467
Campus Services	38,341	33,206	35,567	20,148
International Education Centre	86,450	67,861	73,277	46,698
Strategic Investment Priorities	7,495	8,187	6,503	13,029
Total Revenue	\$ 470,446	\$ 424,625	\$ 446,178	\$ 389,717

EXPENDITURES SCHEDULE

(All figures in 000's)

	Funded Activity/ College Operations	Contract Activity & Other Non-Funded Activity	Campus Services	International Education Centre	Strategic Investment Priorities	Annual Budget 2023-24	Q3 Projection 2022-23	Annual Budget 2022-23	Actual 2021-22
Full-Time Salaries & Benefits									
Full-Time Salaries & Benefits - Academic	\$ 86,021	\$ 1,061	\$ -	\$ -	\$ -	\$ 87,082	\$ 80,237	\$ 84,965	\$ 77,995
Full-Time Salaries & Benefits - Administrative	31,355	4,288	2,091	1,620	-	39,354	34,741	36,716	31,356
Full-Time Salaries & Benefits - Support	49,723	5,814	4,899	1,049	-	61,485	58,031	55,847	49,360
Total Full-Time Salaries & Benefits	167,099	11,163	6,990	2,669	-	187,921	173,009	177,528	158,711
Other Staff Salaries & Benefits									
Other Staff Salaries & Benefits - Academic	39,882	1,463	-	171	-	41,516	42,343	40,979	42,004
Other Staff Salaries & Benefits - Administrative	840	253	-	-	-	1,093	2,592	3,158	3,972
Other Staff Salaries & Benefits - Support	9,319	2,059	1,681	349	-	13,408	14,763	13,744	12,749
Total Other Staff Salaries & Benefits	50,041	3,775	1,681	520	-	56,017	59,698	57,881	58,725
TOTAL SALARY & BENEFITS	217,140	14,938	8,671	3,189	-	243,938	232,707	235,409	217,436
Other Operating									
Mandated Student Aid	5,320	-	-	-	-	5,320	5,321	5,321	5,720
Contingencies	7,751	-	-	-	-	7,751	1,000	5,358	3,417
Long Term Debt Interest	2,411	-	1,171	-	-	3,582	2,010	2,010	2,267
Contract Services	16,950	20,532	2,356	10,526	-	50,364	42,546	47,521	38,102
Instructional Supplies & Equipment	5,600	1,716	39	8	-	7,363	7,846	7,562	8,372
Information Technology	13,347	397	342	29	-	14,115	13,289	13,993	13,715
Marketing and Promotion	2,169	477	226	434	-	3,306	2,918	3,185	2,169
Building Maintenance & Utilities	10,346	56	2,212	-	-	12,614	15,848	15,737	14,690
Flow-Through Student Aid	1,610	-	-	5	-	1,615	2,223	1,628	3,540
Cost of Goods Sold	309	-	12,425	-	-	12,734	11,125	12,483	7,797
Transfer from International Education Centre	-	226	-	39,892	-	40,118	30,982	33,301	24,157
Principal Portion of Debt Payments	2,941	-	3,125	-	-	6,066	3,846	3,846	3,622
Other	14,378	5,926	3,237	6,434	-	29,975	26,093	27,351	21,931
TOTAL OTHER OPERATING	83,132	29,330	25,133	57,328	-	194,923	165,047	179,296	149,499
STRATEGIC INVESTMENT PRIORITIES EXPENDITURES	-	-	-	-	42,988	42,988	33,740	42,160	33,263
TOTAL EXPENDITURES	\$ 300,272	\$ 44,268	\$ 33,804	\$ 60,517	\$ 42,988	\$ 481,849	\$ 431,494	\$ 456,865	\$ 400,198

Funded Activity/College Operations	\$ 300,272	\$ 281,954	\$ 290,764	\$ 266,547
Contract Activity & Other Non-Funded Activity	44,268	39,739	42,331	45,348
Campus Services	33,804	29,068	31,212	20,587
International Education Centre	60,517	46,993	50,398	34,453
Strategic Investment Priorities	42,988	33,740	42,160	33,263
Total Expenditures	\$ 481,849	\$ 431,494	\$ 456,865	\$ 400,198

STRATEGIC INVESTMENT PRIORITIES SCHEDULE

(All figures in 000's)

	Grants & Fundraising	College Funded	Annual Budget 2023-24	Q3 Projection 2022-23	Annual Budget 2022-23	Actual 2021-22
SOURCE OF FUNDS						
Facilities Renewal Grant	\$ 4,900	\$ -	\$ 4,900	\$ 4,900	\$ 4,000	\$ 5,396
College Equipment Renewal Fund Grant	1,503	-	1,503	1,503	1,503	759
Apprenticeship Capital Grant	1,092	-	1,092	1,484	1,000	1,216
Students' Association Contribution	-	-	-	-	-	5,625
Donations	-	-	-	300	-	5
Miscellaneous	-	-	-	-	-	28
TOTAL SOURCE OF FUNDS	7,495	-	7,495	8,187	6,503	13,029
EXPENDITURES						
Major Capital Projects						
Algonquin College Sustainability: Improved Heating, Ventilation, and Air Conditioning Systems (Residence Building)	-	5,750	5,750	-	-	-
Athletics and Recreation Centre	-	-	-	-	-	5,616
Athletics and Recreation Centre Enabling Work / Pedestrian Link	-	-	-	-	-	3,237
Campus Accessibility	-	1,000	1,000	2,126	2,100	1,174
Pedestrian Bridge to Bus Rapid Transit Station	-	820	820	341	1,161	1,364
R3 (Student Information System)	-	20,000	20,000	15,800	20,000	10,153
Salesforce Lightning Upgrade	-	2,245	2,245	1,628	3,154	217
Solar Photovoltaic Plan	-	-	-	-	-	166
Total Major Capital Projects	-	29,815	29,815	19,895	26,415	21,927
Other						
Academic & Other Equipment	1,000	-	1,000	1,000	1,000	866
Apprenticeship Capital Grant	1,092	-	1,092	1,484	1,000	1,266
Campus Services	-	-	-	275	275	59
College Space & Infrastructure	4,900	1,689	6,589	5,736	5,527	4,694
College Technologies	503	2,094	2,597	2,561	2,715	1,749
Initiatives & Opportunities	-	1,840	1,840	2,327	4,146	2,001
New Program Initiatives	-	886	886	962	1,082	701
Adjustment for Anticipated Underspend	-	(831)	(831)	(500)	-	-
Total Other	7,495	5,678	13,173	13,845	15,745	11,336
TOTAL EXPENDITURES	7,495	35,493	42,988	33,740	42,160	33,263
NET CONTRIBUTION	\$ -	\$ (35,493)	\$ (35,493)	\$ (25,553)	\$ (35,657)	\$ (20,234)

STRATEGIC INVESTMENT PRIORITIES - Initiatives & Opportunities Projects

(All figures in 000's)

		Annual Budget 2023-24
Initiatives & Opportunities		
Academic Services	Program Lifecycle Management System (PLMS)	\$ 196
Academic Services	Strategic Enrolment Envelope	153
Advancement & Strategy	Strategic Renewal: College Strategic Plan 2025	40
Finance & Administration	Portfolio Analysis	130
Human Resources	Employment Equity Project	257
Human Resources	Human Resources Programs Envelope	200
Human Resources	Strategic Workforce Planning	225
Student Services	Marketing Envelope	639
TOTAL EXPENDITURES		\$ 1,840

NET ASSETS CONTINUITY SCHEDULE

(All figures in 000's)

	Q3 Projection March 31, 2023	2023-24 Budgeted In Year Use of Funds	2023-24 Budgeted Year End Adjustments	Budgeted Balance March 31, 2024
Specific Reserves				
Other Projects & Initiatives	\$ 25,004	\$ 14,153	\$ 2,268	\$ 13,119
Campus Services Reserve Fund	2,152	5,750	4,550	952
Employment Stabilization Funds	593	-	7	600
	27,749	19,903	6,825	14,671
Contingency Reserve Fund	10,414	-	1,115	11,529
Reserve Funds				
Future Capital Expansion	27,414	820	1,345	27,939
Net Proceeds from Sale of March Road Land	2,473	-	31	2,504
	29,887	820	1,376	30,443
TOTAL INTERNALLY RESTRICTED NET ASSETS ¹	68,050	20,723	9,316	56,643
TOTAL UNRESTRICTED NET ASSETS ¹	1,000	-	-	1,000
Investment in Capital Assets	117,484	-	13,790	131,274
Vacation, Sick Leave & Post-Employment Benefits	(19,198)	-	(350)	(19,548)
Interest Rate Swaps	(3,398)	-	1,200	(2,198)
Endowment Fund	36,383	-	1,000	37,383
TOTAL NET ASSETS	\$ 200,321	\$ 20,723	\$ 24,956	\$ 204,554

1 - Budgeted balances of Internally Restricted Net Assets and Unrestricted Net Assets includes the impact of budgeted expenditures from Specific Reserves and Reserve Funds, as well as adjustments to Reserve Funds for the fiscal year 2023-24.

The Board of Governors Financial Management Policy requires that the Board of Governors approve any spending from Reserve Funds.

SUMMARY OF FUNDED POSITIONS

	December 31, 2022				Proposed Budget 2023-24			
	Academic	Admin	Support	Total	Academic	Admin	Support	Total
Academic Services								
Academic Development	9	6	12	27	9	6	12	27
Academic Operations and Planning	1	4	9	14	1	4	9	14
Algonquin College Heritage Institute	9	3	9	21	9	3	9	21
Algonquin College In The Ottawa Valley	29	7	39	75	29	7	39	75
Algonquin Centre for Construction Excellence	67	4	12	83	67	4	12	83
Associate Vice-President - Experiential Learning and Innovation	-	9	26	35	-	9	26	35
Associate Vice-President - Global, Online and Corporate Learning	-	27	69	96	-	27	69	96
Faculty of Arts Media and Design	121	9	32	162	121	9	32	162
Faculty of Health, Public Safety & Community Studies	135	11	37	183	135	11	37	183
School of Advanced Technology	120	7	19	146	120	7	19	146
School of Business	93	5	9	107	93	5	9	107
School of Hospitality and Tourism	41	4	10	55	41	4	10	55
Senior Vice-President, Academic Services	9	3	-	12	18	3	-	21
Total	634	99	283	1,016	643	99	283	1,025
Advancement								
Advancement Operations	-	7	5	12	-	7	5	12
Strategy	-	1	1	2	-	1	1	2
Total	-	8	6	14	-	8	6	14
Finance and Administration								
Campus Services	-	16	73	89	-	16	73	89
Enterprise Project Management Office	-	-	-	-	-	1	1	2
Facilities Management	-	12	36	48	-	12	36	48
Finance and Administrative Services	-	15	26	41	-	15	26	41
Information Technology Services	-	27	99	126	-	27	99	126
Internal Control	-	1	-	1	-	1	-	1
Risk Management	-	9	1	10	-	9	1	10
Vice-President, Finance and Administration	-	2	-	2	-	2	-	2
Total	-	82	235	317	-	83	236	319
Human Resources								
Employee and Labour Relations	-	19	-	19	-	19	-	19
People and Culture	-	18	4	22	-	18	4	22
Vice-President, Human Resources	-	2	-	2	-	2	-	2
Total	-	39	4	43	-	39	4	43
President & Board of Governors								
Communications	-	4	7	11	-	4	7	11
President's Office and Board of Governors	-	4	-	4	-	4	-	4
Total	-	8	7	15	-	8	7	15

SUMMARY OF FUNDED POSITIONS - continued

	December 31, 2022				Proposed Budget 2023-24			
	Academic	Admin	Support	Total	Academic	Admin	Support	Total
Student Services								
Marketing and Recruitment	-	3	29	32	-	3	29	32
R3 Executive Business Lead	-	-	8	8	-	-	8	8
R3 Executive Technical Lead	-	-	4	4	-	-	4	4
Registrar	-	10	69	79	-	10	69	79
Student Support Services	20	12	41	73	20	12	41	73
Vice-President, Student Services	-	2	-	2	-	2	-	2
Total	20	27	151	198	20	27	151	198
Truth, Reconciliation & Indigenization								
Indigenous Services and Partnerships	-	4	-	4	-	4	-	4
Total	-	4	-	4	-	4	-	4
COLLEGE TOTAL	654	267	686	1,607	663	268	687	1,618

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 other than April 1st.

PROJECTED ENROLMENT VERSUS 2022-23 Q3 PROJECTED ENROLMENT

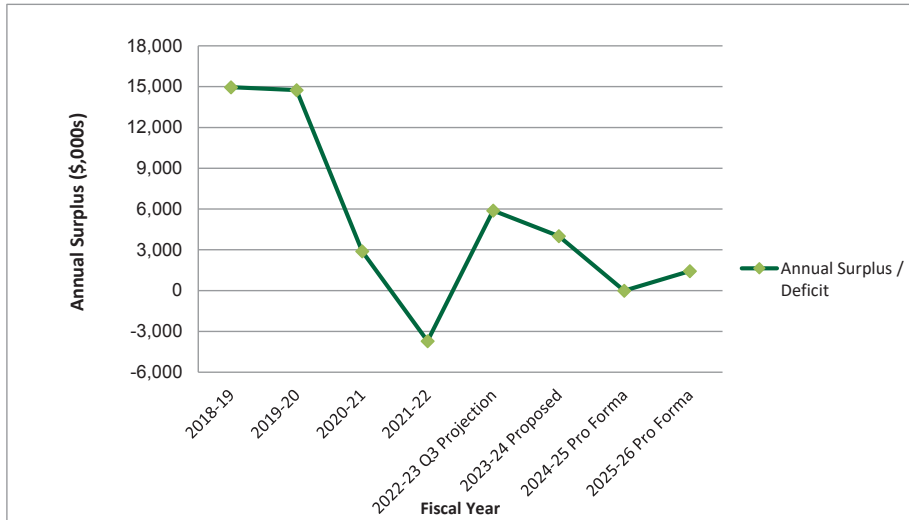
	Projected 2023-24	Q3 Projection 2022-23	Variance (#)	Variance (%)
Domestic Students	33,747	33,314	433	1.3%
International Students	13,688	10,765	2,923	27.2%
Total Domestic and International	47,435	44,079	3,356	7.6%
Public College Private Partnership	2,333	539	1,794	332.8%

In addition to the above, the 2023-24 Annual Budget supports the following:

	Projected 2023-24
Apprentice Seat Purchases	2,781
Collaborative Enrolments	2,619
Total	5,400

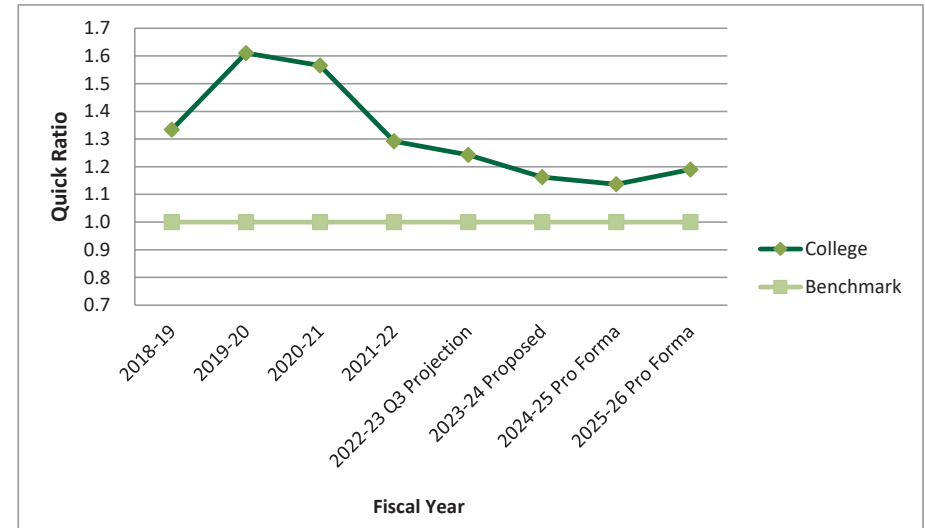
FINANCIAL HEALTH INDICATORS

OPERATING RESULTS: ANNUAL SURPLUS / DEFICIT



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.

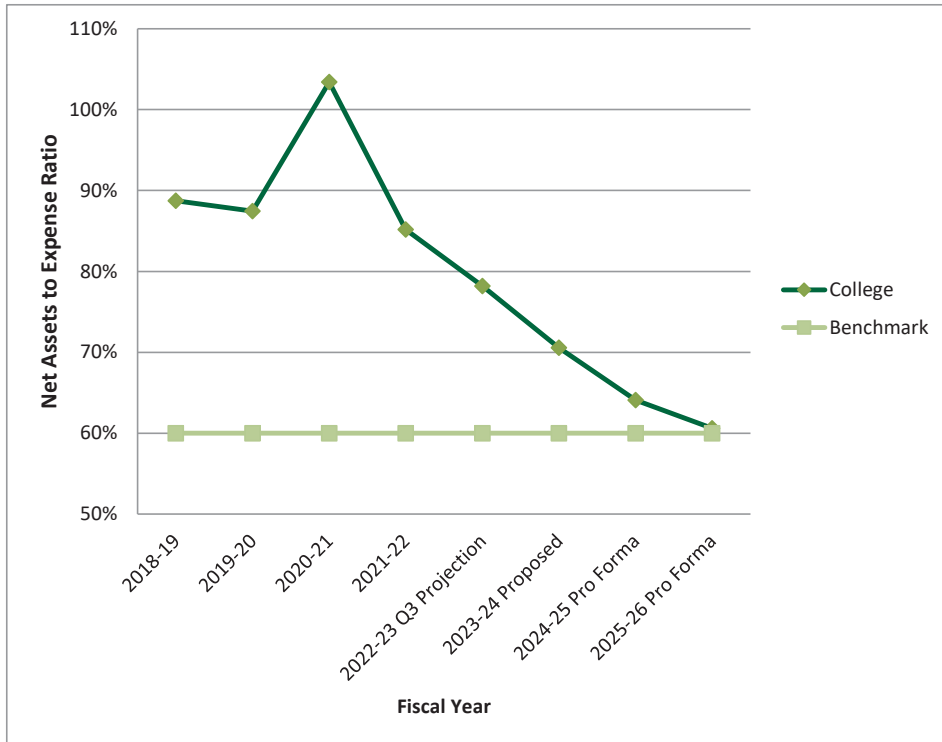
MEASURING LIQUIDITY: QUICK RATIO



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

FINANCIAL HEALTH INDICATORS

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.

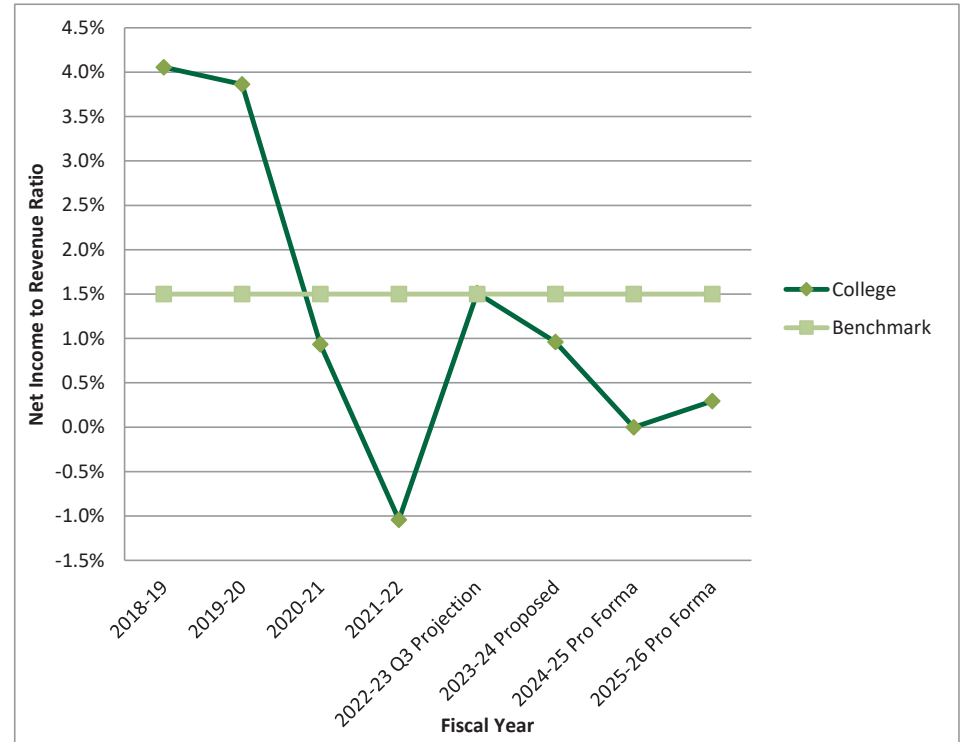
Benchmark:

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:

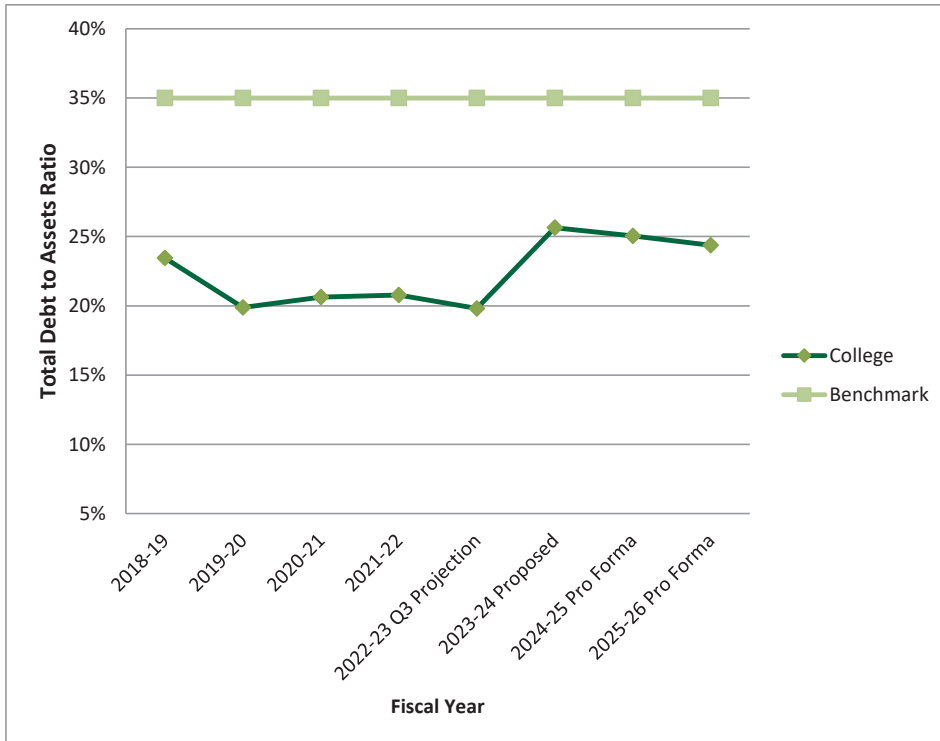
Less than 1.5% may be a concern because it may indicate that the college may not be able to recover from a deficit position in a reasonable period of time.

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.

FINANCIAL HEALTH INDICATORS

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.

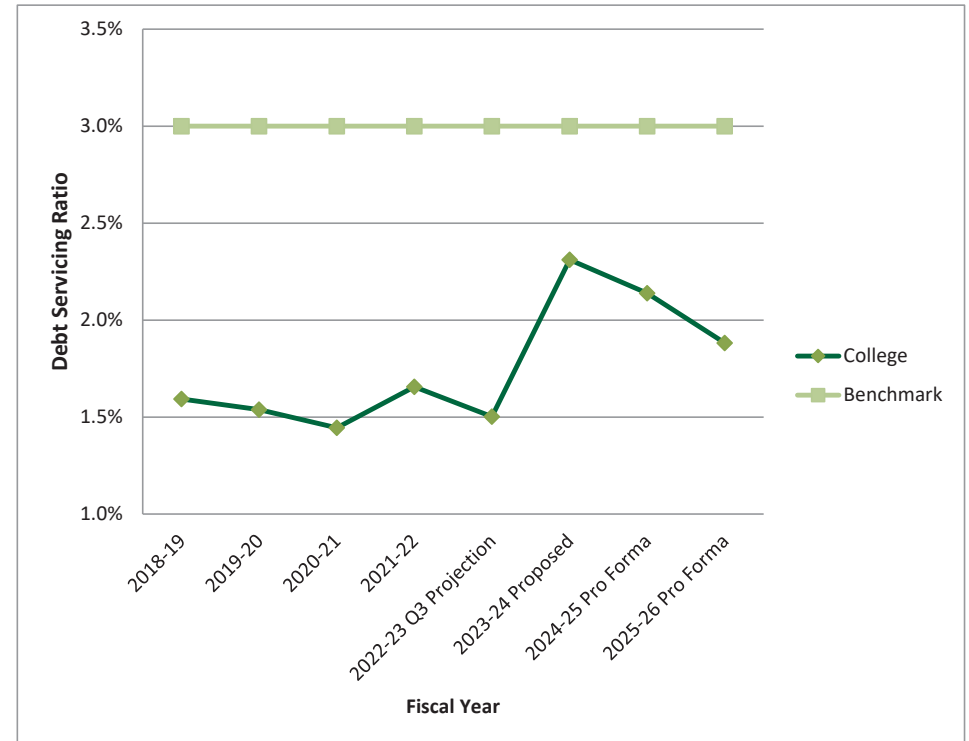
Benchmark:

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:

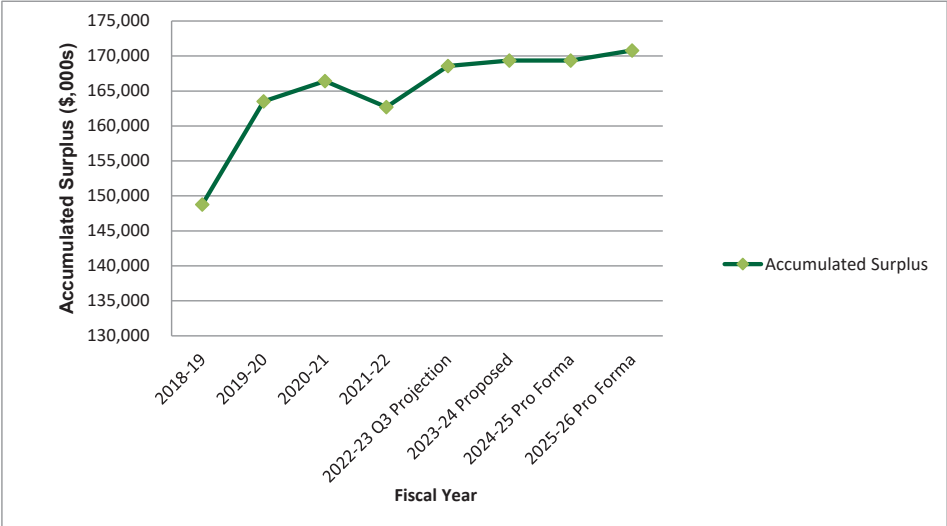
A ratio of 3% or lower, based on historical trend analysis and industry standard.

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.

FINANCIAL HEALTH INDICATORS

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.

THANK YOU

To the College Budget Committee

I would like to conclude by thanking all of those involved in the development of the Annual Budget for their hard work and ongoing commitment to the College, with a special mention of the efforts of the College Budget Committee (CBC):

- Alanna McDonell, (Chair), Director, Marketing
- Ernest Mulvey (Vice-Chair), Director, International Education Centre
- Annette Bouzi, OPSEU Local Academic Staff Union President
- Maggie Cusson, Dean, Academic Development
- Christine Kelsey, OPSEU Local Support Staff Union President
- Teri Kinnunen, (Resource) Manager, Corporate Planning
- Erin Langevin, Director, Labour Relations
- Mark Leduc, Executive Director, Academic Operations and Planning
- Eric Marois, Dean, School of Advanced Technology
- Grant Perry, (Resource), Chief Financial Officer
- Lois Pollock, Chief Digital Officer
- Joanne Souaid, Associate Director, Advancement Services
- Ryan Southwood, Executive Director, Facilities Management
- Emily Woods, (Resource), Director, Corporate Planning

Duane McNair
Treasurer and Vice President, Finance and Administration



**Report from the Chair
Board of Governors Meeting
February 27, 2023**

2023 Algonquin College Board of Governors Internal Election

The Call for Nominations for a Student, Support and Administrative representative opened on Monday, January 23, 2023 and closed on Monday, January, 30 at noon. Elections took place on February 22, and results were announced to the Algonquin College Community on February 24, 2023.

2023-24 Governor Reappointments, Board Committee Memberships, and Board Committee Chair and Vice Chair Positions

The 2023-24 Governor Reappointments, Board Committee Memberships, and Board Committee Chair and Vice Chair Positions memo went out on February 13, 2023 to Board members. In accordance with the Board By-Laws, we are reaching out to Governors whose first term of office comes to an end August 31, 2023 to express their interest for a reappointment. We are also seeking Governors who are interested in serving on Board Committees as members, Committee Chairs or Vice Chairs beginning September 1, 2023.

2022-23 Board Performance

The Board Governance Committee will coordinate the annual evaluation of the Board, and the governor self-appraisal process. The online evaluation tools will be circulated in early April by the Board Office. These tools allow Governors to evaluate their own effectiveness, and the effectiveness of the Board as a whole. Governors are encouraged to complete these surveys promptly, to allow the Governance Committee to review and discuss the results of the Annual Evaluation of the Board. The results will be shared with all Board members before the end of the academic year. The Board Office will forward all Governor Self-Evaluation to the Board Chair for her review.

February 7, 2023 Board of Governors Generative Discussion – Cyber Security

Board members and the Algonquin College Executive Team participated in the Cyber Security Generative Discussion and breakout sessions on February 7, 2023. Topics discussed included:

- Fundamentals of Cyber Security
- Cyber Security, Governance and Compliance Challenges in Higher Education
- Overview of Algonquin College Cyber Security

2022-23 Board Meeting Dates

The Board meeting dates from September 2022 to June 2023 are posted on the Board's public website. The following remaining Board meetings will be held in hybrid format with In Person attendance preferred. A Zoom link will be provided to Governors unable to attend in person:

- Monday, April 17, 2023 Board meeting
- Monday, June 5, 2023 Board meeting and Annual General Meeting

2022-23 Board Dinners and 2023 Spring Board Retreat

- 2023 Spring Board Retreat: Saturday, March 25, 2023 (Hybrid, In Person is preferred)
- Board of Governors End of Year Dinner: Tuesday, June 6, 2023

**Report from the President
Board of Governors Meeting
February 27, 2023**

For the reporting period, from November 29, 2022 to February 20, 2023, President Brulé met primarily in-person and occasionally virtually with the following key external contacts from the post-secondary education leaders, community leaders and elected officials:

- Francis Drouin, Parliamentary Secretary;
- Anita Vandenberg, Member of Parliament;
- Board Members, Ontario College Application Service (OCAS);
- Board Members, Polytechnics Canada;
- Finance Canada Officials;
- Board Members, Invest Ottawa;
- Board Members, Inter-American Organization for Higher Education (IOHE);
- Board members, Institute of Electrical and Electronic Engineers (IEEE);
- Board members, Ottawa Community Loan Fund (OCLF);
- Robert Martellacci, President, MindShare Learning Technology;
- Deidre Freiheit, President & CEO, Shepherds of Good Hope;
- Members, Algonquin College Indigenous Education Council;
- Lise Bourgeois, President, La Cité Collégiale;
- Cameron Love, President & CEO, The Ottawa Hospital; and
- John Jordan, Member of Provincial Parliament (Lanark – Frontenac – Kingston).

Date	Event	Purpose
Dec. 1, 2022	CICan on the Hill + Student Showcase - Plenary Sessions and Parliament Hill Meetings	President Brulé attended CICan on the Hill, which was joined by presidents and government relations leads from colleges and institutions across Canada. <ul style="list-style-type: none"> • They heard presentations by federal ministers, opposition leaders and critics, and senior officials • Enjoyed an opening reception with Parliamentarians that included a Student Showcase • Joined teams of presidents and students for meetings with Members of Parliament, Senators and senior officials.
Dec. 7, 2022	RBC Tour of the Algonquin Centre for Construction Excellence.	President Brulé along with Vice President Advancement and Strategy, Mark Savenkoff and Manager of Philanthropy, Nancy Druick hosted a tour for RBC representatives to the Algonquin Centre for Construction Excellence.
Dec. 7, 2022	Advancement Donor Recognition Event	President Brulé hosted The Advancement Donor Recognition Event at Algonquin College, alongside

		Mark Savenkoff, Vice-President Advancement and Strategy. The event aimed to celebrate the impact of donors on our campuses, and provide a venue for the announcement of a leadership gift that will transform the lives of countless Algonquin College students.
Dec. 8, 2022	Ottawa Campus Tour with Niagara College	President Brulé hosted a Tour of the Algonquin College Ottawa Campus for Niagara College President, Sean Kennedy and his Executive Team.
Dec. 13, 2022	Exec Tuesday - Traditionally Innovative - How Switzerland Has been The Leading Global Innovator 12 Years Running	President Brulé attended Exec Tuesday, where guest speaker Urs Obrist, Senior Science and Technology Counsellor, Embassy of Switzerland explored some of the fundamentals and specifics of the Swiss innovation ecosystem, including the role of professional education and training, and discussed the applicability of this same framework within the Canadian context.
Jan 12, 2023	Lunch with Finance Canada Officials & Polytechnics	President Brulé and members of the Algonquin College Executive Team hosted a lunch with Finance Canada Officials and members of Polytechnics Canada.
Jan. 19, 2023	Cornerstone Women's Shelter cheque presentation	President Brulé presented a cheque to Amber Bramer from Cornerstone Women's Shelter. Algonquin College's School of Hospitality and Tourism sold 98 Holiday Starter Kits to raise funds for local non-profit, Cornerstone Housing for Women. The fundraiser raised a total of \$6,398 for women and gender-diverse people in need, and 100 per cent of the funds raised was donated to Cornerstone.
Jan, 30, 2023	A Conversation with His Honour, Murray Sinclair, Former Chair of Canada's Truth and Reconciliation Commission	President Brulé introduced His Honour, Murray Sinclair, Former Chair of Canada's Truth and Reconciliation Commission, for a conversation organized by Jamie Bramburger as part of the Pembroke Campus Speaker Series. The conversation was on how post-secondary institutions can support Indigenous learners. Questions from the College community were answered by Mr. Sinclair.
Feb. 3, 2023	Future of Health and Wellness Speaker Series	President Brulé hosted a hybrid panel discussion with Dr. Vera Etches, Medical Officer of Health for Ottawa Public Health, Dr. Lawrence Loh, Executive Director and CEO, The College of Family Physicians of Canada and Dr. Gaynor Watson-Creed, Associate Dean, Faculty of Medicine, Dalhousie University, on the future of Public Health.

Feb. 3, 2023	Bahamian Delegation Reception	President Brulé, Associate Vice-President, Global, Online and Corporate Learning, Patrick Devey and the Director of the International Education Center, Ernest Mulvey hosted a tour at the College for a Bahamian delegation organized by the Bahamian High Commission, and attended the Bahamian Delegation Reception at the Rideau Club. The event was hosted by the Bahamas Ministry of Tourism, Investments & Aviation and I. Chester Cooper, Minister of Tourism, Investments and Aviation.
Feb 6, 2023	Ottawa Business Events 2023 Sponsor Appreciation Event	President Brulé attended the Ottawa Business Events 2023 Sponsor Appreciation Event at the Rideau Club.
Feb. 6, 2023	"Designing Domestic Dining" Exhibit	President Brulé attended the "Designing Domestic Dining" Exhibit at Carleton University. "Designing Domestic Dining" is a multi-partner initiative that involves Ingenium: Canadian Museum of Science and Innovation, Algonquin College, Carleton University, and members of a complex diasporic community.
Feb. 7, 2023	40 Years of Hope! Shepherds of Good Hope	President Brulé attended the 40 Years of Hope celebration for Shepherds of Good Hope. The event included inspiring stories, celebratory songs and the vision for the future of Shepherds of Good Hope.
Feb 9, 2023	Tour of Humber's Barrett Centre for Technology Innovation (BCTI) Building	Present Brulé met with Humber President Ann Marie Vaughan and toured their Technology and Innovation building.
Feb. 9, 2023	A Celebration of the Skilled Trades: Building Ontario's Future	President Brulé attended Humber College and Skills Ontario celebration of the country's most promising skilled trade graduates in the interactive event at Humber's Barrett Centre for Technology Innovation. A special announcement was made by The Schulich Foundation to mark the occasion, the unveiling of the Schulich Builders program, which will provide scholarships to skilled trades students from ten colleges, including Algonquin College.
Feb. 10, 2023	Prime Minister Trudeau addresses Algonquin College nursing students.	The Prime Minister was joined by Member of Parliament for Ottawa West—Nepean, Anita Vandenbeld, and welcomed to Algonquin College by President and CEO, Claude Brulé, Dean of the School of Health and Community Studies, Jane Trakalo, and Chair of the Nursing Program, Carmen Hust.

COMMITTEE OF PRESIDENTS

The Committee of Presidents met virtually on January 23, 2023. The topics discussed included the following:

- Colleges Ontario Business Plan third quarter update;
- Update on Health Human Resources initiative targeting Nursing, Paramedics, and Personal Support Worker – Accelerated programs ;
- Ontario College System Financial Advocacy;
- Colleges Employer Council Update;
- International Standards of Practice Update;
- Expansion of dual-credit program that will include Apprenticeships;
- A discussion with the acting Ministry of Colleges and Universities Deputy Minister, Shannon Fuller; and
- An update on the Executive search for the next CEO of Colleges Ontario

08.3

<p>For Algonquin College to deliver on its Mission and Vision we have two Strategic Directions and six Foundational Themes, focused on three goals. These commitments guide our strategic priorities and budget process.</p>	
<p>STRATEGIC DIRECTION</p>	
<p>Reporting Timeframe: November 2, 2022 to January 1, 2023</p>	
<p>LEARNER DRIVEN</p>	
<p>Goal 1: Provide Flexible, Personalized, And Lifelong Learner Experiences</p>	
<p>Summary Report from:</p>	<p>Activity</p>
<p>Academic Services</p>	<ul style="list-style-type: none"> • The Strategic Global Business Management program was accredited with the Forum for International Trade Training (FITT). • Third year Dental Hygiene students provided free preventive oral health care to clients referred by Ottawa Public Health as part of the capstone project called “Heart of the Matter” which focuses on increasing access to care for the marginalized, low-income families in the community. Additionally, the Dental Clinic offered free oral cancer screening to the Algonquin College community during their annual Oral Cancer Screening Event. The event took place in partnership with Clyde Prosthodontics, and third year Dental Hygiene students. Young adults are increasingly being diagnosed with oral cancer relating to Human Papillomavirus (HPV) and other risk factors. The event offered a venue for free screening while introducing a unique experiential learning opportunity for students. • Employment and Social Development Canada (ESDC) partnered with the Algonquin College Applied Research Human-Centred Design Lab, to explore how the eligibility process for disability programs and benefits can be improved. • Two Learners (Rahib Ahmed & Ravichandra Rachamalla) from the Social Innovation Lab were selected to present their work with CHEO (Children’s Hospital of Eastern Ontario) at CIGan on the Hill and the Student Showcase Reception with parliamentarians on November 30, 2022. They also participated in College-sector advocacy meetings with Minister of Parliament Anita Vandenbeld on December 1, 2022.
<p>Advancement and Strategy</p>	<ul style="list-style-type: none"> • Algonquin College hosted its new annual Donor Recognition Reception on December 7, 2022, which attracted over 210 registrants. The event celebrated a \$1M of philanthropic gifts and included generous donor and proud alumnus musician Jason Blaine as a guest performer. • Algonquin College received \$500,000 from RBC Foundation and \$325,000 from the Schulich Foundation both in support of the skilled trades.

<p>Communications Events and External Relations</p>	<ul style="list-style-type: none"> • In November and December, the College Events Team lead 11 in-person, virtual and hybrid workshops for students, focused on a variety of interests. • Algonquin College attended Colleges and Institutes Canada’s <i>CICan on the Hill + Student Showcase</i> event on December 1, 2022. This event was an opportunity to engage with parliamentarians and senior federal officials to share perspectives on how colleges and institutes address skills and labour shortages, improve innovation and productivity, advance reconciliation with Indigenous peoples and support the transition to a net zero economy.
<p>Human Resources</p>	<ul style="list-style-type: none"> • Launched the Accessible Workplace Communications course with a high rate of participation from employees. • Facilitated Employee Mental health training in November which focused on increasing awareness of barriers, stigma and preventive actions one can take to make a difference surrounding mental health.
<p>Student Services</p>	<ul style="list-style-type: none"> • The Algonquin College Fall Open House took place on November 5, 2022. It was the first in-person Open House in two years and welcomed an estimated 5,000 to 6,000 visitors. 4,835 leads were collected representing an increase of 27% year-over-year. • The Library received a large donation of over 200 print books, written by or about Indigenous Peoples on several topics, including history, culture, ethics, works of fiction, poetry. • Health Services saw a 47% increase in total number of new patient registrations as compared to the same period last year. • The Student Central learner feedback by net promoter score was +65 from 869 respondents, which is comparable to the +64 score from 275 respondents at the same time last year. The 216% increase in number of respondents is attributed to the pandemic omicron variant impact on in-person service provision last year.
<p>PEOPLE Goal 2: Empower Our People to Foster a High-Quality, Innovative, Learner-Driven Culture Goal 3: Create an Equitable, Diverse, and Inclusive Work Environment</p>	
<p>Summary Report from:</p>	<p>Activity:</p>
<p>Academic Services</p>	<ul style="list-style-type: none"> • Kerry Surman, Chair, Operations Management, travelled during December 5-14, 2022, to Canadian College Kuwait, previously AC-Kuwait, to meet with administration, faculty, and students from the Business Marketing and Business Management and Entrepreneurship programs. The data gathering from this trip, conducted in collaboration with IEC staff, will be supplemented by an analysis of student work by professors Andrea Gorra and Sean Howe to report on program quality assurance on this international campus. • The official amalgamation of the School of Business and Hospitality was announced at the <i>Celebrating the Future: Unveiling of the School of Business and Hospitality</i> event on December 20, 2022.

	<ul style="list-style-type: none"> • The Pembroke Campus successfully enrolled more than 60 International students in its Winter intake, the largest single intake of international students in the 55+year history of the campus. • The Early Learning Centre has signed an agreement with the City of Ottawa completing the transition to participate in the Canada-Wide Early Learning and Child Care System.
Advancement and Strategy	<ul style="list-style-type: none"> • To engage proud graduates in the recruitment of new students, the Alumni & Friends Network supported the AC Open House in the Student Commons on November 5, 2022. This occasion marked the first in-person Open House in three years.
Communications Events and External Relations	<ul style="list-style-type: none"> • To observe Remembrance Day on November 11, 2022, the Communications and Events Teams planned and executed a hybrid event at the Ottawa Campus, open to staff, students and alumni. Guests included members of the Canadian Armed Forces. At the Pembroke Waterfront Campus, a Remembrance Day service was held in the Commons, and in Perth a wreath was laid on behalf of the Algonquin College Perth Campus at the Perth Cenotaph. • The President's Office hosted a holiday edition coffee break on December 15, 2022, for all employees, in partnership with the Algonquin Students' Association. Attendees were encouraged to donate non-perishable food items to help support the Students' Association's Food Cupboard. • On December 8, 2022, senior executives from Niagara College met with members of the Algonquin College Executive Team for discussions as well as a tour of the Ottawa campus.
Finance and Administration	<ul style="list-style-type: none"> • Shaideh Mogharrabin developed a Microsoft Excel macro-based credit fraud detection program which will become the base model of an Artificial Intelligence tool for fraud detection and spend analysis that we are now implementing with Deloitte.
Human Resources	<ul style="list-style-type: none"> • Provided course design, course scheduling, Learning Management System (LMS) guidance and overall advice for the delivery of ten employee learning and development sessions to 228 registrants. These sessions were offered in collaboration with the Centre for Accessible Learning, Finance, Human Resources, College Internal Control, and Learning & Teaching Services. • Facilitated six Employee Community Consultations on Equity, Diversity & Inclusion between October 3 and November 4, 2022, with 597 participants, 557 approved thoughts, and 10,490 ratings of other participants' thoughts. • To observe International Day for Persons with a Disability, the Human Resources team planned and hosted a Keynote address on November 30, 2022 that attracted 125 registrants. This event was entitled: The Relentless Pursuit of Happiness with Derick Fage.
Student Services	<ul style="list-style-type: none"> • On December 12, 2022, WordPress Single Sign-On was launched for employees to simplify user access and strengthen the security of the website.

	<ul style="list-style-type: none"> • There were 2,893 international applications were processed during this time with an average turn-around time of six days; this is a 58% increase in applications processed (from 1,824) and 3.5-day improvement in turn-around time. This change is attributed to the pandemic omicron variant impact last year, which resulted in significant re-work and re-processing of international applications due to in-person and travel related restrictions. • On November 17 and December 7, 2022, members of The Royal Ottawa Mental Health Centre provided an education session on borderline personality disorder and bipolar spectrum illness to over 65 Algonquin College employees.
<p>STUDENT & EMPLOYEE SUCCESSES:</p>	<p>Activity</p>
<p>Academic Services</p>	<ul style="list-style-type: none"> • Nursing professor, Shelley Clarke completed the Assessment of three Virtu-WIL simulations and completed the CI-CAN report. In total, 43 Practical Nursing (PN) level three students participated in the three simulation assessments. Each student received a stipend of \$250.00 for their participation. • Julie Eaves completed her Master of Education Degree in Open, Digital, and Distance Education with a focus in Educational Leadership from Athabasca University. • Tanya Skeates, Professor, and Cathy Dewar, Manager of Restaurant International, along with several faculty members, facilitated a fundraiser supporting the Cornerstone Women’s Shelter resulting in 100 gift baskets sold and approximately \$6,200 in donations. • The students in the Pre-Service Firefighter Education and Training Program completed a Boot Drive Fundraiser at the College. They successfully raised \$2,810.97 in donations, in support of the Students’ Association Food Cupboard. • Co-operative Education and Work-Integrated Learning (CEWIL) Canada named Kristine Dawson as the recipient of the 2022 Volunteer Award. The Volunteer Service Award was instituted in 1989 to recognize meritorious service to CEWIL by its members. Volunteers have served to support the development of co-operative education and work-integrated learning in Canada, and the service our members provided to CEWIL Canada demonstrates their dedication and professional commitment to the advancement of co-operative education and work-integrated learning. • Diana McGlinchey (Victimology Research Centre) was awarded a Master of Science with Distinction in Victimology from the University of Portsmouth.
<p>Advancement and Strategy</p>	<ul style="list-style-type: none"> • Student from Bachelor of Commerce Supply Chain program hired for part-time Advancement Clerk position.
<p>Communications Events and External Relations</p>	<ul style="list-style-type: none"> • In early November, nominations were submitted in nine categories for the 2023 CIG Awards of Excellence, recognizing best practices from institutions across the country, as well as individual leadership and achievements. Award recipients will be announced in Winter 2023.

President/Board of Governors

Finance and Administration	<ul style="list-style-type: none"> • Doreen Jans completed Algonquin Leadership in Education Institute (ALEI) II in December 2022. • Michael Hayes, Financial Analyst, Information Technology Services completed his Masters of Business Administration in December 2022.
Human Resources	<ul style="list-style-type: none"> • Twenty College colleagues successfully completed Algonquin Leadership in Education Institute Level 2: <i>Leading with Others</i>.
Student Services	<ul style="list-style-type: none"> • The ACX Team (Marketing Department student content creators) developed 16 posts for use on Instagram (reach 37,824) and TikTok (4,403 views). • Instagram Live (Virtual) Inside Scoop Series had 665 students attend across the numerous services; Inside Scoop ran for three weeks and Student Support Services had a combination of 8,244 views.

2022-23 BOG Work Plan							
LEGEND: D - Discussion I - Information Item P - Presentation V - Verbal	Total Meeting Time		MEETING DATES				
ROLE OF THE BOARD OF GOVERNORS	120		<u>24-Oct-2022</u>	<u>5-Dec-2022</u>	<u>27-Feb-2023</u>	<u>17-Apr-2023</u>	<u>5-Jun-2023</u>
STRATEGIC DIRECTION SETTING - The Board develops and adopts a strategic plan consistent with its mission, vision and values, and enables the organization to realize its mission. The Board oversees major decisions, monitors progress on implementation of strategic directions and approves annual business plans. The Board annually reviews the Strategic Plan as part of the regular planning cycle.	RESPONSIBLE AREA/PERSON	Remaining Time >>	40.0	-5.0	-20.0	15.0	-5.0
		Time Required					
2023-24 Budget Assumptions, Three-Year Pro Forma, First Draft Concepts of the 2023-25 Business Plan	D. McNair, M. Savenkoff	30		P			
Approval of the 2023-25 Business Plan & 2023-24 Annual Budget	M. Savenkoff, D. McNair	60			P		
Major Capital Projects, Endowment Fund and Operating Fund Investment Reports, etc. (Included in ARM Report to BOG, see row 45)	D. McNair	0	I	I	I		I
New/Suspended and Cancelled Academic Programs (Included in ASAC report to BOG, see row 45)	C. McKelvie, C. Janzen	0					
Campus Tours for BOG (Before each Board meeting) will commence once the College is back to regular operations	C. Brulé						
Executive compensation	C. Brulé	0			I	I	
Five- Year Capital Investment Plan	D. McNair, G. Perry	15		P			
Student Satisfaction and Engagement Report (Included in ASAC Report, see row 45)	C. Janzen	10					I
Learner-Driven Plan Implementation Update (Paused During COVID-19) C.J to confirm pause	C. Janzen	20				P	
People Update (Information item only October & June meetings) Defer to June meeting	D. McCutcheon	0					I
Employee Engagement Update (Information item for October meeting) not presented in Oct. Possible Apr or June following survey results	D. McCutcheon	0					
Public College Private Partnership - Update (Defer to April Board Meeting)	C. Janzen	20				P	
R3 Project (Rethink, Redesign, Reimagine) - Update L.S to confirm if updates are required (also included in Major Capital Projects Report) - title to be updated	L. Stanbra	20			P		P
Academic Plan	C. Janzen, K. Dawson	0				I	
OVERSIGHT OF THE PRESIDENT – The Board selects and supervises the President, including developing and approving the job description, recruiting and selecting the President, reviewing and approving annual performance goals, evaluating performance and determining compensation and ensuring a succession plan is in place.							
Board Oversight of the President's performance (IN Camera & Meeting Without Management)	C. Brulé, G. Beck	10	D	D	D	D	D
PERFORMANCE MONITORING – The Board ensures that management has identified appropriate measures of performance, and has plans in place to address variances from expected/planned performance.							
Annual Report 2022-23 and progress against Strategic Plan 2022-25	S. Gonsalves	10					P
Quarterly 2022-23 Business Plan Update (for information)	M. Savenkoff	0	I	I	I		see row 24
Fourth Quarter 2022-23 Business Plan performance	M. Savenkoff	10					P
Program Advisory Committee's Annual Report (ASAC Report)	C. Janzen	0		I			
2022-23 Sexual Assault/Sexual Violence Annual Report to the Board (Approval is not required at any board level it needs to be presented for compliance item ASAC Report)	L. Stanbra	0					Via ASAC report

FINANCIAL OVERSIGHT – The Board is responsible for stewardship of financial resources, approves policies for financial planning, approves the annual operating and capital budgets, monitors financial performance against budget and compliance against investment policies, ensures the accuracy of financial information and approves the annual audited financial statements and ensures management has put into place measures that ensure the integrity of internal controls.			<u>24-Oct-2022</u>	<u>5-Dec-2022</u>	<u>27-Feb-2023</u>	<u>24-Apr-2023</u>	<u>5-Jun-2023</u>
2023-24 Schedule of Tuition and Ancillary Fees	L. Stanbra	20		P			
ESCO Project	R. Southwood, D. McNair	10				P	
Major Capital Project: Algonquin College Sustainability: Improved Heating, Ventilation and Air Conditioning Systems (HVAC)	R. Southwood, D. McNair	15					P
Banking Officers' resolution (AGM agenda) if new officers are to be added, present at next meeting	D. McNair	5					V
Colleges of Applied Arts & technology (CAAT) Retirement Compensation Annual Report to Sponsors (emailed to Governors)	C. Brulé	0					I
College Accessibility Major Capital Project	D. McNair	10			P		
Quarterly 2022-23 Financial Projection (Note: Q2 always requires Board Approval)	D. McNair	10	P	P	P		
Fourth Quarter Financial Report	D. McNair	10					P
Appointment of auditors (AGM agenda)	D. McNair	5					V
Draft Audited Financial Statements (AGM agenda)	D. McNair	20					P
RISK IDENTIFICATION AND OVERSIGHT – The Board oversees management's risks program, and identifies unusual risks in the organization and ensures plans are in place to manage and prevent such risks.							
Freedom of Information Annual Report	D. McNair	0					I
2023 Corporate Risk Profile	D. McNair	10				P	
STAKEHOLDER COMMUNICATION AND ACCOUNTABILITY – The Board ensures the organization appropriately contributes to strong stakeholder relationships, and advocates on behalf of College stakeholders in support of the mission, vision, values and strategic directions.							
Board Management Summary Report (Information published in YourAC are not to be included in this Report)	Algonquin College Executive Team	0	I	I	I	I	I
Celebrating Student Success - Changemaker Awards	C. Janzen, S. Flynn	10	P	P	P	P	P
GOVERNANCE – The Board is responsible for the quality of its own governance, establishes by-laws and governance policies to facilitate the performance of the Board's role and performance.							
Review and adoption of the Governors' Code of Ethical Conduct (Discussed at Fall Board Retreat)	G. Beck	0					
Contract Signing Authority Policy (Board approval - Review after 1 year)	D. McNair, P. Gardner	0					
Board Generative Discussion - Session to be held as required (separate meeting)	G. Beck	0					
Board Committee reports (Academic & Student Affairs; Audit & Risk Management; Governance)	V. Tiqui-Sanford	30	V	V	V	V	V
Appointment of new Governors for 2023-24	G. Beck	5				V	
Board Officer; Committee Appointments; BGI-01 Report Card; Governor Reappointments (Included in Governance Committee Report, see row 42)	J. McCracken	0				I	
BOG Officer & Committee Memberships (AGM agenda)	J. McCracken	0					V
2022-23 Board of Governors Evaluation Results (Included in Governance Committee Report to the Board, see row 42)	J. McCracken	0					I
Approval of previous year AGM Minutes	G. Beck	5					V
LEGAL COMPLIANCE – The Board ensures that appropriate processes are in place to effect compliance with legal requirements.							
Confirmation of mandatory Government remittances (hand out to Board members at the meeting)	D. McNair	0	I	I	I		
Attestation of Section 28 Process (Memo to Minister, Colleges and Universities from Board Chair)	D. McNair	0					I



REMITTANCE DECLARATION

The Financial Officers of the Corporation confirm that, as of January 23, 2023, in accordance with all Canada Revenue Agency and other various authorities' requirements and specified deadlines, the College has:

- (a) Made all applicable source deductions and remittances including the Employer Health Tax, Canada Pension Plan, Employment Insurance and Federal Income Tax; and,
- (b) All employee and employer benefit contributions have been remitted as required including Colleges of Applied Arts and Technology (CAAT) Pension Plan; and,
- (c) All salary and wages have been paid to employees as required; and,
- (d) The Harmonized Services Tax (HST) has been remitted, as required.

A handwritten signature in cursive script, appearing to read "Grant Perry".

Grant Perry
Chief Financial Officer
Algonquin College

A handwritten signature in cursive script, appearing to read "Duane McNair".

Duane McNair
Vice President, Finance and Administration
Algonquin College