

# Business Plan

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2019-2020

# Our Mission, Vision & Values

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Algonquin’s organizational philosophy is defined by its mission, vision and core values. Through the course of the strategic planning process, stakeholders paid tribute to the current set of College values believing they accurately reflect the principles and beliefs shared by the community.

At the same time, they encouraged the College to revise the current mission and vision statements to more accurately reflect our aspirations for the future.

The following are intended to serve as points of inspiration and provide clear differentiation from other colleges, carefully articulating our purpose.

## **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

# 50+5

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## Algonquin College 2017-2022 Strategic Plan

50+5, the Algonquin College 2017-2022 Strategic Plan, outlines five overarching strategic directions, rooted in a belief that the time has come to transition from the traditional one-size-fits-all era of education to a new age, focused on personalized, experiential learning.

At Algonquin, we will be learner driven, with an unwavering commitment to the personal and professional success of our learners. We will focus on innovation and quality, and build on our 50 years of providing an exceptional learning experience and pioneering new approaches. We will stay connected, in an increasingly connected world. We will work to strengthen relationships with both alumni and employers, and their interactions with learners. We will be sustainable, serving as a leader in the education, research and exchange of environmentally sustainable practices. We will pursue Truth and Reconciliation, and be mindful of our social and economic responsibilities. We will empower people, respecting and valuing them so that they feel supported throughout their careers and that they make a difference.

To deliver on our mission and vision we have identified eight core beliefs that underpin the six goals that will guide our strategic priorities and budget process.

# Our Core Beliefs

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**Human Potential:** We believe in the development of human potential, that in all of us lies the innate ability to learn, to better ourselves and, to have a positive impact on our individual achievement, our families, and our community

1. **Access:** We believe in access, that Algonquin is best known for whom we include rather than exclude, and that in today's knowledge economy a post-secondary education is fundamental to all.
2. **Experiential Learning:** We believe in experiential learning, that it is the best form of learning and that an applied, hands-on education is essential to developing the skills and competencies required to make a positive difference in the world.
3. **Technology:** We believe in the power of technology, that when used purposefully it can enhance learning exponentially.
4. **Global Citizenship:** We believe in the importance of global citizenship, that in today's world all learners must acquire the skills and competencies to work in a diverse and constantly changing world, and, that everyone — regardless of what country or culture they are born to — has the right to a good education.
5. **Employment:** We believe in the power of employment, that securing a good job does more than just put money in your pocket — it builds confidence, pride, maturity, strengthens relationships, improves health, and fosters a sense of purpose and responsibility.
6. **Community:** We believe in community, that as individuals and institutions we have a social responsibility to care for each other, our environment, and our society, in Canada and around the world.
7. **Personal Relationships:** And, we believe in the power of personal relationships, that learning remains a distinctly relationship-based enterprise, with the student-faculty connection at its heart across all Ontario colleges.

# Direction & Goals

## Our Strategic Direction and True North Goals

### Learner Driven

**Goal #1:** Establish Algonquin as the leader in personalized learning across all Ontario colleges

### Connected

**Goal #2:** Become an integral partner to our alumni and employers

### People

**Goal #3:** Be recognized by our employees and the community as an exceptional place to work

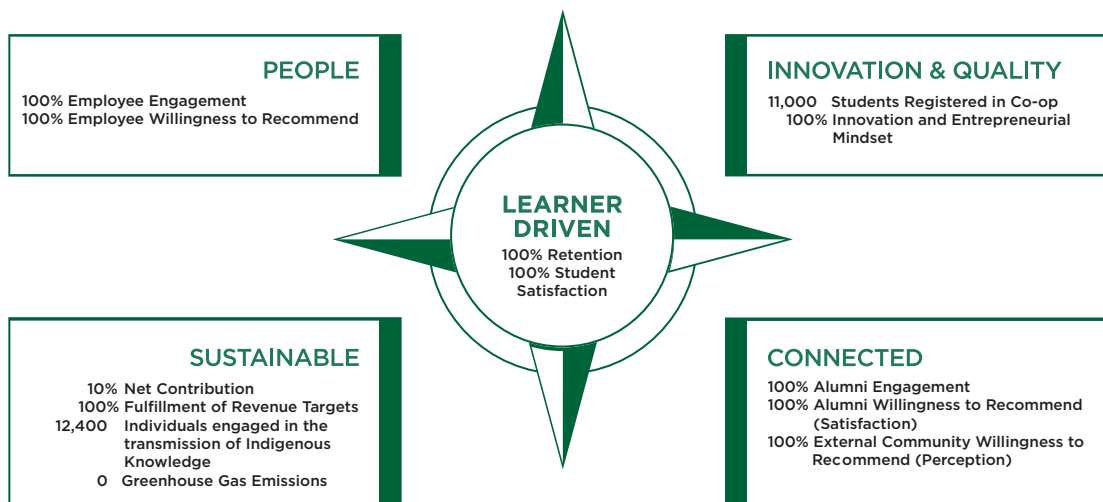
### Innovation and Quality

**Goal #4:** We will be leaders and continuously improve the quality, impact and innovativeness of teaching, learning and service delivery

### Sustainable

**Goal #5:** Pursue truth and reconciliation, social, environmental, and economic sustainability

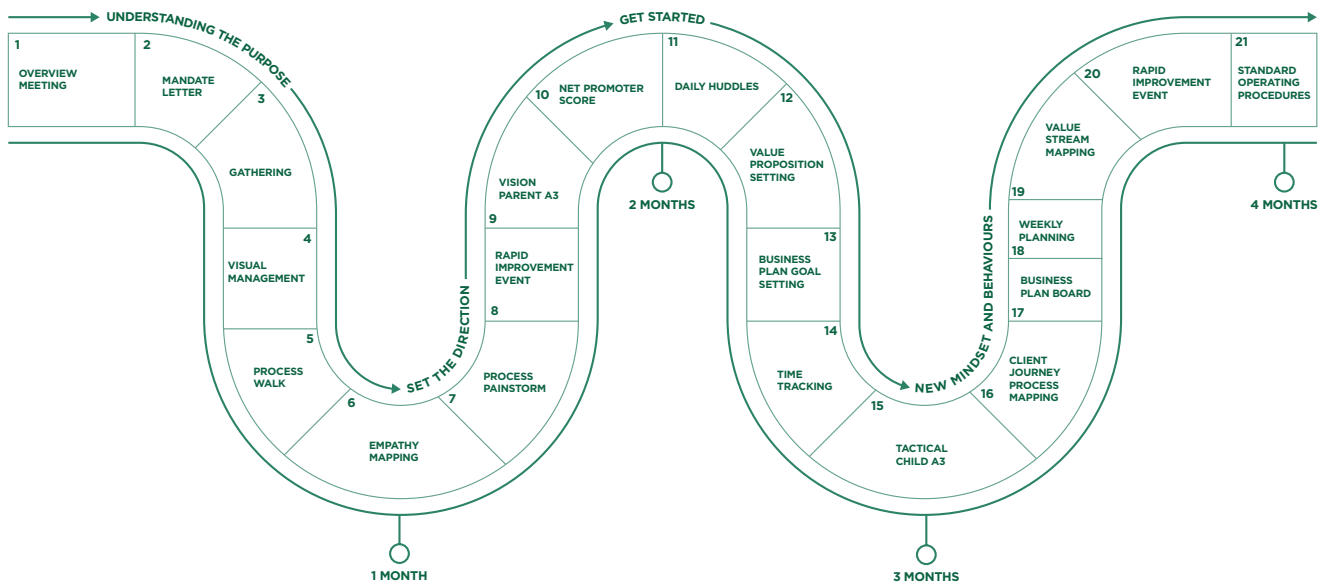
## Aspirational True North Targets



# The AC Way

Our way of working together that inspires, engages and acts as catalyst for transformation.

THE AC WAY JOURNEY



#	2017-22 STRATEGIC DIRECTION	METRICS	2018-19 TARGET	2019-20 TARGET	TRUE NORTH	INITIATIVES
<b>LEARNER DRIVEN</b>						
1	Establish Algonquin as the leader in personalized learning across all Ontario Colleges	<p>Improve Student Retention</p> <p>Improve Overall Student Satisfaction</p>	<p>85%</p> <p>76.5%</p>	<p>86%</p> <p>79%</p>	<p>100%</p> <p>100%</p>	<p>a) Year 1 of the Learner Driven Plan implemented by Mar. 31, 2020</p> <p>b) 14-week term model, that includes a one-week study break in all terms, implemented by Aug. 31, 2019</p> <p>c) All recommendations and affirmations of the 2016 College Quality Assurance Audit Process (CQAAP) completed by Mar. 31, 2020</p> <p>d) Design and functional programming completed for the Recreation and Athletics Complex by Sep. 30, 2019</p> <p>e) Year 1 of International Strategic Plan Refresh implemented by Aug. 31, 2019</p> <p>f) The Integrated College Development Planning (ICDP) Steering Committee terms of reference and membership, with two initial focuses: renewal of the ICDP framework and renewal of the Ottawa Campus Master Development Plan, presented to Algonquin College Executive Team for approval by Sep. 30, 2019</p> <p>g) Renewed Integrated College Development Planning framework is presented to Algonquin College Executive Team for approval by Mar. 31, 2020</p>
<b>CONNECTED</b>						
2	Become an integral partner to our alumni and employer	<p>Increase the number of alumni who are engaged in meaningful activities with Algonquin College</p> <p>Increase number of alumni who are willing to recommend</p>	<p>1,222 (2%)</p> <p>80%</p>	<p>4,097 (5%)</p> <p>81%</p>	<p>100%</p> <p>100%</p>	<p>a) Year 1 of the alumni engagement strategies recommended in the 3-Year Advancement Plan implemented by Mar. 31, 2020</p>
2.1		Improve Willingness to Recommend External Community (Perception)	-36	-25	100%	<p>a) Comprehensive Partnership Framework developed, which creates a structure and provides processes that enables Algonquin to be an exceptional partner to our employer and industry partners, by Jun. 30, 2019</p> <p>b) Year 2 milestones of the Education City concept project reached by Mar. 31, 2020</p> <p>c) Perley and Rideau Veterans Health Centre formal partnership, that will provide significant learning opportunities for our students, established by Jun. 30, 2019</p> <p>d) Year 1 of 3-year brand campaign implemented by Sep. 30, 2019</p>
<b>PEOPLE</b>						
3	Be recognized by our employees and the community as an exceptional place to work	<p>Improve Employee Engagement</p> <p>Improve Employee Willingness to Recommend</p>	<p>NA</p> <p>NA</p>	<p>59%</p> <p>70%</p>	<p>100%</p> <p>100%</p>	<p>Year 3 of the People Plan implemented by Mar. 31, 2020, including:</p> <p>a) Employee Engagement Survey launched by Nov. 30, 2019, and report on College-wide and departmental follow-up initiatives published by Mar. 31, 2020</p> <p>b) Workforce Diversity and Inclusion strategy completed by Dec. 31, 2019</p> <p>c) Succession and Strategic Workforce Planning completed by Mar. 31, 2020</p>

#	2017-22 STRATEGIC DIRECTION	METRICS	2018-19 TARGET	2019-20 TARGET	TRUE NORTH	INITIATIVES
<b>INNOVATION AND QUALITY</b>						
4	We will be leaders and continuously improve the quality, impact and innovativeness of teaching, learning and service delivery	Increase Number of Students Registered in Co-op	1,960	2,600	11,000	a) Co-op A3 Plan countermeasures implemented by Aug. 31, 2019 b) Ontario College Application Service (OCAS) application pilot project launched to enable co-op enrolment at the time of OCAS application for Jun. 30, 2019 c) “Early Security Clearance” program piloted with 100 students aimed at reducing barriers to working in the Federal Government by Dec. 31, 2019 d) Nine programs converted to include a Co-op option, providing opportunities for 967 students to elect to participate in co-op resulting in an additional 242 students enrolled in Co-op by Mar. 31, 2020.
4.1		Improve student and employee satisfaction with the College’s digital services				a) Student Information System Request for Proposals completed and preferred vendor(s) selected by Mar. 31, 2020 b) College-wide data model, governance structure and data quality improvement and insights plan confirmed by Jun. 30, 2019 c) Budget Planning solution selected by Jun. 30, 2019 and implemented by Mar. 31, 2020 d) Learning Management System adoption and satisfaction targets reached by Mar. 31, 2020 e) Workday user adoption reaches 95% of College employees and user satisfaction benchmark established and continuously improved by Mar. 31, 2020. f) Customer Relationship Management (CRM) key projects; covering Academic Development’s Program Lifecycle Management Solution, International’s Student Advisor Link Solution, Registrar’s Office Case Management Solution, and Applied Research’s Project Portal; completed by Mar. 31, 2020.
		Students	NA	TBC	100%	
		Employees	NA	TBC	100%	
4.2		Expand the Innovation and Entrepreneurial mindset				a) Student and employee participation in DARE District increased from 5,000 to 7,500 by Mar. 31, 2020 b) DARE District Incubator and Makerspace re-launched with new operating model by Jun. 30, 2019 c) AshokaU Changemaker Campus Designation application submitted by Sep. 30, 2019 d) Number of College departments/units on-boarded into the Lean AC Way Model Team program grown from 5 to 12 by Mar. 31, 2020 e) 95% of College people leaders have completed their yellow belt lean certification by Sep. 30, 2019
		Students	NA	TBC	100%	
		Employees	NA	TBC	100%	
<b>SUSTAINABILITY</b>						
5	Pursue truth and reconciliation, social, environmental, and economic sustainability	Grow net contribution	3.6%	6.2%	10%	Net Contribution increased by Mar. 31, 2020 for: a) Funded and Contract and Other Non-Funded Activity net contribution increased from (0.7)% to 3.5% b) Campus Services from 9.9% to 10.0% c) International Education Centre from 30.3% to 30.8% Year 2 of the Algonquin-Northern-Sault-Lambton Collaboration project milestones reached by Mar. 31, 2020 (Pending funding)



#	2017-22 STRATEGIC DIRECTION	METRICS	2018-19 TARGET	2019-20 TARGET	TRUE NORTH	INITIATIVES
<b>SUSTAINABILITY</b>						
5.1		Increase value of new cash and pledges	\$2.1M	\$2.5M	TBC	<p>Year 1 of the Advancement Plan launched by Apr. 15, 2019, including:</p> <p>a) Donor Relations Plan implemented by May 30, 2019</p> <p>b) Prospect Management System implemented by May 30, 2019</p> <p>c) Activity Metrics implemented by May 30, 2019</p> <p>d) Database reviewed and updated by Jan. 30, 2020</p>
5.2		Engage members of the College community (students, employees and community members) in Truth and Reconciliation activities	NA	500	12,400	<p>Year 1 of the Indigenization Strategy operationalized, including:</p> <p>a) Indigenization Strategy A3 and Report completed by Jul. 1, 2019</p> <p>b) Business case for revenue generating components presented to the Board of Governors by Oct. 30, 2019</p>

#	2017-2022 STRATEGIC DIRECTION	2017-18 Benchmark	2017-18 Target	2017-18 Actual	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target	TRUE NORTH	TRUE NORTH OWNER
1	LEARNER DRIVEN									
	Retention	86.8%	87.5%	83.1%	85.0%	86.0%	87.0%	87.3%	100%	Academic
	Student Satisfaction	77.4%	78.0%	73.2%	76.5%	79.0%	80.0%	81.0%	100%	Academic
2	CONNECTED									
	Alumni Engagement	NA	8,515	8,515 (12%)	1,222 (2%)	4,097 (5%)	5,070 (6%)	6,073 (6%)	100%	Student Services
	Alumni Willingness to Recommend (Satisfaction):	NA	NA	NA	80%	81%	82%	83%	100%	Student Services
	Willingness to Recommend (Perception): External Community	-35	-32	-25	-36	-25	-24	-23	100%	Marketing & Communications
3	PEOPLE									
	Employee Engagement	60%	62%	56%	NA	59%	NA	62%	100%	Human Resources
	Willingness to Recommend (Employees)			67%	NA	70%	NA	72%	100%	Human Resources
4	INNOVATION AND QUALITY									
	# of Students Registered in Co-op	1,500	NA	1,500	1,960	2,600	3,300	4,000	11,000	Co-op
	Innovation and Entrepreneurial Mindset									Innovation & Strategy
	Students	NA	NA	NA	NA	TBD	TBD	TBD	100%	
	Employees					TBD	TBD	TBD	100%	
5	SUSTAINABLE (Financial, Social, Environmental)									
	Net Contribution (excluding Strategic Investment Priorities)	5.3%	5.5%	7.4%	3.6%	6.2%	8.2%	9.0%	10%	Finance & Administration
	Transmission of Indigenous Knowledge and professional development material:									Truth Reconciliation and Indigenous Initiatives
	• Students	NA	NA	NA	NA	180	500	2,000	10,000	
	• Employees					220	250	300	1,400	
	• Community					100	150	200	1,000	
	Total					500	900	2,500	12,400	
	Greenhouse Gas Emissions	8,239	NA	8,445	8,023	11,985	12,310	12,575	0	Finance & Administration
	Measured in tonnes CO <sub>2</sub> , Scope 1&2 Emissions									

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1	Establish Algonquin as the leader in personalized learning across all Ontario Colleges	<p>Improve Student Retention</p> <p>Improve Overall Student Satisfaction</p>	<p>86%</p> <p>79%</p>	<p>87%</p> <p>80%</p>	<p>100%</p> <p>100%</p>	<p>a) Year 2 of the Learner Driven Plan implemented by Mar. 31, 2021</p> <p>b) Spring/Summer academic activity increased to better balance academic terms, improve the year-round use of existing facilities and ensure workloads for faculty are reflective of the Academic Employees' Collective Agreement by Mar. 31, 2021</p> <p>c) Self-study for the College Quality Assurance Audit Process (CQAAP) and preparations for the site visit completed by Mar. 31, 2021</p> <p>d) Athletics Recreation Complex achieves substantial completion by Mar. 31, 2021</p> <p>e) Year 2 of International Strategic Plan Refresh implemented by Aug. 31, 2020</p> <p>f) Ottawa Campus Master Development Plan presented to the Board of Governors for approval by Mar. 31, 2021</p>
<b>CONNECTED</b>						
2	Become an integral partner to our alumni and employers	<p>Increase the number of alumni who are engaged in meaningful activities with Algonquin College</p> <p>Increase number of alumni who are willing to recommend</p>	<p>4,097 (5%)</p> <p>81%</p>	<p>5,070 (6%)</p> <p>82%</p>	<p>100%</p> <p>100%</p>	<p>a) Year 2 of the alumni engagement strategies recommended in the 3-Year Advancement Plan implemented by Mar. 31, 2021</p>
2.1		Improve External Industry/Community Net Promoter Score	-25	-24	100%	<p>a) Partnership Framework launch evaluated by Aug. 31, 2020</p> <p>b) Education City continuing activity agreements established by Mar. 31, 2021</p> <p>c) Centre for Excellence in Health Education established, upon approval of government funding, by Mar. 31, 2021</p> <p>d) Year 2 of 3-year brand campaign implemented by Sep. 30, 2020</p>
<b>PEOPLE</b>						
3	Be recognized by our employees and the community as an exceptional place to work	Improve Employee Engagement	59%	NA	100%	<p>a) College-wide and departmental initiatives flowing from the 2019 Employee Engagement Survey implemented by Jan. 31, 2021, with quarterly reporting commenced by Apr. 1, 2020</p> <p>b) Workforce Diversity and Inclusion program implemented into our recruitment and retention practices by Dec. 31, 2020</p> <p>c) Succession and Strategic Workforce Planning implemented by March 31, 2021</p>
<b>INNOVATION AND QUALITY</b>						
4	We will be leaders and continuously improve the quality, impact and innovativeness of teaching, learning and service delivery	Increase Number of Students Registered in Co-op	2,600	3,300	11,000	<p>a) Ontario College Application Services (OCAS) application pilot evaluated and the remainder of the programs transitioned to enable co-op enrollment at the time of OCAS application for Aug. 31, 2020</p> <p>b) "Influencer Tour" pilot developed and deployed where job developers target major employers and spend a day at the organization to learn their business and needs by Jun. 30, 2020</p> <p>c) Seven programs converted to include a co-op option, providing opportunities for 324 students to elect to participate in co-op resulting in approximately 80 additional students enrolled in co-op by Mar. 31, 2021</p>

#	2017-22 STRATEGIC DIRECTION	METRICS	2019-20 TARGET	2020-21 TARGET	TRUE NORTH	INITIATIVES
INNOVATION AND QUALITY						
4.1		Improve student and employee satisfaction with the College's digital services				Year 1 of the Information Technology Modernization Plan implemented by Mar. 31, 2021 including:  a) Student Information System replacement project milestones reached by Mar. 31, 2021  b) Learning Management System satisfaction targets met by Mar. 31, 2021
		Students	NA	NA	100%	
		Employees	NA	NA	100%	
4.2		Expand the Innovation and Entrepreneurial mindset				a) Student and employee participation in DARE District increased from 7,500 to 10,000 by Mar. 31, 2021  b) Number of College departments/units on-boarded into the Lean AC Model Team program grown from 12 to all by Mar. 31, 2021
		Students	NA	NA	100%	
		Employees	NA	NA	100%	
SUSTAINABILITY						
5	Pursue truth and reconciliation, social, environmental, and economic sustainability	Grow net contribution	6.2%	8.2%	10%	Net Contribution increased by Mar. 31, 2021 for:  a) Funded and Contract & Other Non-Funded Activity net contribution increase from 3.5% to 3.75%  b) Campus Services maintaining a contribution margin of 10.0%  c) International Education Centre from 30.8% to 34.2%
5.1		Increase value of new cash and pledges	\$2.5M	\$4M	TBC	a) Begin implementation of year 2 of the 3-Year Advancement Plan by Apr. 15, 2020  b) Continued tracking and reporting on Activity Metrics begun by Apr. 30, 2020  c) Continued refinement of Donor Relations Plan by Jun. 30, 2020  d) Continued refinement of Prospect Management System by Jun. 30, 2020  e) Continued enhancement of Database utilization and analytics begun by Jun. 30, 2020 and finalized by Mar. 31, 2021
5.2		Engage members of the College community (students, employees and community members) in Truth and Reconciliation activities	500	900	12,400	Year 2 of the Indigenization Strategy implemented, including:  a) Indigenization Strategy A3 updated by Apr 30, 2020  b) Grow revenue from Indigenization activities by 10%, by Mar. 31, 2021

# Annual Budget

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2019-2020

# Treasurer's Report

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## 2019-2020 Annual Budget

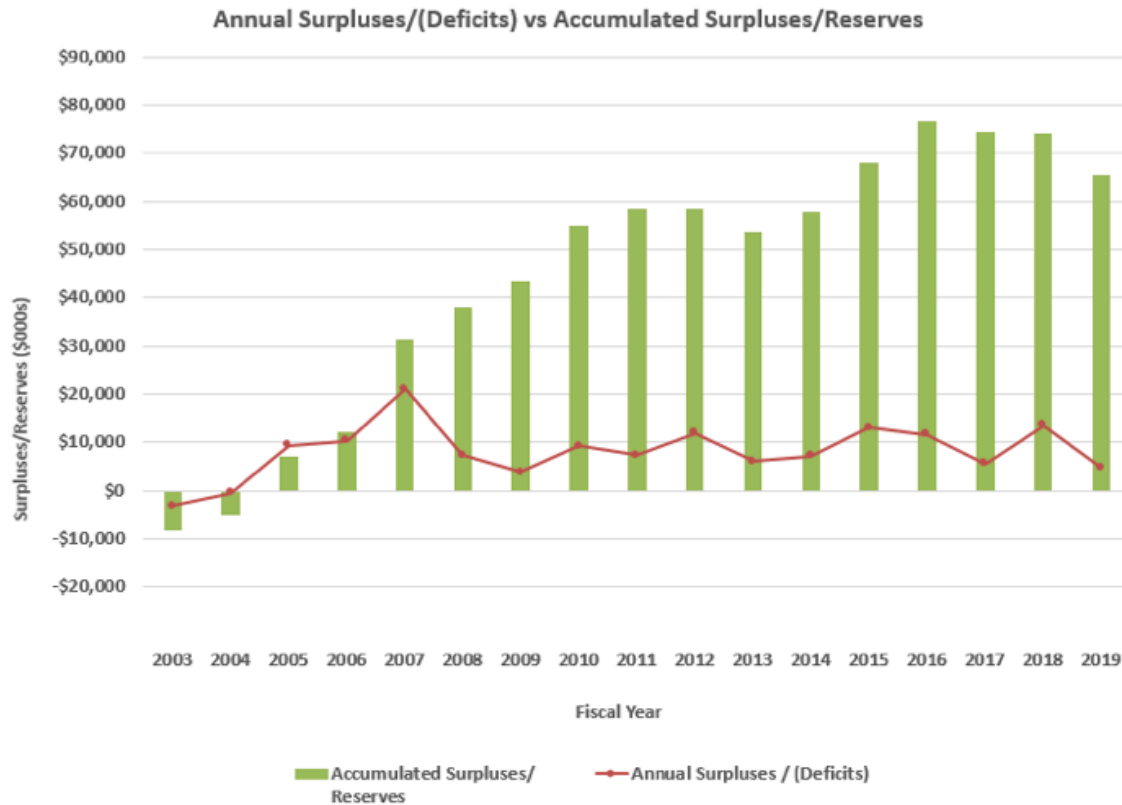
The 2019-2020 Annual Budget provides the College with the resources required to deliver on the commitments detailed in the 2019-2020 Business Plan and the College's 2017-2022 Strategic Plan. The compliant 2019-2020 Annual Budget projects an in-year surplus of \$1.2 million.

The January 17, 2019 announcement by the Government of Ontario imposed a 10 per cent tuition fee reduction and proposed changes to the application of student ancillary fees. These changes impact the College's in-year revenues by an estimated \$13 million. In response to these changes, the Algonquin College Leadership Team has implemented a number of mitigation strategies, including increases to international student premium rates, strategies to achieve international enrolment increases for 2019-2020, and containment of operating costs. Despite these challenges, the College remains committed to delivering the highest quality education and services to our learners and our employees.

### **Internally Restricted Net Assets/Accumulated Surpluses**

The College continues to achieve strong annual surpluses. Last year, the College concluded the fiscal year with a net contribution of \$13.5 million, exceeding the 2017-2018 Annual Budget of \$5.6 million. In addition to various operating savings, this positive variance was achieved through a 3.5 per cent increase in enrolment over the approved Annual Budget.

The College has grown its accumulated surplus balance during the past 15 years in its Internally Restricted Net Asset accounts. These funds are managed closely to provide resources to fund Strategic Investment Priorities that will enhance the overall experience of learners. The College draws on reserves to fund projects such as a Student Information System, Pedestrian Bridge to Rapid Transit Station, and an Athletics and Recreation Complex. The accumulated surpluses and healthy balance of the Internally Restricted Net Assets enables the College to address significant capital investment requirements and address unanticipated operating budget challenges.



Through a business planning process that engaged all areas of the College, a series of major initiatives aimed at making improvements to academic facilities, student services and business process automation that require drawing down funds 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 2019-2020:

2019-2020 EXPENDITURES FROM INTERNALLY RESTRICTED NET ASSETS - SPECIFIC RESERVES AND FUTURE CAPITAL EXPANSION RESERVE FUNDS	
Information Technology and Physical Infrastructure Renewal Projects	\$2,207,000
Department Carryover of Positive Net Contribution Variance	1,750,000
Campus Services Renewal and Development	1,661,000
Student Information System Replacement (Phase 1)	1,535,000
Athletics and Recreation Complex (this is not an additional new request but within the allocation approved at the June 12, 2017 Board of Governors meeting)	1,441,000
Pedestrian Bridge to Rapid Transit Station (this is not a new request but within the allocation approved at the June 12, 2017 Board of Governors meeting)	630,000
Academic and Administrative Equipment	500,000
Appropriations	100,000
Total Expenditures from Internally Restricted Net Assets	\$9,824,000

The College continues to plan for medium and long-term investment requirements and has budgeted for the following additions to our Internally Restricted accounts in 2019-2020:

INTERNALLY RESTRICTED NET ASSETS	2019-2020 BUDGETED CONTRIBUTIONS
Specific Reserves	
• Campus Services Reserve Funds	\$1,062,000
• Infrastructure Renewal Fund	4,000,000
General Reserve Funds - Future Capital Expansion	2,000,000
Contingency Reserve Fund	414,000
Total Budgeted Contributions to Internally Restricted Funds	\$7,476,000

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

The budgeted 2019-2020 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	
• Appropriations	100,000
• Specific Reserves	
o Other Projects and Initiatives	25,223,000
o Campus Services Reserve Fund	4,151,000
o Employment Stabilization Fund	580,000
o Contingency Reserve Fund	10,150,000
• Reserve Fund - Future Capital Expansion	24,750,000
Total Unrestricted and Internally Restricted Net Assets	\$65,954,000



## Challenges and Opportunities Facing the College

The development of the Annual Budget required significant engagement from the Algonquin College Leadership Team and input from the entire College community. With the announcement of a 10 per cent reduction in tuition fees and changes to the application of student ancillary fees, the College estimated a \$13 million revenue impact. In response to the decreased revenues imposed by the Government announcement, Algonquin College has chosen to increase international student premiums, increase international enrolment and has implemented various cost containment initiatives.

The Ministry of Training, Colleges and Universities will maintain the existing corridor funding model in 2019-2020. The corridor funding model is intended to improve student outcomes, and to support differentiation linked to the College's Strategic Mandate Agreement. It also provides more predictable funding and supports enrolment planning. While the corridor funding model provides predictability it does not provide year-to-year grant funding increases for domestic enrolment growth. This requires the College to pay close attention to program costs and ensure that there are sufficient margins generated to support the overhead and corporate costs of the College. In addition, the corridor funding model requires an analysis of the revenue mix between funded domestic enrolment growth and non-funded International fee premiums.

In January 2018, the part-time College support staff were certified as a bargaining unit represented by the Ontario Public Sector Employee Union. The new collective agreement is being finalized and will likely result in manageable adjustments to the College's operating budget.

In the spring of 2014, the College received an audit report on its deferred maintenance that stated that the College's physical deferred maintenance liability had grown from \$41 million in 2010 to \$87 million in 2014. While the Province has committed to increasing funding for deferred maintenance for the college sector over the coming years (\$26 million in 2014-2015 increasing to \$100 million by 2019-2020), Algonquin's share will not be sufficient to reduce this liability. With over \$700 million in facilities and infrastructure, the College should be investing approximately \$14 million (or 2 per cent of the \$700 million replacement value) each year. In addition, the College has in excess of \$47 million in information, communications and technology (ICT) infrastructure that should be renewed at a rate of about 4 per cent to 6 per cent per year (\$1.9 million to \$2.9 million). Aging academic equipment is another major concern as the College receives insufficient funding to keep technology current.

The College relies on people, processes and technology 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 procurement process to select a student information system software solution will be undertaken in 2019-2020. In addition, new corporate budgeting software will be implemented for the 2020-2021 budget process.

## 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 2019-2020 follows:

### Revenues

- The Enrolment Envelope, Differentiation Envelope and Special Purpose Grant funding will be held stable.
- Tuition fee rates for funded programs have been budgeted with a 10 per cent decrease from 2018-2019 tuition fee rates.
- Student ancillary fees have been decreased by \$1 million.
- Enrolment growth in full-time post-secondary programs is projected to increase by 12.3 per cent over 2018-2019 Approved Annual Budget enrolment levels due to growth in existing programs, international enrolments, the launch of new pro-grams, and improved retention.
- Other non-funded revenue sources have been updated to respond to the projected enrolment changes, the economy, international opportunities, and anticipated market conditions:
  - o Contract Activity and Other Non-Funded Activity;
  - o International Premium and Tuition; and,
  - o Campus Services.

### Operating Expenditures

- Wage increases for all faculty and staff will not exceed the current range of wage increases in the public sector and are based on current collective agreements and legislation.
- Other expenditures will increase at a rate consistent with the rate of inflation or will remain constant.
- Full-time complement has increased by 55 positions allocated between Academic, Support and Administration positions.

### **Strategic Investment Priorities**

- Through the alignment of operating revenues and expenditures within the Province's funding and tuition fee framework, the College is able to direct contributions from non-funded activities to investments in Strategic Investment Priorities. Priority setting is based on investments that are deemed to be essential, and that support the College's Strategic Plan. Included are projects that support transformation of services, renew existing curriculum and develop new programs, deliver high quality instructional equipment for students, and mitigate the risk of physical and technological infrastructure failure. More specifically, the Annual Budget provides funding for the following initiatives:
  - o Designing and delivery of a series of learning experiences focused on micro-credentials to support individualized learning;
  - o Developing additional hybrid courses, online programs, graduate certificates and degree programs to meet the needs of today's student;
  - o Campus expansion through undertaking the infrastructure work required to support the planned Athletics and Recreation Complex;
  - o The efforts to support the development of a Request for Proposal for the replacement software of the current student information system application;
  - o Implementing strategies to improve employee engagement; and,
  - o Continuing to upgrade and improve the service and reliability of wired and wireless networks.

## Risks

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

RISK SCHEDULE			
Impact in 2019 - 2020	Impact in 2019 - 2020	Likelihood in 2019 - 2020	Risk Mitigation
International Enrolment Less than Projection Resulting in Reduced Tuition and Fee Revenue	Major	Possible	<ul style="list-style-type: none"> <li>• New Programs</li> <li>• Conversion of Applications to Registrations</li> <li>• Retention Initiatives</li> <li>• International Recruitment</li> <li>• Increase Winter Intakes</li> </ul>
Implementation of Second Year Initiatives for Fair Workplaces, Better Jobs Act Not Resulting in Operational Savings	Moderate	Unlikely	<ul style="list-style-type: none"> <li>• Ongoing Programs and Services Reviews</li> <li>• Organizational Design</li> <li>• Contingency Funds</li> </ul>
Provincial Operating Grants Less than Budgeted	Moderate	Unlikely	<ul style="list-style-type: none"> <li>• Reduce Direct Expenses</li> <li>• Defer Strategic Investments</li> </ul>
Other Revenues Less than Budgeted	Moderate	Possible	<ul style="list-style-type: none"> <li>• International Initiatives</li> <li>• Contract Training</li> </ul>
Labour Relations	Low	Likely	<ul style="list-style-type: none"> <li>• Support Negotiations Between College Employer Council and OPSEU Part-Time Support Staff Bargaining Unit</li> </ul>
Information Technology Assets and Services – Business Interruption	Moderate	Possible	<ul style="list-style-type: none"> <li>• Upgraded IT Infrastructure</li> <li>• Cyber Security Internal Audit</li> <li>• Business Continuity/ Disaster Recovery Planning</li> </ul>
Major Capital Projects Exceed Budget	Moderate	Unlikely	<ul style="list-style-type: none"> <li>• Project Governance Structure</li> <li>• Ongoing Monitoring and Reporting</li> </ul>

## Conclusion

The 2019-2020 Annual Budget provides the College with the resources required to deliver on the commitments detailed in the 2019-2020 Business Plan and the College's 2017-2022 Strategic Plan.

This budget continues the College's history of investing in the future of the College and its people. Investments in equipment, personalized learning, new capital building developments, 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.

## PRO FORMA SUMMARY

(all figures in \$ 000's)

	Actual 2017-2018	Annual Budget 2018-2019	Q3 Projection 2018-2019	Annual Budget 2019-2020	Pro Forma 2020-2021	Pro Forma 2021-2022
<b>Funded Activity/College Operations</b>						
Revenue	\$ 240,718	\$ 250,944	\$ 259,075	\$ 264,578	\$ 273,315	\$ 282,759
Expenditures <sup>1</sup>	222,409	249,153	245,277	257,222	260,650	265,481
Net Contribution	18,309	1,791	13,798	7,356	12,665	17,278
<b>Contract Activity &amp; Other Non-Funded Activity</b>						
Revenue	30,923	29,537	30,114	27,093	31,853	32,698
Expenditures	28,970	27,465	29,216	27,205	29,146	29,797
Net Contribution	1,953	2,072	898	(112)	2,707	2,901
<b>Campus Services</b>						
Revenue	40,612	44,407	44,171	44,860	46,395	47,287
Expenditures <sup>1</sup>	33,782	36,615	36,284	36,996	38,431	39,182
Net Contribution	6,830	7,792	7,887	7,864	7,964	8,105
<b>International Education Centre</b>						
Revenue <sup>2</sup>	29,482	34,994	43,104	60,522	63,926	70,083
Expenditures	22,949	24,400	30,044	41,016	41,933	45,540
Net Contribution	6,533	10,594	13,060	19,506	21,993	24,543
<b>Strategic Investment Priorities</b>						
Revenue	23,232	5,410	22,987	14,399	29,440	2,640
Expenditures <sup>3</sup>	53,659	42,932	65,696	45,488	62,860	39,485
Net Contribution	(30,427)	(37,522)	(42,709)	(31,089)	(33,420)	(36,845)
<b>Non-Cash Revenue Adjustments</b>						
Capital Grants recorded as Deferred Capital Contributions	(21,413)	(4,700)	(5,500)	(12,000)	(32,400)	(1,800)
Amortization of Deferred Capital Contributions	6,944	8,500	7,700	8,000	8,200	8,300
<b>Non-Cash Expenditure Adjustments</b>						
Expenditures to be Capitalized	38,119	22,200	24,500	18,400	37,100	4,600
Amortization Expense	(13,301)	(16,400)	(15,000)	(16,800)	(17,300)	(18,200)
Change in Vacation, Sick Leave & Post-Employment Benefits	(31)	150	150	110	110	110
<b>Net Contribution as per Public Sector Accounting Standards (PSAS)</b>	<b>\$ 13,516</b>	<b>\$ (5,523)</b>	<b>\$ 4,784</b>	<b>\$ 1,235</b>	<b>\$ 7,619</b>	<b>\$ 8,992</b>

1- Expenditures do not include contributions to reserve funds, nor does it include principal repayments of debt.

2 - Reflects a change for 2017-2018 in the methodology for recording the split of international fee premiums between Funded Activity and the International Education Centre.

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

## PRO FORMA SUMMARY

(all figures in \$ 000's)

	Actual 2017-2018	Annual Budget 2018-2019	Q3 Projection 2018-2019	Annual Budget 2019-2020	Pro Forma 2020-2021	Pro Forma 2021-2022
<b>Net Assets</b>						
Unrestricted	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Investment in Capital Assets	78,606	93,731	91,887	92,601	91,499	87,901
Vacation, Sick Leave and Post-Employment Benefits	(18,979)	(18,613)	(18,829)	(18,719)	(18,609)	(18,499)
Internally Restricted						
Appropriations	100	100	100	100	100	100
Specific Reserves	32,994	21,145	30,819	29,954	36,764	49,608
Contingency Reserve Fund	8,890	3,822	9,736	10,150	10,775	11,226
Reserve Funds - Future Capital Expansion	31,202	24,700	23,888	24,750	25,925	25,110
Interest Rate Swaps	(7,318)	(6,762)	(7,318)	(6,339)	(5,673)	(4,686)
Endowments	26,020	25,895	26,620	27,220	27,820	28,420
<b>TOTAL NET ASSETS</b>	<b>\$ 152,515</b>	<b>\$ 145,018</b>	<b>\$ 157,903</b>	<b>\$ 160,717</b>	<b>\$ 169,601</b>	<b>\$ 180,180</b>

## STATEMENT OF FINANCIAL POSITION

(all figures in \$ 000's)

	March 31, 2019 Annual Budget	March 31, 2019 Q3 Projection	March 31, 2020 Proposed Budget
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Short Term Investments	\$ 37,245	\$ 46,407	\$ 60,118
Accounts Receivable	19,000	22,000	24,000
Inventory	1,600	1,550	1,550
Prepaid Expenses	2,300	2,500	2,700
	<b>60,145</b>	<b>72,457</b>	<b>88,368</b>
<b>Investments</b>	<b>55,868</b>	<b>60,500</b>	<b>50,000</b>
<b>Endowment Assets</b>	<b>25,895</b>	<b>26,620</b>	<b>27,220</b>
<b>Capital Assets</b>	<b>299,859</b>	<b>296,583</b>	<b>298,183</b>
<b>TOTAL ASSETS</b>	<b>\$ 441,767</b>	<b>\$ 456,160</b>	<b>\$ 463,771</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Current Liabilities</b>			
Accounts Payable & Accrued Liabilities	\$ 27,000	\$ 27,000	\$ 28,000
Accrued Salaries & Employee Deductions Payable	8,900	10,000	10,000
Deferred Revenue	31,000	32,000	36,000
Current Portion of Long Term Debt	3,298	3,298	3,502
	<b>70,198</b>	<b>72,298</b>	<b>77,502</b>
<b>Long Term Debt</b>	<b>41,870</b>	<b>41,870</b>	<b>38,552</b>
<b>Vacation, Sick Leave &amp; Post-Employment Benefits</b>	<b>18,613</b>	<b>18,829</b>	<b>18,719</b>
<b>Deferred Capital Contributions</b>	<b>160,960</b>	<b>159,528</b>	<b>163,528</b>
<b>Interest Rate Swaps</b>	<b>5,108</b>	<b>5,732</b>	<b>4,753</b>
<b>Net Assets</b>			
Unrestricted	1,000	1,000	1,000
Investment in Capital Assets	93,731	91,887	92,601
Vacation, Sick Leave & Post-Employment Benefits	(18,613)	(18,829)	(18,719)
Internally Restricted	49,767	64,543	64,954
Interest Rate Swaps	(6,762)	(7,318)	(6,339)
Endowment Fund	25,895	26,620	27,220
	<b>145,018</b>	<b>157,903</b>	<b>160,717</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 441,767</b>	<b>\$ 456,160</b>	<b>\$ 463,771</b>



## 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 2019-2020	Q3 Projection 2018-2019	Annual Budget 2018-2019	Actual 2017-2018
<b>Grants</b>									
Post Secondary Activity	\$ 105,809	\$ -	\$ -	\$ -	\$ -	\$ 105,809	\$ 111,281	\$ 107,891	\$ 111,649
Capital & Equipment	-	-	-	-	2,540	2,540	5,632	2,540	19,213
Apprentice	5,583	-	-	-	-	5,583	5,202	5,148	4,677
Flow-Through Student Aid	1,729	-	-	-	-	1,729	1,726	1,659	1,852
<b>TOTAL GRANTS</b>	113,121	-	-	-	2,540	115,661	123,841	117,238	137,391
<b>Tuition Fees</b>									
Full-Time Post Secondary	80,341	-	-	54,242	-	134,583	121,847	110,264	95,946
Full-Time Non-Funded	1,487	780	-	-	-	2,267	1,828	2,076	1,801
Part-Time	10,330	1,205	-	-	-	11,535	12,507	12,056	12,010
Adult Training	1,218	-	-	-	-	1,218	1,126	1,026	891
Student IT & Mobile Computing Fees	8,233	-	-	-	-	8,233	7,976	7,629	6,903
<b>TOTAL TUITION FEES</b>	101,609	1,985	-	54,242	-	157,836	145,284	133,051	117,551
<b>Contract Educational Services</b>									
Provincially Funded Programs	-	12,590	-	-	-	12,590	23,461	13,651	14,154
Corporate & Other Programs	5,467	11,150	-	2,043	-	18,660	18,460	16,247	18,356
Grants, Fees & Other Income Associated with Contract Activity	-	-	-	-	-	-	-	-	-
<b>TOTAL CONTRACT EDUCATIONAL SERVICES</b>	5,467	23,740	-	2,043	-	31,250	41,921	29,898	32,510
<b>CAMPUS SERVICES SALES</b>	-	-	44,860	-	-	44,860	44,171	44,407	40,612
<b>Other</b>									
Students' Association Contribution					11,859	11,859			
(Indigenous Gathering Circle & Athletics and Recreation Complex)	-	-	-	-	-	-	763	2,870	244
Capital Campaign	-	-	-	-	-	-	-	-	-
Early Learning Centre	1,047	-	-	-	-	1,047	1,029	1,029	1,010
Student Ancillary Fees	3,596	50	-	-	-	3,646	6,407	6,344	5,647
Investment Income	747	-	-	-	-	747	1,235	1,285	760
Internal Transfer of International Revenue <sup>1</sup>	22,766	44	-	-	-	22,810	15,032	12,498	10,363
Algonquin College - Saudi Arabia Net Equity Share of Gain/(Loss)	-	-	-	-	-	-	-	-	-
Miscellaneous	16,225	1,274	-	4,237	-	21,736	19,768	16,672	18,879
<b>TOTAL OTHER</b>	44,381	1,368	-	4,237	11,859	61,845	44,234	40,698	36,903
<b>TOTAL REVENUE</b>	\$ 264,578	\$ 27,093	\$ 44,860	\$ 60,522	\$ 14,399	\$ 411,452	\$ 399,451	\$ 365,292	\$ 364,967

1 - Reflects a change for 2017-2018 in the methodology for recording the split of international tuition fee premium between Funded Activity and International.

Funded Activity/College Operations	\$ 264,578	\$ 259,075	\$ 250,944	\$ 240,718
Contract Activity & Other Non-Funded Activity	27,093	30,114	29,537	30,923
Campus Services	44,860	44,171	44,407	40,612
International Education Centre	60,522	43,104	34,994	29,482
Strategic Investment Priorities	14,399	22,987	5,410	23,232
<b>Total Revenue</b>	<b>\$ 411,452</b>	<b>\$ 399,451</b>	<b>\$ 365,292</b>	<b>\$ 364,967</b>

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 2019-2020	Q3 Projection 2018-2019	Annual Budget 2018-2019	Actual 2017-2018
<b>Full-Time Salaries &amp; Benefits</b>									
Full-Time Salaries & Benefits - Academic	\$ 75,030	\$ 2,509	\$ -	\$ -	\$ -	\$ 77,539	\$ 74,424	\$ 71,413	\$ 62,080
Full-Time Salaries & Benefits - Administration	22,260	2,400	1,757	1,691	-	28,108	25,619	26,897	25,715
Full-Time Salaries & Benefits - Support	38,876	3,320	4,592	982	-	47,770	44,141	43,991	41,405
<b>Total Full-Time Salaries &amp; Benefits</b>	136,166	8,229	6,349	2,673	-	153,417	144,184	142,301	129,200
<b>Other Staff Salaries &amp; Benefits</b>									
Other Staff Salaries & Benefits - Academic	37,248	2,134	-	241	-	39,623	39,912	45,787	34,309
Other Staff Salaries & Benefits - Administration	2,403	2,109	104	308	-	4,924	5,236	4,068	4,877
Other Staff Salaries & Benefits - Support	7,705	1,610	1,915	735	-	11,965	13,839	17,553	11,363
<b>Total Other Staff Salaries &amp; Benefits</b>	47,356	5,853	2,019	1,284	-	56,512	58,987	67,408	50,549
<b>TOTAL SALARY &amp; BENEFITS</b>	183,522	14,082	8,368	3,957	-	209,929	203,171	209,709	179,749
<b>Other Operating</b>									
Mandated Student Aid	6,279	-	-	5	-	6,284	6,897	6,897	8,021
Contingencies	6,183	-	-	-	-	6,183	4,220	7,630	5,474
Long Term Debt Interest	734	-	2,009	-	-	2,743	2,771	2,771	2,968
Contract Services	13,137	7,609	2,073	7,998	-	30,817	27,191	21,550	22,880
Instructional Supplies & Equipment	4,810	2,053	59	52	-	6,974	7,305	5,581	6,556
Information Technology	9,427	223	281	90	-	10,021	8,406	8,364	8,304
Marketing and Promotion	2,433	704	268	410	-	3,815	3,756	3,206	3,720
Building Maintenance & Utilities	14,291	50	3,233	-	-	17,574	17,034	16,944	14,323
Flow-Through Student Aid	1,659	-	-	150	-	1,809	1,794	1,659	1,918
Cost of Goods Sold	984	-	17,881	21	-	18,886	18,721	18,323	17,073
Internal Transfer of International Revenue <sup>1</sup>	-	-	-	22,810	-	22,810	15,032	12,499	10,363
Algonquin College- Saudi Arabia Net Equity Share of Loss						-	-	-	2,350
Other	13,763	2,484	2,824	5,523	-	24,594	24,523	22,500	24,411
<b>TOTAL OTHER OPERATING</b>	73,700	13,123	28,628	37,059	-	152,510	137,650	127,924	128,361
<b>STRATEGIC INVESTMENT PRIORITIES EXPENDITURES</b>	-	-	-	-	45,488	45,488	65,696	42,932	53,659
<b>TOTAL EXPENDITURES</b>	\$ 257,222	\$ 27,205	\$ 36,996	\$ 41,016	\$ 45,488	\$ 407,927	\$ 406,517	\$ 380,565	\$ 361,769

1 - Reflects a change for 2017-2018 in the methodology for recording the split of international tuition fee premium between Funded Activity and International.

Funded Activity/College Operations	\$ 257,222	\$ 245,277	\$ 249,153	\$ 222,409
Contract Activity & Other Non-Funded Activity	27,205	29,216	27,465	28,970
Campus Services	36,996	36,284	36,615	33,782
International Education Centre	41,016	30,044	24,400	22,949
Strategic Investment Priorities	45,488	65,696	42,932	53,659
Total Expenditures	\$ 407,927	\$ 406,517	\$ 380,565	\$ 361,769

STRATEGIC INVESTMENT PRIORITIES SCHEDULE

(all figures in \$ 000's)

	Grants & Fundraising	College Funded	Annual Budget 2019-2020	Q3 Projection 2018-2019	Annual Budget 2018-2019	Actual 2017-2018
<b>Source of Funds</b>						
Facilities Renewal Grant	\$ 980	\$ -	\$ 980	\$ 980	\$ 980	\$ 1,467
College Equipment Renewal Fund Grant	560	-	560	560	560	560
Greenhouse Gas Campus Retrofit Grant			-	9,294	-	-
Apprenticeship Enhancement Fund Grant	1,000	-	1,000	1,040	1,000	2,895
Supporting Quality Programs and Student Outcomes Grant			-	4,000	-	-
Capital Campaign	-	-	-	-	-	142
Alumni Affinity Sponsorship for DARE District	-	-	-	-	-	50
Post Secondary Institutions Strategic Investment Fund			-			
(PSISIF) Grant	-	-	-	4,092	-	14,294
Students' Association Contribution	11,859	-	11,859	645	2,870	200
50th Anniversary Commemoration Grant	-	-	-	-	-	2,893
Gain on Sale of March Road Land			-	2,375	-	-
Other	-	-	-	-	-	731
<b>TOTAL SOURCE OF FUNDS</b>	14,399	-	14,399	22,986	5,410	23,232
<b>Expenditures</b>						
<i>Campus Expansion</i>						
DARE District		-	-	9,494	2,123	29,290
Apprenticeship Enhancement Fund Electrical Lab			-	-		556
Apprenticeship Enhancement Fund Welding Lab		-	-	-	-	2,330
Indigenous Gathering Circle	-	-	-	1,439	1,105	299
Student Central		-	-	7,009	5,000	221
Pedestrian Bridge to Bus Rapid Transit Station		630	630	16	646	-
Solar Photovoltaic Plan		1,200	1,200	6,825		
ESCO2			-	2,323		
Student Information System		3,070	3,070			
Ontario Student Assistance Program (OSAP) Transformation and Net Tuition Project			-	521		
Learning Management Sytsem Implementation and Modernization			-	916		
Workday Implementation			-	6,984		
Athletics and Recreation Complex	11,659	1,441	13,100	500	3,000	
Athletics and Recreation Complex Enabling Work		1,750	1,750	-	-	-
<i>Total Campus Expansion</i>	11,659	8,091	19,750	36,027	11,874	32,696
<i>Other</i>						
College Technologies	-	2,371	2,371	3,049	10,590	6,501
College Space & Infrastructure	980	2,324	3,304	7,020	4,572	3,796
New Program Initiatives	-	947	947	-	864	1,050
Academic & Other Equipment	560	840	1,400	-	1,150	1,531
Initiatives & Opportunities	-	19,455	19,455	6,047	12,334	6,223
Campus Services		1,661	1,661	1,085	448	1,328
Appropriations	-	100	100	-	100	34
Apprenticeship Enhancement Fund	1,000	-	1,000	1,040	1,000	500
Recurring Annual Investments			-	11,101	-	-
Employment Standards Act			-	3,197	-	-
Net Contribution Surplus Carryover			-	1,008	-	-
Adjustment for Anticipated Underspend	-	(4,500)	(4,500)	(3,877)	-	-
<i>Total Other</i>	2,540	23,198	25,738	29,670	31,058	20,963
<b>TOTAL EXPENDITURES</b>	14,199	31,289	45,488	65,697	42,932	53,659
<b>NET CONTRIBUTION</b>	\$ 200	\$ (31,289)	\$ (31,089)	\$ (42,711)	\$ (37,522)	\$ (30,427)

# NET ASSETS CONTINUITY SCHEDULE

(all figures in \$ 000's)

	Q3 Projection March 31, 2019	2019-2020 Budgeted In Year Use of Funds	2019-2020 Budgeted Year End Adjustments	Budgeted Balance March 31, 2020
<b>Appropriations</b>	\$ 100	\$ 100	\$ 100	\$ 100
<b>Specific Reserves</b>				
Other Projects & Initiatives	25,545	6,622	6,300	25,223
Ancillary Services Reserve Fund	4,699	1,661	1,113	4,151
Employment Stabilization Funds	575	-	5	580
	30,819	8,283	7,418	29,954
<b>Contingency Reserve Fund</b>	9,736	-	414	10,150
<b>Reserve Funds</b>				
Future Capital Expansion	23,888	1,441	2,303	24,750
<b>TOTAL INTERNALLY RESTRICTED NET ASSETS <sup>1</sup></b>	<b>\$ 64,543</b>	<b>\$ 9,824</b>	<b>\$ 10,235</b>	<b>\$ 64,954</b>
<b>TOTAL UNRESTRICTED NET ASSETS <sup>1</sup></b>	<b>\$ 1,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,000</b>
<b>Investment in Capital Assets</b>	\$ 91,887	\$ -	\$ 714	\$ 92,601
<b>Vacation, Sick Leave &amp; Post-Employment Benefits</b>	(18,829)	-	110	(18,719)
<b>Interest Rate Swaps</b>	(7,318)	-	979	(6,339)
<b>Endowment Fund</b>	26,620	-	600	27,220
<b>TOTAL NET ASSETS</b>	<b>\$ 157,903</b>	<b>\$ 9,824</b>	<b>\$ 12,638</b>	<b>\$ 160,717</b>

1 - Budgeted balances of Internally Restricted Net Assets and Unrestricted Net Assets includes the impact of budgeted expenditures from Appropriations, Specific Reserves and Reserve Funds, as well as contributions to Reserve Funds for the fiscal year 2019-2020. The Board of Governors Financial Management Policy requires that the Board of Governors approve any spending from Reserve Funds.

SUMMARY OF FUNDED POSITIONS

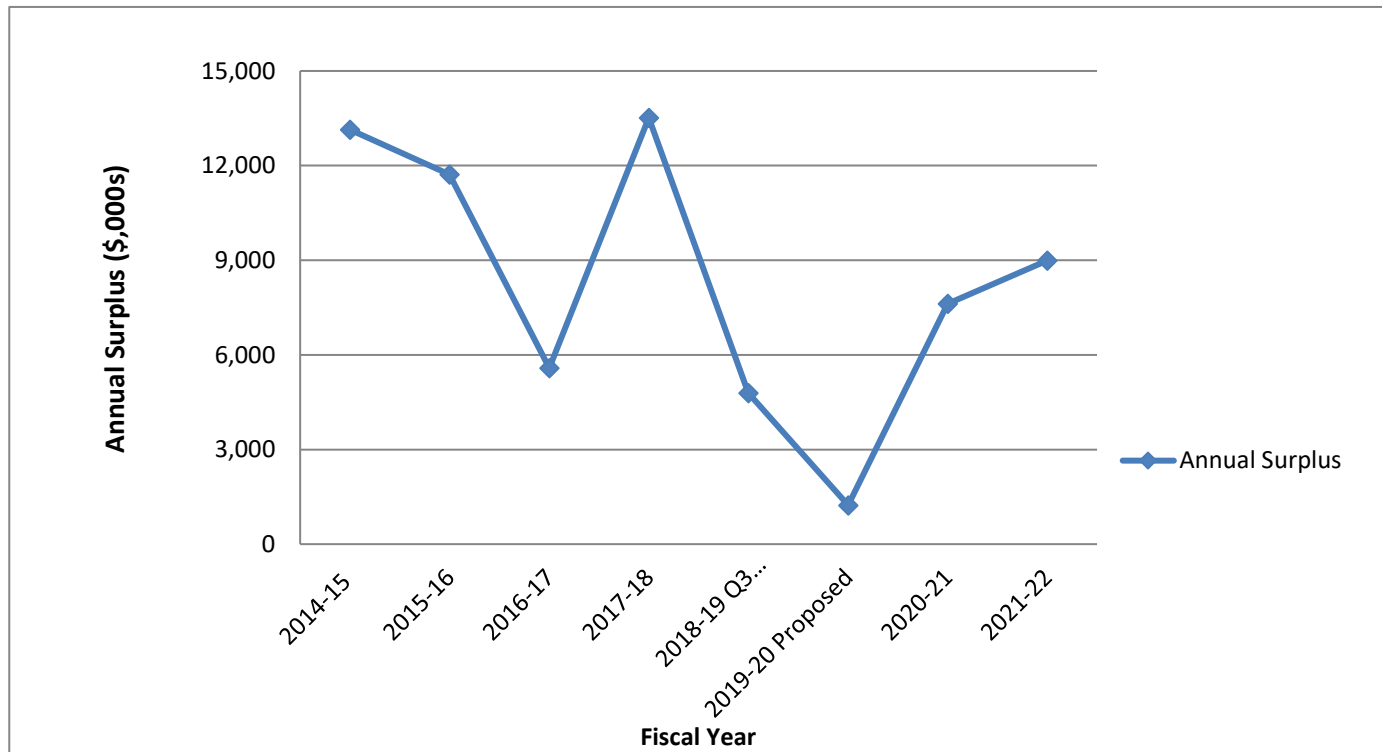
	3rd Quarter 2018-2019				Position Changes			Proposed Budget 2019-2020			
	Admin	Support	Academic	Total	Opened	Closed	Transferred	Admin	Support	Academic	Total
<b>President &amp; Board of Governors</b>											
President's Office	4	-	-	4	-	-	-	4	-	-	4
Indigenous Services & Partnerships	2	2	1	5	1			3	2	1	6
Total	6	2	1	9	1	-	-	7	2	1	10
<b>Human Resources</b>											
Vice-President's Office	2	-	-	2	-	-		2	-	-	2
Labour Relations	4	-	-	4	-	-		4	-	-	4
Talent Management & Organizational Development	9	2	1	12	1	-		10	2	1	13
Wellness, Compensation and Benefits	8	-	-	8				8	-	-	8
Total	23	2	1	26	1	-	-	24	2	1	27
<b>Finance and Administration</b>											
Vice-President's Office	3	-	-	3	-	-	-	3	-	-	3
Campus Services	16	72	-	88	1	-	-	16	73	-	89
Finance & Administrative Services	11	25	-	36	1	-	-	11	26	-	37
Risk Management	8	1	-	9		-	-	8	1	-	9
Physical Resources	11	33	-	44	3	-	-	11	36	-	47
Total	49	131	-	180	5	-	-	49	136	-	185
<b>Student Services</b>											
Vice-President's Office	2	-	-	2	-	-	-	2	-	-	2
Student Support Services	11	45	18	74	1	-	-	11	45	19	75
Algonquin College Foundation	4	3	-	7	5	-	-	6	6	-	12
Registrar	9	67	-	76	1	-	-	9	68	-	77
Total	26	115	18	159	7	-	-	28	119	19	166
<b>Innovation and Strategy</b>											
Vice-President's Office	4	-	-	4	-	-	1	5	-	-	5
International and Strategic Planning	15	10	20	45	2	-	(1)	14	12	20	46
Applied Research & Development	7	3	-	10	2	-	-	7	5	-	12
Business Development & Corporate Training	4	8	-	12	4	-	-	4	12	-	16
Information Technology Services	15	89	-	104	1	-	-	15	90	-	105
Total	45	110	20	175	9	-	-	45	119	20	184
<b>Academic Services</b>											
Vice-President's Office	3	-	2	5	-	-	-	3	-	2	5
Academic Operations and Planning	3	4	-	7	-	-	-	3	4	-	7
Academic Development	5	9	5	19	3			5	10	7	22
Faculty of Arts, Media & Design	7	32	114	153	9	-	-	7	32	123	162
School of Business	5	8	88	101	2	-	-	5	8	90	103
School of Hospitality & Tourism	4	9	44	57	-	-	-	4	9	44	57
Algonquin Centre for Construction Excellence	2	11	61	74	3			2	11	64	77
School of Advanced Technology	6	16	101	123	6	-	-	6	16	107	129
Algonquin College Heritage Institute	4	11	7	22	-	-	-	4	11	7	22
Faculty of Health, Public Safety & Community Studies	8	30	122	160	6	-	-	9	32	125	166
Centre for Continuing & Online Learning	8	17	-	25	2	-	1	8	20	-	28
Personal Development Institute	-	1	-	1	-	-	(1)	-	-	-	-
Algonquin College in the Ottawa Valley	7	33	30	70	-	-	-	7	33	30	70
Total	62	181	574	817	31	-	-	63	186	599	848
<b>Communications, Marketing and External Relations</b>											
Marketing	1	19	-	20	-	-	-	1	19	-	20
Communications	4	3	-	7	1	-	-	4	4	-	8
Total	5	22	-	27	1	-	-	5	23	-	28
<b>COLLEGE TOTAL</b>	216	563	614	1,393	55	-	-	221	587	640	1,448

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.

2019-2020 PROJECTED ENROLMENT VERSUS 2018-2019 ACTUAL ENROLMENT

FACULTY/SCHOOL	Post Secondary / Post Diploma			Applied Degree			% Change
	Projected 2019-2020	Actual (unaudited) 2018-2019	Change	Projected 2019-2020	Actual (unaudited) 2018-2019	Change	
<b>Algonquin College Centre for Excellence</b>							
Level 1	1,284	1,187	97	18	19	(1)	
Returning	2,714	2,605	109	142	149	(7)	
TOTAL	3,998	3,792	206	160	168	(8)	
<b>Algonquin College Heritage Institute</b>							
Level 1	199	135	64	-	-	-	
Returning	351	334	17	-	-	-	
TOTAL	550	469	81	-	-	-	
<b>Algonquin College in the Ottawa Valley</b>							
Level 1	551	511	40	-	-	-	
Returning	1,086	947	139	-	-	-	
TOTAL	1,637	1,458	179	-	-	-	
<b>Centre for Continuing &amp; Online Learning</b>							
Level 1	1,725	1,570	155	-	-	-	
Returning	2,335	1,961	374	-	-	-	
TOTAL	4,060	3,531	529	-	-	-	
<b>Faculty of Arts, Media &amp; Design</b>							
Level 1	2,608	2,653	(45)	40	40	-	
Returning	4,606	4,157	449	193	208	(15)	
TOTAL	7,214	6,810	404	233	248	(15)	
<b>Faculty of Health, Public Safety &amp; Community Studies</b>							
Level 1	2,429	2,380	49	57	58	(1)	
Returning	5,727	5,620	107	269	120	149	
TOTAL	8,156	8,000	156	326	178	148	
<b>International Education</b>							
Level 1	271	251	20	-	-	-	
Returning	554	480	74	-	-	-	
TOTAL	825	731	94	-	-	-	
<b>School of Advanced Technology</b>							
Level 1	2,152	2,125	27	-	-	-	
Returning	4,897	4,514	383	-	-	-	
TOTAL	7,049	6,639	410	-	-	-	
<b>School of Business</b>							
Level 1	2,389	2,271	118	79	78	1	
Returning	4,991	4,744	247	423	426	(3)	
TOTAL	7,380	7,015	365	502	504	(2)	
<b>School of Hospitality &amp; Tourism</b>							
Level 1	1,116	1,063	53	31	29	2	
Returning	1,786	1,944	(158)	185	178	7	
TOTAL	2,902	3,007	(105)	216	207	9	
<b>TOTAL Level 1</b>	14,724	14,146	578	225	224	1	4.0%
<b>TOTAL Returning</b>	29,047	27,306	1,741	1,212	1,081	131	6.6%
<b>TOTAL</b>	43,771	41,452	2,319	1,437	1,305	132	5.7%
In addition to the above, the budget supports: 2,374 semestered enrolments in the Collaborative Programs; 1,832 semestered enrolments in Full-Time Non-Funded Programs; and 2,550 Seat Purchases in the Apprentices Programs.							

### Operating Results: Annual Surplus



**Objective:**

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

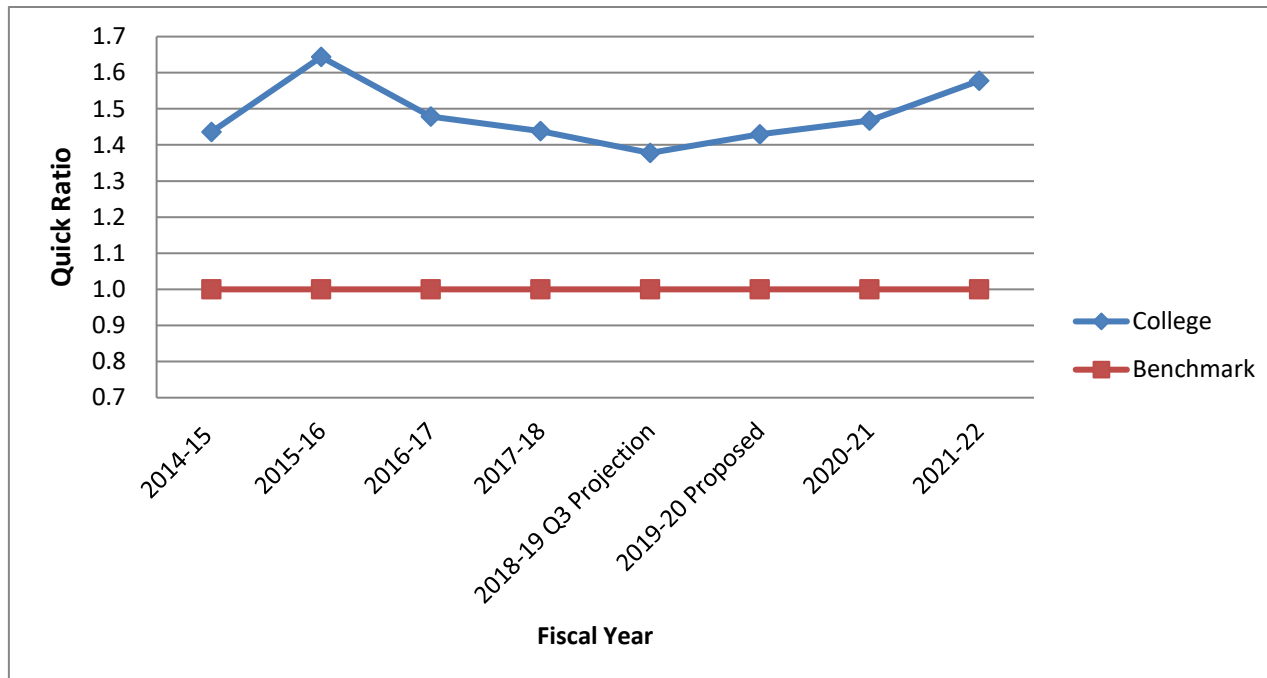
**Benchmark:**

Must be greater than \$0.

**Rationale:**

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

### Measuring Liquidity: Quick Ratio



**Objective:**

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

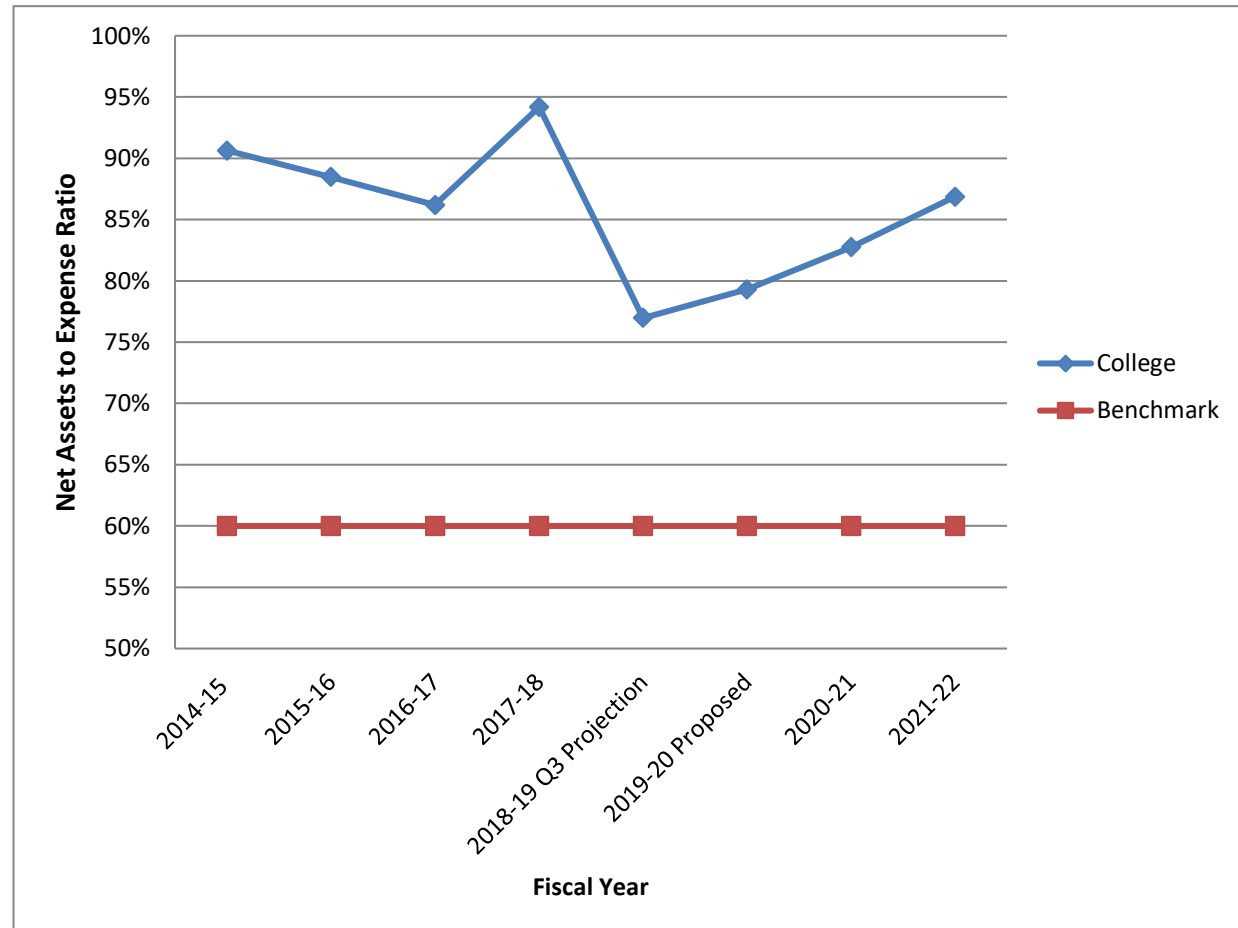
**Benchmark:**

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

**Rationale:** A ratio of 1 is a typical business standard. Less than 1 may indicate that a college is not able to meet its short term obligations. When including surplus cash invested in longer term investments (greater than 1 year) Algonquin's Quick Ratio is 1.79 for 2019-2020.



Operating Results: Net Assets to Expense Ratio



**Objective:**

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

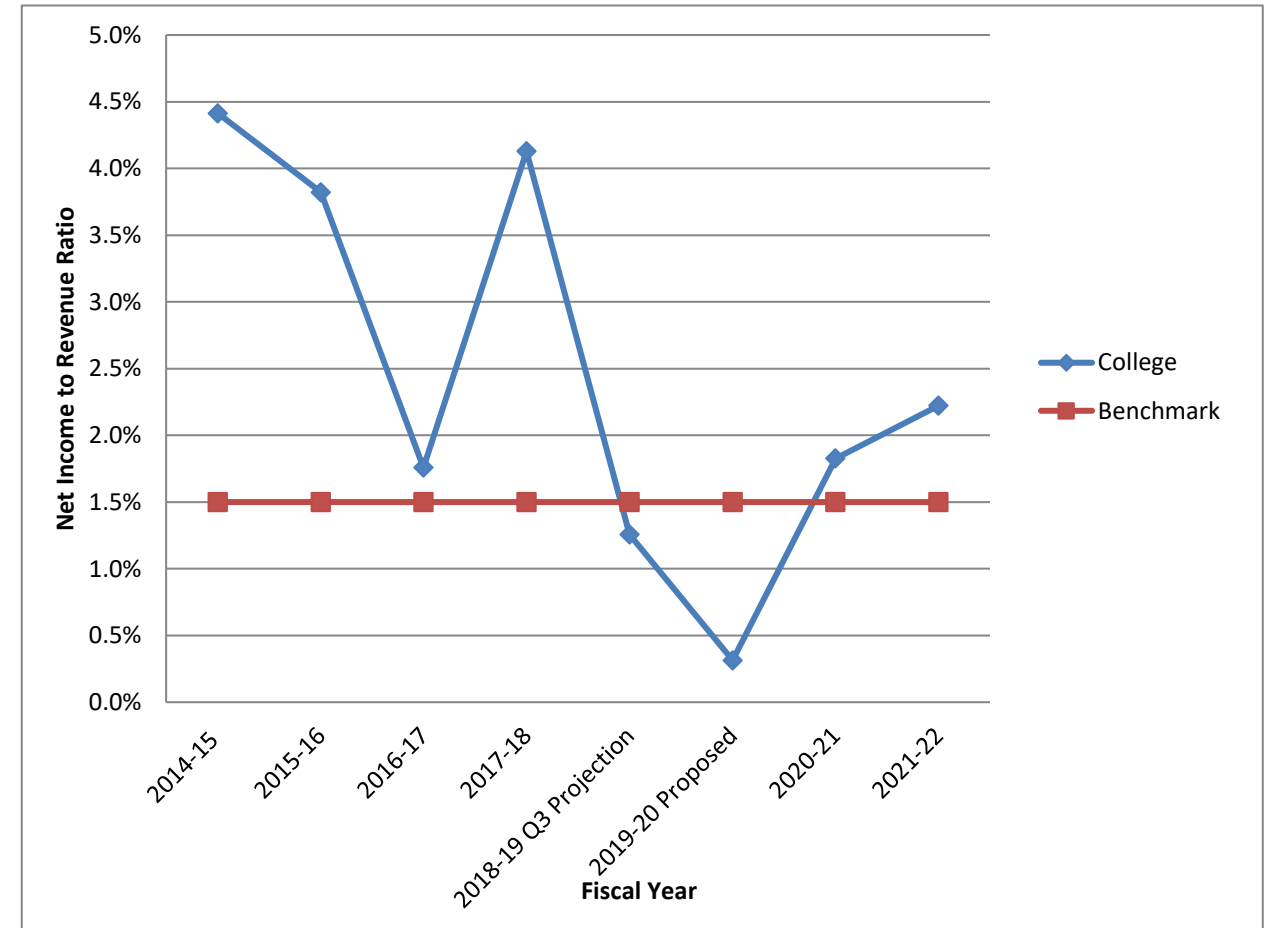
**Benchmark:**

60% or higher.

**Rationale:**

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

Operating Results: Net Income to Revenue Ratio



**Objective:**

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

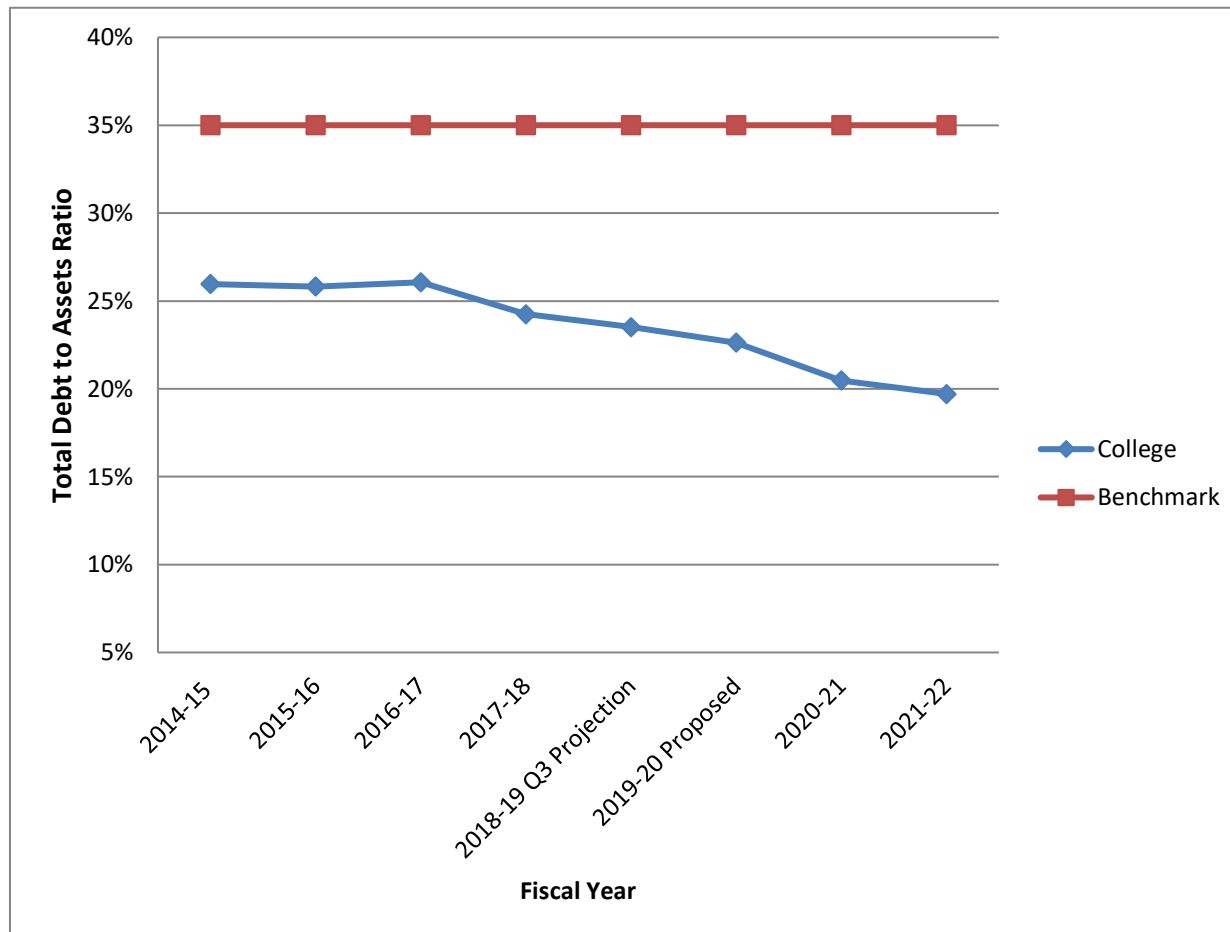
**Benchmark:**

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

**Rationale:**

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

Managing Debt: Total Debt to Assets Ratio



**Objective:**

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

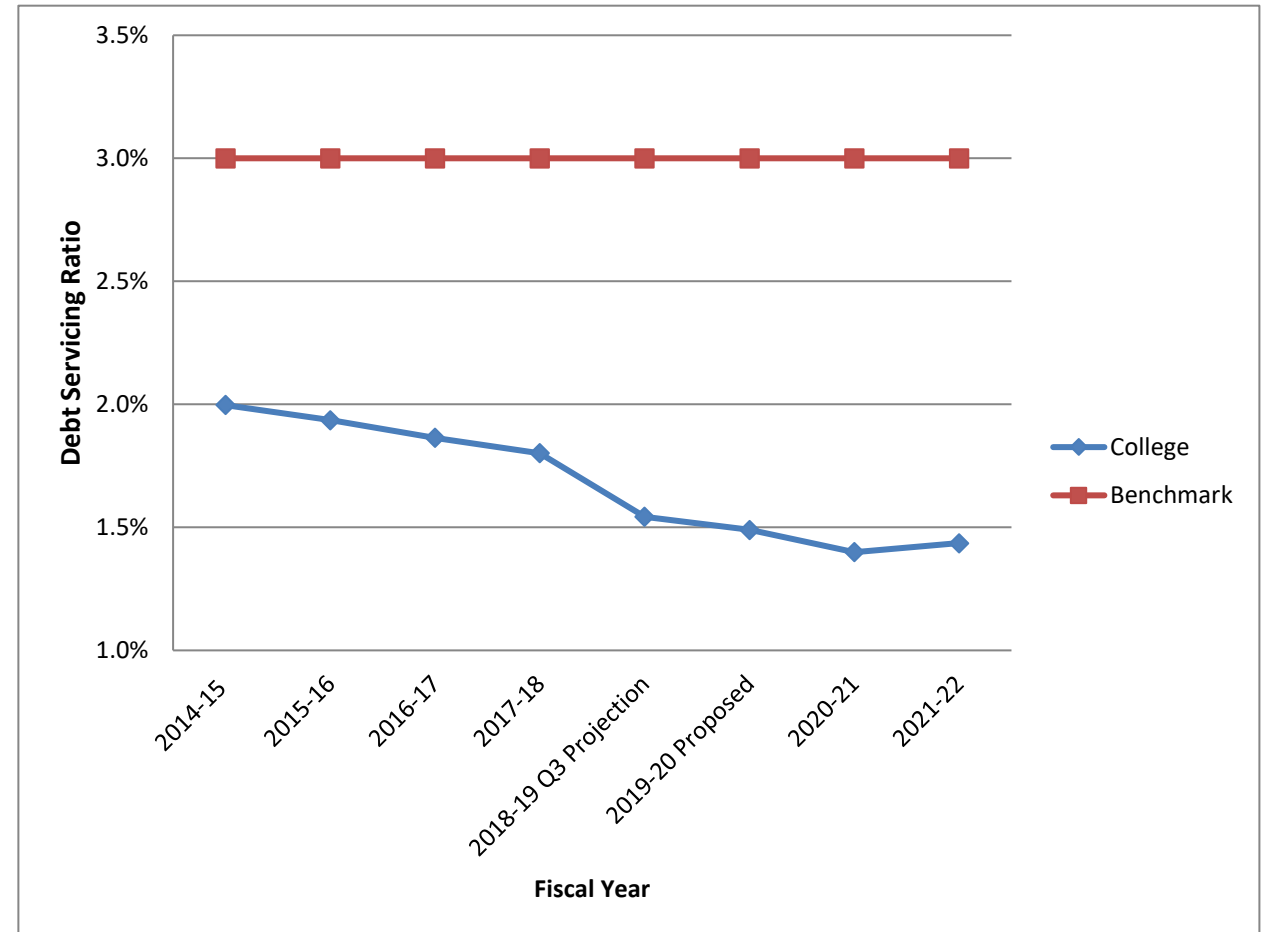
**Benchmark:**

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

**Rationale:**

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

Managing Debt: Debt Servicing Ratio



**Objective:**

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

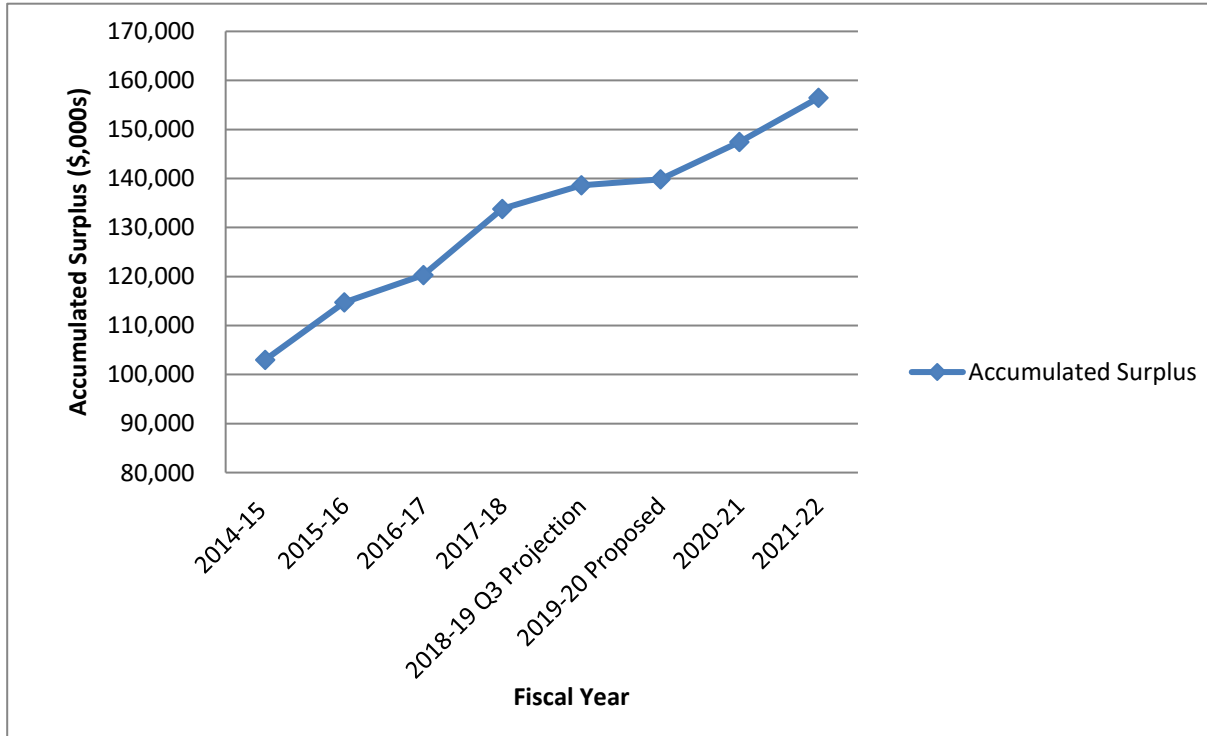
**Benchmark:**

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

**Rationale:**

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

### 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

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## 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):

- Christopher Janzen, (Chair), Dean, School of Advanced Technology;
- Alanna McDonell, (Vice-Chair), Director, Marketing;
- Dave Donaldson, (College Space Committee Chair), Dean, School of Business;
- Doreen Jans, (Resource), Acting Manager, Corporate Budgeting;
- Christine Kelsey, OPSEU Local 416 Support Staff Union President;
- Mark Leduc, Executive Director, Academic Operations and Planning;
- Diane McCutcheon, Vice President, Human Resources;
- Ron Deganadus McLester, Executive Director Truth, Reconciliation and Indigenization;
- Ernest Mulvey, Director, International Education Centre;
- Krista Pearson, (College Technologies Committee Chair), Registrar;
- Grant Perry, (Resource), Director, Finance and Administrative Services;
- Lois Pollock, Chief Digital Officer;
- Marina Spivak, (Resource), Acting Corporate Business Administrator; and
- Emily Woods, (Resource), Acting Associate Director, Financial Services.

**Duane McNair**

**Treasurer and Vice President, Finance and Administration**