

# Business Plan

2020-2022

Board of Governors Approved  
Feb 24, 2020



# Our Mission, Vision & Values

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 recognizing that they 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







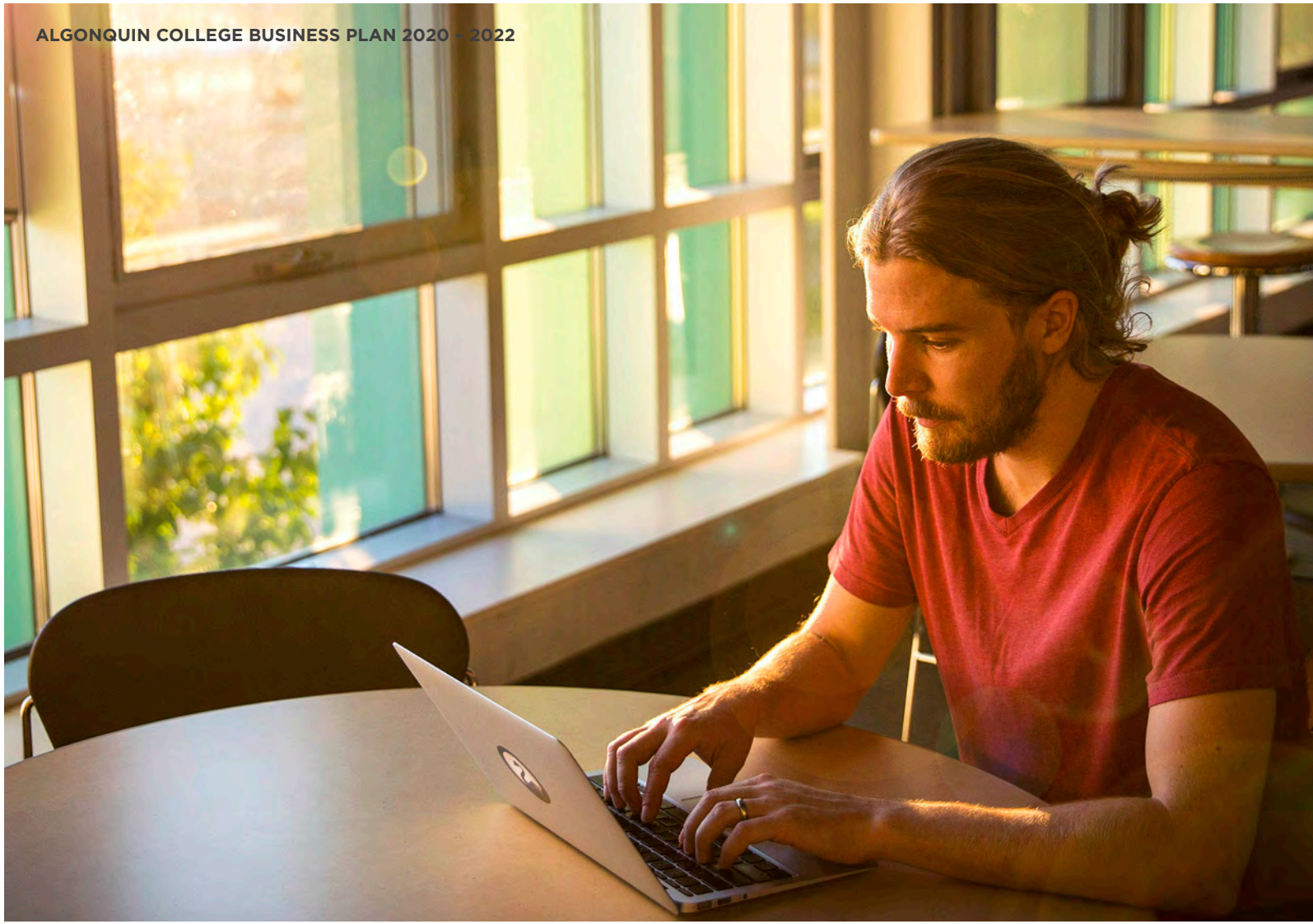
# 50+5

## 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 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 know that they make a difference.

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





# Our Core Beliefs

1. **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.
2. **Access:** We believe in access, that Algonquin College is best known for those we include rather than exclude, and that in today's knowledge economy, a post-secondary education is fundamental to all.
3. **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.
4. **Technology:** We believe in the power of technology, that when used purposefully it can enhance learning exponentially.
5. **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 the country or culture they were born into — has the right to a good education.
6. **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.
7. **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.
8. **Personal Relationships:** 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

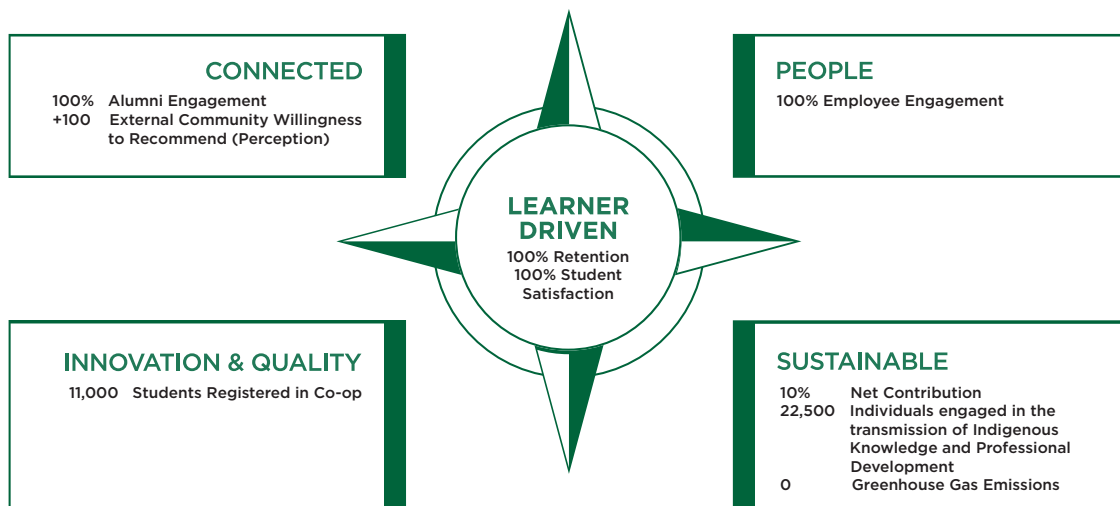
### **SUSTAINABLE**

**Goal #5:**

Pursue Truth and Reconciliation, social, environmental, and economic sustainability

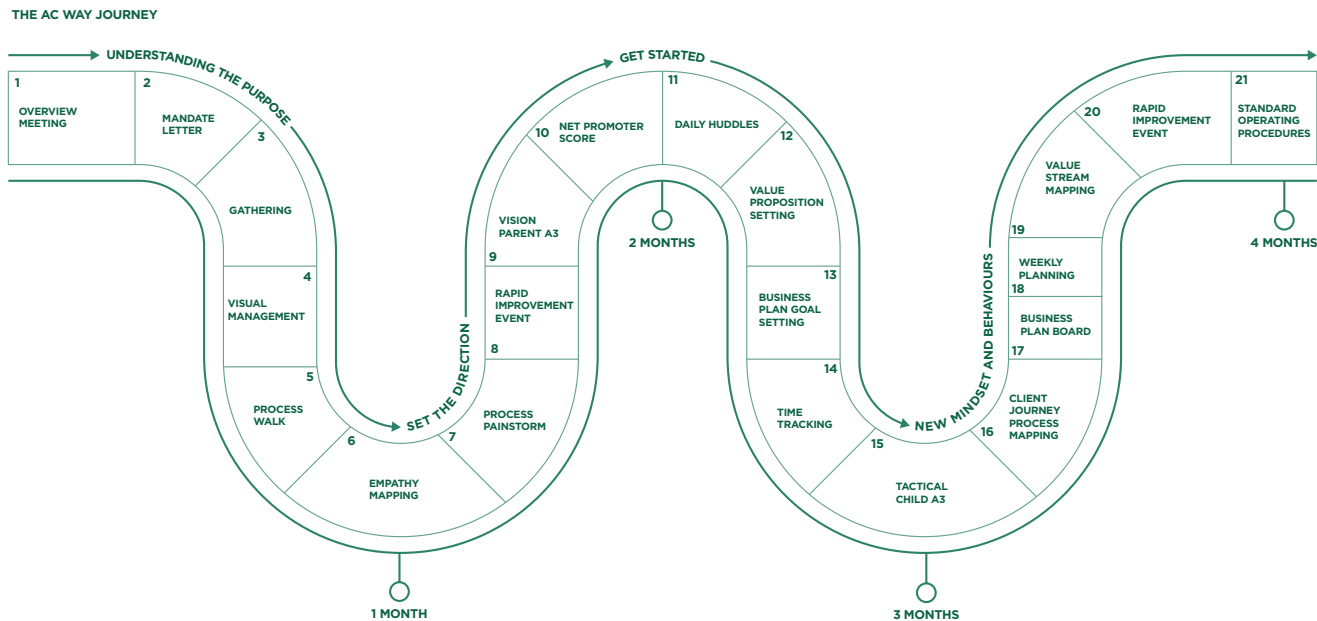


## Aspirational True North Targets



# The AC Way

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





#	2017-22 STRATEGIC DIRECTION	OBJECTIVE	2019-20 TARGET	2020-21 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>86%</p> <p>79%</p>	<p>86.8%</p> <p>79.2%</p>	<p>100%</p> <p>100%</p>	<p><b>Learner-driven Plan implementation of Universal Design for Learning:</b></p> <p>1.1) Universal Design for Learning principles embedded into all curriculum development and review processes by September 1, 2020.</p> <p>1.2) Universal Design for Learning competencies as an asset in all hiring processes by March 31, 2021.</p> <p>1.3) Cross-college Universal Design for Learning support developed to ensure inclusive delivery of learner support and services by August 15, 2020.</p> <p><b>Learner-driven Plan implementation of Flexible Scheduling and Timetables:</b></p> <p>1.4) Roadmap developed and three enhancements implemented to the Student Portal functionality to improve the experience for learners when making timetable adjustments by March 31, 2021.</p> <p>1.5) A new electives framework and operational plan developed and presented to Deans and Directors Council by March 31, 2021.</p> <p><b>Learner-driven Plan implementation of Micro-credentials/Digital credentials:</b></p> <p>1.6) Operational processes necessary to support and maintain delivery of micro-credentials developed by October 30, 2020.</p> <p>1.7) At least ten new micro-credentials launched by March 31, 2021.</p> <p>1.8) Athletics and Recreation Centre achieves substantial performance by March 31, 2021.</p> <p>1.9) Algonquin College Campus Master Development Plan completed and ready for Board of Governors approval by March 31, 2021.</p>
<b>CONNECTED</b>						
2	Become an integral partner to our alumni and employers	Increase the number of alumni who are engaged in meaningful activities with Algonquin College	4,100 (5%)	4,600 (5%)	100%	<p><b>Year 2 of the alumni engagement strategies in the three-year Advancement Plan implemented by March 31, 2021, including:</b></p> <p>2.1) Data analytics and segmentation in alumni database implemented by July 31, 2020.</p> <p>2.2) Integrated alumni engagement pilot implemented in two academic Schools by July 31, 2020.</p> <p>2.3) Alumni-focused marketing and communications strategy implemented by August 31, 2020.</p>
3		Improve Willingness to Recommend External Community (Perception)				3.1) Centre for Excellence in Health Education shovel-ready and ready for design and development upon approval of government funding, by March 31, 2021.
<b>PEOPLE</b>						
4	Be recognized by our employees and the community as an exceptional place to work	Improve Employee Engagement	59%	NA	100%	4.1) Employee Engagement Survey (2019) college-wide initiatives implemented by March 31, 2021, including assessment of college-wide initiatives completed with recommendations provided to Algonquin College Executive Team by the Employee Engagement Task Force by June 30, 2020.
5		Engage members of the College community in Equity, Diversity and Inclusion activities by measuring participation in the Culture Climate Survey	NA	60%	100%	5.1) Year 2 of the Equity, Diversity and Inclusion blueprint implemented by March 31, 2021, including training on equity and intercultural competencies and a Culture Climate survey developed and implemented by August 1, 2020.

#	2017-22 STRATEGIC DIRECTION	OBJECTIVE	2019-20 TARGET	2020-21 TARGET	TRUE NORTH	INITIATIVES
<b>PEOPLE</b> (continued)						
6		Increase the strategic workforce planning forecasting focus of full-time and part-time staffing needs	NA	50%	100%	<b>Year 1 of the Strategic Workforce and Talent Planning implemented by March 31, 2021, including:</b> 6.1) Task Force within the Academic Area established by April 30, 2020. 6.2) Recommendations for the Talent Planning of full-time and part-time academic employee groups within the Academic area developed by September 30, 2020. 6.3) Approved recommendations for Talent Planning implemented by March 31, 2021.
7		Create Culture of Employee Learning and Development through increased organizational training satisfaction metric	NA	63%	100%	7.1) Cross-College Learning and Development Steering Committee established and mandated to provide oversight for employee learning structure by March 31, 2021.
<b>INNOVATION AND QUALITY</b>						
8	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	4,000	11,000	8.1) 50% of eligible Co-op programs available for direct entry at time of application for Fall 2020 intake.
9		Reduce the risk of failure of information technology infrastructure and software applications				<b>Student Information System – Phase 1 project milestones reached by March 31, 2021, including:</b> 9.1) Selection of System Integrator and solution for the new Student Information System approved by the Board of Governors by April 20, 2020. 9.2) Project plan for phased implementation of the Student Information System project approved by the Algonquin College Executive Team by October 31, 2020.
10		Increase the number of model team leaders who have acquired the skills to work in the AC Way	0	26	All team leaders	10.1) Sixteen existing and ten new model team leaders have acquired the skills, behaviours and mindsets of an AC Way coach as measured against the AC Way competencies framework by March 31, 2021. 10.2) Twenty-six value streams improved by model team leaders and their teams using the AC Way by March 31, 2021.
11		Create a new Strategic Plan				11.1) 2022-27 Strategic Plan planning process begun by September 30, 2020 and milestones reached by March 31, 2021.
<b>SUSTAINABILITY</b>						
12	Pursue Truth and Reconciliation, social, environmental, and economic sustainability	Grow net contribution	6.2%	6.2%	10%	12.1) College operations achieves financial net contribution result of 6.2% by March 31, 2021.
13		Increase value of new cash, gift-in-kind donations, and pledges	\$2.5M	\$3.5M		13.1) Year 2 milestones of the three-year Advancement Plan implemented by March 31, 2021, including a focus on endowed revenue, major gifts and campaigns, and annual unendowed revenue.



#	2017-22 STRATEGIC DIRECTION	OBJECTIVE	2019-20 TARGET	2020-21 TARGET	TRUE NORTH	INITIATIVES
<b>SUSTAINABILITY</b>						
14		Engage members of the College community (students, employees and community members) in Truth and Reconciliation activities	500	600	22,500	<p><b>Year 2 of the Indigenization Strategy implemented, including:</b></p> <p>14.1) Indigenization Strategy updated and shared with College community in a town hall format, once per term by December 15, 2020.</p> <p>14.2) Revenue from Indigenization activities grown by 10%, by March 31, 2021.</p> <p>14.3) Burnt Water business case and operational plan completed by April 1, 2020.</p>
15		Reduce greenhouse gas emissions measured in tonnes CO2, scope 1&2 Emissions	11,985	11,870	0	15.1) Commissioning of the new Solar Photovoltaic and battery energy storage system completed by March 31, 2021.



**SCORECARD - METRICS - ALGONQUIN COLLEGE BUSINESS PLAN 2020 - 2022**

2017-2022 STRATEGIC DIRECTIONS	2017-18 Bench- mark	2017-18 Target	2017-18 Actual	2018-19 Target	2018-19 Actual	2019-20 Target	2020-21 Target	2021-22 Target	TRUE NORTH	TRUE NORTH OWNER
<b>1 LEARNER DRIVEN</b>										
Student Retention	86.80%	87.50%	83.10%	85.90%	85.0%	86.0%	86.8%	87.5%	100%	Academic
Student Overall Satisfaction	77.4%	78.0%	73.2%	76.5%	76.2%	79.0%	79.2%	79.4%	100%	Academic
<b>2 CONNECTED</b>										
Alumni Engagement (percentage of alumni)	NA	8,515	8,515 (12%)	1,222 (2%)	1,161 (2%)	4,097 (5%)	4,600 (5%)	5,600 (6%)	100%	Advancement
External Community Willingness to Recommend (Perception)	-35	-32	-25	-36	-36	-25	-34	-33	+100	Marketing & Recruitment
<b>3 PEOPLE</b>										
Employee Engagement	60%	62%	56%	NA	NA	59%	NA	70%	100%	Human Resources
<b>4 INNOVATION AND QUALITY</b>										
Number of Students Registered in Co-op	1,500	NA	1,500	1,960	2,549	2,600	4,000	5,500	11,000	Co-op
<b>5 SUSTAINABLE (Financial, Social, Environmental)</b>										
Net Contribution (out of operations - all in)	5.3%	5.5%	7.4%	3.6%	9.0%	6.2%	6.2%	7.5%	10%	Finance & Administration
Transmission of Indigenous Knowledge and professional development:	NA	NA	NA	NA	NA	180	220	320	20,000	Truth Reconciliation and Indigenous Initiatives
• Students						220	280	300	1,500	
• Employees						100	100	200	1,000	
• Community						500	600	820	22,500	
Total										
Greenhouse gas emissions measured in tonnes CO2, scope 1&2 emissions	8,239	NA	8,445	8,023	10,309	11,985	11,870	12,000	0	Finance & Administration

## APPENDIX – ALGONQUIN COLLEGE BUSINESS PLAN 2021 – 2022

#	2017-22 STRATEGIC DIRECTION	OBJECTIVE	2020-21 TARGET	2021-22 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>86.8%</p> <p>79.2%</p>	<p>87.5%</p> <p>79.4%</p>	<p>100%</p> <p>100%</p>	<p><b>Learner-driven Plan implementation of Universal Design for Learning:</b></p> <p>1.1) Pedagogy adapted to reduce the number of timed and closed book assessments by December 31, 2021.</p> <p>1.2) Process developed to allow learners to self-select learning experiences by March 31, 2022.</p> <p>1.3) Opportunities created for all employees to enhance their professional practice with a wider range of Universal Design for Learning tools and strategies by October 15, 2021.</p> <p><b>Learner-driven Plan implementation of Flexible Scheduling &amp; Timetables:</b></p> <p>1.4) Three enhancements to the Student Portal functionality implemented to improve the experience for learners when making timetable adjustments by March 1, 2022.</p> <p>1.5) 90% of learner self-registration enabled for General Education Electives by November 15, 2021.</p> <p><b>Learner-driven Plan implementation of Micro-credentials/Digital credentials:</b></p> <p>1.6) Expansion plan for micro-credentials and program pathways developed by December 31, 2021.</p> <p>1.7) Development and quality assurance processes for micro-credentials embedded into regular academic processes by March 31, 2021.</p> <p>1.8) The issuance of a digital credential piloted in at least one Ontario College Credential program by July 30, 2021.</p> <p>1.9) Athletics and Recreation Centre ready for occupancy by June 30, 2021.</p> <p>1.10) Food Services strategy and facilities renewal plan updates completed and ready for Board of Governors' approval by March 31, 2022.</p> <p>1.11) Self-funded Residence facility renewal strategy to enhance the student living and learning experience developed by December 31, 2021.</p>
<b>CONNECTED</b>						
2	Become an integral partner to our alumni and employers	Increase the number of alumni who are engaged in meaningful activities with Algonquin College	4,600 (5%)	5,600 (6%)	100%	2.1) Year 3 of the alumni engagement strategies in the three-year Advancement Plan implemented by March 31, 2021, including assessment of alumni database performance to support Advancement programming and associated communications; design a comprehensive alumni programming plan.
<b>PEOPLE</b>						
3	Be recognized by our employees and the community as an exceptional place to work	Improve Employee Engagement	NA	70%	100%	<p>3.1) Employee engagement college-wide initiatives implemented by October 31, 2021.</p> <p>3.2) New survey launched in November 2021, with quarterly reporting commenced by April 2022.</p>
4		Engage members of the College community in Equity, Diversity and Inclusion activities by measuring participation in the Culture Climate Survey	60%	62%	100%	4.1) Year 3 of the Equity, Diversity and Inclusion blueprint implemented by March 31, 2022, including diversity and inclusion initiatives embedded within all recruitment practices by September 30, 2021.



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#	2017-22 STRATEGIC DIRECTION	OBJECTIVE	2020-21 TARGET	2021-22 TARGET	TRUE NORTH	INITIATIVES
<b>PEOPLE</b> (continued)						
5		Increase the Strategic Workforce Planning forecasting focus of full-time and part-time staffing needs	50%	75%	100%	<p><b>Year 2 of the Strategic Workforce plan implemented by March 31, 2022, including:</b></p> <p>5.1) Task Force within all non-academic areas established by April 30, 2021.</p> <p>5.2) Recommendations for the talent planning of all employee groups within the non-academic area, and support staff and administrative groups within the Academic area, developed by September 30, 2021.</p> <p>5.3) Approved recommendations for talent planning implemented by March 31, 2022.</p>
6		Create Culture of Employee Learning and Development through increased organizational training satisfaction metric	63%	65%	100%	6.1) Learning framework established based on needs analysis by March 31, 2022 for the Employee Learning and Development Plan, in support of the Learner-driven Plan, with organizational training satisfaction measured through pulse survey by November 30, 2021.
<b>INNOVATION AND QUALITY</b>						
7	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	4,000	5,500	11,000	7.1) Remainder of eligible Co-op programs available for direct entry at time of application for Fall 2021 intake.
8		Reduce the risk of failure of information technology infrastructure and software applications				<p><b>Student Information System – Phase 2 project milestones reached by March 31, 2022, including:</b></p> <p>8.1) Integrations strategy and plan completed by June 30, 2021.</p> <p>8.2) Identity and Access Management strategy and Solution design approved by the Algonquin College Executive Team by December 31, 2021.</p> <p>8.3) Data Management Capabilities Framework developed and implemented by March 31, 2022.</p> <p>8.4) Student and employee portal functionality developed with the Learner-driven Plan project team and completed by March 31, 2022.</p>
9		Increase the number of model team leaders who have acquired the skills to work in the AC Way	26	56	All team leaders	9.1) Thirty new model team leaders have acquired the skills, behaviours and mindsets of an AC Way coach as measured against the AC Way Competencies Framework by March 31, 2022.
10		Create a new Strategic Plan				10.1) 2022-27 Strategic Plan approved by the Board of Governors by June 30, 2021.
<b>SUSTAINABILITY</b>						
11	Pursue Truth and Reconciliation, social, environmental, and economic sustainability	Grow net contribution	6.2%	7.5%	10%	<p><b>College operations achieved financial net contribution result of 7.5% by March 31, 2022.</b></p> <p>11.1) Funded, and contract and other non-funded activities achieved a net contribution of 1.5%.</p> <p>11.2) Infrastructure renewal strategy and initial implementation plan to reduce deferred maintenance liability to sustainable levels developed and presented to the Board of Governors for approval by October 31, 2021.</p>

## APPENDIX – ALGONQUIN COLLEGE BUSINESS PLAN 2021 – 2022

#	2017-22 STRATEGIC DIRECTION	OBJECTIVE	2020-21 TARGET	2021-22 TARGET	TRUE NORTH	INITIATIVES
<b>SUSTAINABILITY</b>						
12		Increase value of new cash, gift-in-kind donations, and pledges	\$3.5M	\$5M		<p>12.1) Year 3 milestones of the three-year Advancement Plan completed by March 31, 2022, including a focus on endowed revenue, major gifts and campaigns, annual unendowed revenue and planned giving.</p> <p>12.2) New Advancement Plan, including the integration of major gift, principal gift, annual giving and planned giving strategies, approved by the Algonquin College Executive Team by November 30, 2021.</p>
13		Engage members of the College community (students, employees and community members) in Truth and Reconciliation activities	600	820	22,500	<p><b>Year 3 of the Indigenization Strategy implemented, including:</b></p> <p>13.1) Burnt Water operational plan operationalized by March 31, 2022.</p> <p>13.2) Indigenization strategy update offered and executed once per term, in a town hall format, by March 31, 2022.</p> <p>13.3) Revenue from Indigenization activities grown by 10%, by March 31, 2022.</p>

# Annual Budget

2020-2021

Board of Governors Approved  
Feb 24, 2020





# Treasurer's Report

## 2020-2021 Annual Budget

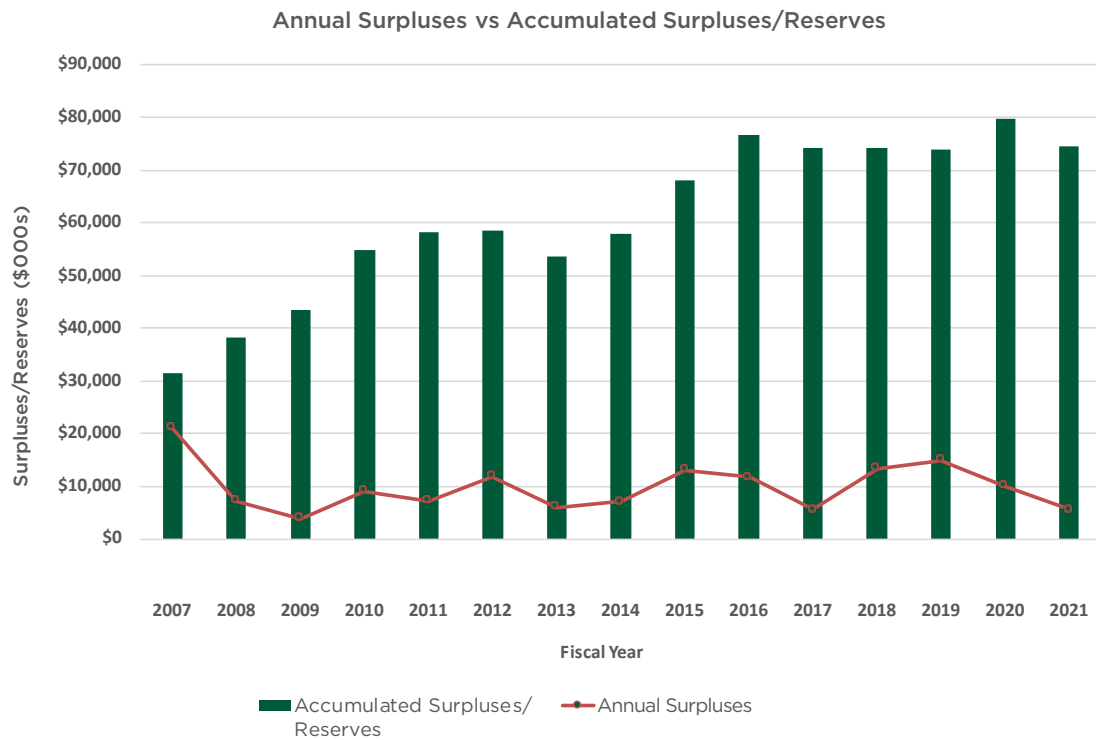
The 2020-21 Annual Budget provides the College with the resources required to deliver on the commitments detailed in the 2020-22 Business Plan and the College's 2017-22 Strategic Plan. The compliant 2020-21 Annual Budget projects an in-year surplus of \$5.7 million.

On January 17, 2019, the Government of Ontario imposed a 10 per cent tuition fee reduction and a two-year freeze on tuition increases. This change resulted in a \$10 million reduction in net contribution in 2019-20 that has carried forward to the 2020-21 fiscal year. Additionally, the Government of Ontario announced further changes to post-secondary education funding through the introduction of the third iteration of the Strategic Mandate Agreement. Under the terms of the new Strategic Mandate Agreement, to take effect beginning in the 2020-21 fiscal year, colleges in Ontario will be accountable for achieving specified key performance metrics in order to receive 100% of their grant allocation. The corridor grant funding model provides a fixed amount of grant funding for the full term of the Agreement. Under this model, there is no opportunity to increase grant revenues but there is potential for grant reductions. Though this adds an element of risk to the overall College budget, the College believes that it can successfully achieve the key performance metrics, and remain 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 annual surpluses to fund reserves required to maintain, grow and transform College programs and services. Last year, the College concluded the fiscal year with a net contribution of \$15 million, exceeding the 2018-19 Annual Budget of (\$5.5) million. In addition to various operating savings, this positive variance was achieved through an over-estimation of the impacts of Bill 148, Ontario's Fair Workplaces, Better Jobs Act of approximately \$10 million, and significant enrolment growth for both domestic and international students, 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 the replacement of a legacy Student Information System, a Pedestrian Bridge to Rapid Transit Station, and to provide contributions to the new Athletics and Recreation Centre. 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 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 2020-21:

2020-21 Expenditures from Internally Restricted Net Assets	
Student Information System Replacement (Phase 2)	\$5,500,000
Athletics and Recreation Centre Enabling Works (this is not an additional new request but within the allocation approved at the October 28, 2019 Board of Governors meeting)	4,308,000
Information Technology and Physical Infrastructure Renewal Projects	3,104,000
Department Carryover of Positive Net Contribution Variance	2,500,000
Academic and Administrative Equipment	500,000
Appropriations	100,000
Total Expenditures from Internally Restricted Net Assets	\$16,012,000

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 2020-21:

INTERNALLY RESTRICTED NET ASSETS	2020-21 Budgeted Contributions
Specific Reserves	
• Campus Services Reserve Funds	\$1,077,000
• Infrastructure Renewal Fund	5,000,000
General Reserve Funds - Future Capital Expansion	2,100,000
Contingency Reserve Fund	115,000
Total Budgeted Contributions to Internally Restricted Funds	\$8,292,000

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

The budgeted 2020-21 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	31,033,000
o Campus Services Reserve Fund	5,596,000
o Employment Stabilization Fund	586,000
o Contingency Reserve Fund	\$10,513,000
• Reserve Funds	
o Future Capital Expansion	22,725,000
o Net Proceeds from Sale of March Road Land	2,403,000
Total Unrestricted and Internally Restricted Net Assets	\$73,956,000







## 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 2019 announcement of a tuition reduction of 10 per cent and a further two-year freeze in tuition rate increases, Algonquin College staff has chosen to implement various cost containment initiatives to contain our budget.

The Ministry of Colleges and Universities maintains the existing corridor funding model in 2020-21, however, they have introduced a new requirement for colleges and universities to achieve specified key performance metrics in order to receive full grant funding. The corridor funding model and key performance metrics are intended to improve student outcomes, and increase trust and accountability through transparency and improved performance outcomes. The inclusion of funding based on key performance metrics adds a dimension of risk to the College's revenue budget. In 2020-21, 25 per cent of the College's operating grant will be aligned to the achievement of a defined set of key performance metrics. 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.

On January 31, 2021, the first Part-Time Support Staff Collective Agreement will expire. It is expected that negotiations between the College Employer Council and the OPSEU Part-Time Support Staff Bargaining Unit will be ongoing during the 2020-21 fiscal year. Finalization of a new collective agreement 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. Facilities Management has gathered new data on the condition of the College infrastructure and will be analyzing the results over the next year to update the College deferred maintenance liability. While the Province has committed to increasing funding for deferred maintenance for the college sector over the coming years (\$26 million in 2014-15 increasing to \$71 million by 2019-20), 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 renewing facilities, equipment and infrastructure. 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 5 per cent per year (\$2.4 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 first phase of the development and implementation of a new student information system software solution is being undertaken in 2019-20 and will continue for several years.

## 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 2020-21 follows:

### Revenues

- The College Operating Grant will be held stable.
- Tuition fee rates for funded programs have remained flat to the 2019-20 rates to comply with the government mandated tuition fee freeze.
- Enrolment growth in full-time post-secondary programs is projected to increase by 5.6 per cent over the 2019-20 Approved Annual Budget enrolment levels due to growth in existing programs, international enrolments, the launch of new programs, and improved retention efforts.
- Other non-funded revenue sources have been adjusted to respond to the projected enrolment changes, the economy, international opportunities, and anticipated market conditions.

### 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.

### 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 2020-21 Annual Budget provides funding for the following initiatives:
  - o Development and implementation of the Learner-driven Plan.
  - o Development of a new student information system.
  - o Campus expansion through the infrastructure work required to support the future Athletics and Recreation Centre.
  - o Implementing strategies to improve employee engagement; and
  - o Continuing to upgrade and improve the service and reliability of the College's wireless networks.

## Risks

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

RISK SCHEDULE			
Risk Identification	Impact in 2020-21	Likelihood in 2020-21	Risk Mitigation
International Enrolment Less than Projection Resulting in Reduced Tuition and Fee Revenue Due to the Potential Disruption to International Student Travel Caused by the COVID-19 Virus	High	Likely	<ul style="list-style-type: none"> <li>• New Programs</li> <li>• Increase Focus on Conversion of Applications to Registrations</li> <li>• Retention Initiatives</li> <li>• Increase International Recruitment Efforts in New Markets</li> <li>• Increase Winter Intakes</li> </ul>
Performance Metrics in the Strategic Mandate Agreement 3 are Not Met Resulting in Reduced Operating Grants	Moderate	Unlikely	<ul style="list-style-type: none"> <li>• College Input on Design of Metrics</li> <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>• AC Online Programs</li> <li>• Corporate Training</li> <li>• International Initiatives</li> </ul>
Labour Relations	Low	Likely	<ul style="list-style-type: none"> <li>• Part-time 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 Investments</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>• Major Capital Projects Internal Audit</li> <li>• Ongoing Monitoring and Reporting</li> </ul>

## Conclusion

The 2020-21 Annual Budget provides the College with the resources required to deliver on the commitments detailed in the 2020-22 Business Plan and the College's 2017-22 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 2020-22 Business Plan.



## PRO FORMA SUMMARY

(all figures in 000's)

	Actual 2018-2019	Annual Budget 2019-2020	Q3 Projection 2019-2020	Annual Budget 2020-2021	Pro Forma 2021-2022	Pro Forma 2022-2023
<b>Funded Activity/College Operations</b>						
Revenue	\$ 263,264	\$ 264,578	\$ 267,797	\$ 278,268	\$ 285,983	\$ 295,870
Expenditures <sup>1</sup>	243,960	257,222	252,650	267,248	273,038	280,137
Net Contribution	19,304	7,356	15,147	11,020	12,945	15,733
<b>Contract Activity &amp; Other Non-Funded Activity</b>						
Revenue	28,700	27,093	36,376	27,805	28,392	29,857
Expenditures	27,367	27,205	35,409	28,181	27,741	29,155
Net Contribution	1,333	(112)	967	(376)	651	702
<b>Campus Services</b>						
Revenue	44,053	44,860	40,353	40,888	41,620	42,714
Expenditures <sup>1</sup>	35,843	36,996	33,100	33,398	34,047	34,641
Net Contribution	8,210	7,864	7,253	7,490	7,573	8,073
<b>International Education Centre</b>						
Revenue <sup>2</sup>	42,193	60,522	62,526	67,079	77,517	83,801
Expenditures	27,854	41,016	41,675	48,442	55,782	59,288
Net Contribution	14,339	19,506	20,851	18,637	21,735	24,513
<b>Strategic Investment Priorities</b>						
Revenue	21,098	14,399	11,653	41,545	5,701	2,540
Expenditures <sup>3</sup>	61,277	45,488	49,481	80,341	49,085	49,564
Net Contribution	(40,179)	(31,089)	(37,828)	(38,796)	(43,384)	(47,024)
<b>Extraordinary Item</b>						
Net Proceeds from Sale of March Road Land - to specific reserves	-	-	2,403	-	-	-
<b>Non-Cash Revenue Adjustments</b>						
Capital Grants recorded as Deferred Capital Contributions	(10,744)	(12,000)	(1,000)	(1,300)	(1,200)	(1,200)
Amortization of Deferred Capital Contributions	7,366	8,000	7,600	7,900	8,100	8,300
<b>Non-Cash Expenditure Adjustments</b>						
Expenditures to be Capitalized	30,323	18,400	11,500	18,000	18,900	16,900
Amortization Expense	(14,733)	(16,800)	(16,900)	(17,000)	(17,300)	(17,700)
Change in Vacation, Sick Leave & Post-Employment Benefits	(259)	110	110	110	110	110
<b>Net Contribution as per Public Sector Accounting Standards (PSAS)</b>	<b>\$ 14,960</b>	<b>\$ 1,235</b>	<b>\$ 10,103</b>	<b>\$ 5,685</b>	<b>\$ 8,130</b>	<b>\$ 8,407</b>

1. Expenditures do not reflect budgeted contributions of \$8.3M to reserves, or \$2.9M in principal debt repayments.

2. Reflects a change for 2019-20 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 (continued)

(all figures in 000's)

	Actual 2018-2019	Annual Budget 2019-2020	Q3 Projection 2019-2020	Annual Budget 2020-2021	Pro Forma 2021-2022	Pro Forma 2022-2023
<b>Net Assets</b>						
Unrestricted	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Investment in Capital Assets	94,023	92,601	92,837	104,123	116,625	126,125
Vacation, Sick Leave and Post-Employment Benefits	(19,238)	(18,719)	(19,128)	(19,018)	(18,908)	(18,798)
Internally Restricted						
Appropriations	100	100	100	100	100	100
Specific Reserves	34,272	29,954	43,506	39,618	35,200	31,889
Contingency Reserve Fund	9,760	10,150	10,408	10,513	11,039	11,505
Reserve Funds - Future Capital Expansion	28,856	24,750	24,653	22,725	22,634	23,759
Endowments	27,470	27,220	28,070	29,070	30,070	31,070
	176,243	167,056	181,446	188,131	197,260	206,668
<b>Accumulated Remeasurement Losses</b>	(5,806)	(6,339)	(5,806)	(4,808)	(4,545)	(3,558)
<b>TOTAL NET ASSETS</b>	<b>\$ 170,437</b>	<b>\$ 160,717</b>	<b>\$ 175,640</b>	<b>\$ 183,323</b>	<b>\$ 192,715</b>	<b>\$ 203,110</b>

## STATEMENT OF FINANCIAL POSITION

(all figures in 000's)

	March 31, 2020 Annual Budget	March 31, 2020 Q3 Projection	March 31, 2021 Proposed Budget
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Short Term Investments	\$ 60,118	\$ 102,891	\$ 82,678
Accounts Receivable	24,000	24,000	25,000
Inventory	1,550	1,550	1,550
Prepaid Expenses	2,700	2,700	2,700
	<b>88,368</b>	<b>131,141</b>	<b>111,928</b>
Investments	50,000	32,500	40,000
Long Term Prepaid Asset	-	5,500	5,500
Endowment Assets	27,220	28,070	29,070
<b>Capital Assets</b>	<b>298,183</b>	<b>293,513</b>	<b>294,513</b>
<b>TOTAL ASSETS</b>	<b>\$ 463,771</b>	<b>\$ 490,724</b>	<b>\$ 481,011</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Current Liabilities</b>			
Accounts Payable & Accrued Liabilities	\$ 28,000	\$ 35,000	\$ 32,000
Accrued Salaries & Employee Deductions Payable	10,000	10,000	10,000
Deferred Revenue	36,000	45,000	42,000
Current Portion of Long Term Debt	3,502	3,502	3,718
	<b>77,502</b>	<b>93,502</b>	<b>87,718</b>
Long Term Debt	38,552	38,552	34,649
Vacation, Sick Leave & Post-Employment Benefits	18,719	19,128	19,018
Deferred Capital Contributions	163,528	158,622	152,022
Interest Rate Swaps	4,753	5,280	4,281
<b>Net Assets</b>			
Unrestricted	1,000	1,000	1,000
Investment in Capital Assets	92,601	92,837	104,123
Vacation, Sick Leave & Post-Employment Benefits	(18,719)	(19,128)	(19,018)
Internally Restricted	64,954	78,667	72,956
Endowment Fund	27,220	28,070	29,070
	<b>167,056</b>	<b>181,446</b>	<b>188,131</b>
Accumulated Remeasurement Losses	(6,339)	(5,806)	(4,808)
	<b>160,717</b>	<b>175,640</b>	<b>183,323</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 463,771</b>	<b>\$ 490,724</b>	<b>\$ 481,011</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 2020-2021	Q3 Projection 2019-2020	Annual Budget 2019-2020	Actual 2018-2019
<b>Grants</b>									
Post Secondary Activity	\$ 105,213	\$ -	\$ -	\$ -	\$ -	\$ 105,213	\$ 104,881	\$ 105,809	\$ 110,215
Capital & Equipment	-	-	-	-	4,008	4,008	2,060	2,540	8,754
Apprentice	5,501	-	-	-	-	5,501	5,584	5,583	5,403
Flow-Through Student Aid	1,659	-	-	-	-	1,659	1,659	1,729	1,702
<b>TOTAL GRANTS</b>	112,373	-	-	-	4,008	116,381	114,184	115,661	126,074
<b>Tuition Fees</b>									
Full-Time Post Secondary	84,415	-	-	59,851	-	144,266	141,227	134,583	121,246
Full-Time Non-Funded	-	-	-	-	-	-	-	2,267	1,750
Part-Time	10,159	1,594	-	-	-	11,753	12,402	11,535	12,212
Adult Training	1,402	-	-	-	-	1,402	1,267	1,218	1,060
Student Technology Fees	8,552	-	-	-	-	8,552	8,489	8,233	7,645
<b>TOTAL TUITION FEES</b>	104,528	1,594	-	59,851	-	165,973	163,385	157,836	143,913
<b>Contract Educational Services</b>									
Provincially Funded Programs	-	12,183	-	-	-	12,183	19,572	12,590	21,531
Corporate & Other Programs	6,491	9,950	-	2,340	-	18,781	23,068	18,660	19,643
Grants, Fees & Other Income Associated with Contract Activity	-	-	-	-	-	-	-	-	-
<b>TOTAL CONTRACT EDUCATIONAL SERVICES</b>	6,491	22,133	-	2,340	-	30,964	42,640	31,250	41,174
<b>CAMPUS SERVICES SALES</b>	-	-	40,888	-	-	40,888	40,353	44,860	44,053
<b>Other</b>									
Students' Association Contribution (Ishkedowan Courtyard & Athletics and Recreation Centre)	-	-	-	-	37,537	37,537	8,390	11,859	100
Early Learning Centre	1,106	-	-	-	-	1,106	1,047	1,047	1,064
Student Ancillary Fees	6,626	46	-	-	-	6,672	7,105	3,646	6,448
Investment Income	1,165	-	-	-	-	1,165	1,212	747	2,084
Transfer from International Education Centre <sup>1</sup>	26,982	-	-	-	-	26,982	24,503	22,810	15,623
Miscellaneous	18,997	4,032	-	4,888	-	27,917	15,886	21,736	18,775
<b>TOTAL OTHER</b>	54,876	4,078	-	4,888	37,537	101,379	58,143	61,845	44,094
<b>TOTAL REVENUE</b>	\$ 278,268	\$ 27,805	\$ 40,888	\$ 67,079	\$ 41,545	\$ 455,585	\$ 418,705	\$ 411,452	\$ 399,308

1 - Reflects a change for 2019-2020 in the methodology for recording the split of international tuition fee premium between Funded Activity and International.

Funded Activity/College Operations	\$ 278,268	\$ 267,797	\$ 264,578	\$ 263,264
Contract Activity & Other Non-Funded Activity	27,805	36,376	27,093	28,700
Campus Services	40,888	40,353	44,860	44,053
International Education Centre	67,079	62,526	60,522	42,193
Strategic Investment Priorities	41,545	11,653	14,399	21,098
<b>Total Revenue</b>	<b>\$ 455,585</b>	<b>\$ 418,705</b>	<b>\$ 411,452</b>	<b>\$ 399,308</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 2020-2021	Q3 Projection 2019-2020	Annual Budget 2019-2020	Actual 2018-2019
Full-Time Salaries & Benefits									
Full-Time Salaries & Benefits - Academic	\$ 76,937	\$ 1,169	\$ -	\$ -	\$ -	\$ 78,106	\$ 69,158	\$ 77,539	\$ 72,331
Full-Time Salaries & Benefits - Administration	26,264	2,671	1,919	1,359	-	32,213	28,800	28,108	25,450
Full-Time Salaries & Benefits - Support	41,304	3,317	4,708	872	-	50,201	46,097	47,770	43,886
Total Full-Time Salaries & Benefits	144,505	7,157	6,627	2,231	-	160,520	144,055	153,417	141,667
Other Staff Salaries & Benefits									
Other Staff Salaries & Benefits - Academic	36,433	1,632	-	187	-	38,252	41,806	39,623	41,502
Other Staff Salaries & Benefits - Administration	1,035	2,020	-	2	-	3,057	4,563	4,924	4,897
Other Staff Salaries & Benefits - Support	8,971	2,516	1,950	442	-	13,879	15,985	11,965	13,365
Total Other Staff Salaries & Benefits	46,439	6,168	1,950	631	-	55,188	62,354	56,512	59,764
TOTAL SALARY & BENEFITS	190,944	13,325	8,577	2,862	-	215,708	206,409	209,929	201,431
Other Operating									
Mandated Student Aid	5,898	-	-	5	-	5,903	6,284	6,284	6,071
Contingencies	5,013	-	-	-	-	5,013	4,933	6,183	5,645
Long Term Debt Interest	734	-	1,995	-	-	2,729	2,743	2,743	2,769
Contract Services	17,148	6,740	2,159	8,015	-	34,062	33,267	30,817	23,548
Instructional Supplies & Equipment	5,194	2,217	54	36	-	7,501	7,001	6,974	6,603
Information Technology	9,630	208	321	40	-	10,199	10,656	10,021	9,012
Marketing and Promotion	2,708	517	295	386	-	3,906	4,005	3,815	3,340
Building Maintenance & Utilities	13,125	27	2,393	-	-	15,545	16,773	17,574	17,508
Flow-Through Student Aid	1,804	-	-	200	-	2,004	1,695	1,809	1,691
Cost of Goods Sold	716	-	13,946	21	-	14,683	15,268	18,886	18,610
Transfer from International Education Centre <sup>1</sup>	-	-	-	26,982	-	26,982	24,503	22,810	15,623
Other	14,334	5,147	3,658	9,895	-	33,034	29,297	24,594	23,173
TOTAL OTHER OPERATING	76,304	14,856	24,821	45,580	-	161,561	156,425	152,510	133,593
STRATEGIC INVESTMENT PRIORITIES EXPENDITURES	-	-	-	-	80,341	80,341	49,481	45,488	61,277
TOTAL EXPENDITURES	\$ 267,248	\$ 28,181	\$ 33,398	\$ 48,442	\$ 80,341	\$ 457,610	\$ 412,315	\$ 407,927	\$ 396,301
1 - Reflects a change for 2019-2020 in the methodology for recording the split of international tuition fee premium between Funded Activity and International.									
Funded Activity/College Operations						\$ 267,248	\$ 252,650	\$ 257,222	\$ 243,960
Contract Activity & Other Non-Funded Activity						28,181	35,409	27,205	27,367
Campus Services						33,398	33,100	36,996	35,843
International Education Centre						48,442	41,675	41,016	27,854
Strategic Investment Priorities						80,341	49,481	45,488	61,277
Total Expenditures						\$ 457,610	\$ 412,315	\$ 407,927	\$ 396,301

## STRATEGIC INVESTMENT PRIORITIES SCHEDULE

(all figures in 000's)

	Grants & Fundraising	College Funded	Annual Budget 2020-2021	Q3 Projection 2019-2020	Annual Budget 2019-2020	Actual 2018-2019
<b>SOURCE OF FUNDS</b>						
Facilities Renewal Grant	\$ 1,505	\$ -	\$ 1,505	\$ 500	\$ 980	\$ 1,980
College Equipment Renewal Fund Grant	1,503	-	1,503	560	560	1,483
Greenhouse Gas Campus Retrofit Grant	-	-	-	1,203	-	8,091
Apprenticeship Enhancement Fund Grant	1,000	-	1,000	1,000	1,000	1,037
Supporting Quality Programs and Student Outcomes Grant	-	-	-	-	-	4,000
Post Secondary Institutions Strategic Investment Fund (PSISIF) Grant	-	-	-	-	-	4,254
Students' Association Contribution	37,537	-	37,537	8,390	11,859	100
Miscellaneous	-	-	-	-	-	153
<b>TOTAL SOURCE OF FUNDS</b>	<b>41,545</b>	<b>-</b>	<b>41,545</b>	<b>11,653</b>	<b>14,399</b>	<b>21,098</b>
<b>EXPENDITURES</b>						
<b>Major Capital Projects</b>						
DARE District	-	-	-	-	-	9,510
Ishkedowan Courtyard	-	-	-	-	-	1,426
Student Central	-	-	-	-	-	6,580
Pedestrian Bridge to Bus Rapid Transit Station	-	-	-	630	630	20
Solar Photovoltaic Plan	-	-	-	2,403	1,200	5,622
Energy Services Company Project (ESCO2)	-	-	-	760	-	1,563
Student Information System	-	11,000	11,000	3,070	3,070	-
Ontario Student Assistance Program (OSAP) Transformation and Net Tuition Project	-	-	-	-	-	322
Learning Management System Implementation and Modernization	-	-	-	165	-	753
Workday Implementation	-	-	-	-	-	6,971
Athletics and Recreation Centre	37,337	-	37,337	13,590	13,100	364
Athletics and Recreation Centre Enabling Work	-	8,616	8,616	950	1,750	-
<b>Total Major Capital Projects</b>	<b>37,337</b>	<b>19,616</b>	<b>56,953</b>	<b>21,568</b>	<b>19,750</b>	<b>33,131</b>
<b>Other</b>						
College Technologies	-	3,211	3,211	4,653	2,371	2,217
College Space & Infrastructure	1,505	485	1,990	2,877	3,304	6,449
Academic & Other Equipment	1,236	204	1,440	1,100	1,400	-
Initiatives & Opportunities	267	6,671	6,938	8,353	9,263	5,069
Campus Services	-	-	-	1,851	1,661	1,434
Appropriations	-	100	100	100	100	-
Apprenticeship Enhancement Fund	1,000	-	1,000	1,000	1,000	1,037
Recurring Annual Investments	-	9,766	9,766	11,129	9,389	9,791
Measures to Address Changes to Employment Standards Act	-	-	-	-	-	1,445
Net Contribution Surplus Carryover	-	2,500	2,500	1,750	1,750	704
Adjustment for Anticipated Underspend	-	(3,557)	(3,557)	(4,900)	(4,500)	-
<b>Total Other</b>	<b>4,008</b>	<b>19,380</b>	<b>23,388</b>	<b>27,913</b>	<b>25,738</b>	<b>28,146</b>
<b>TOTAL EXPENDITURES</b>	<b>41,345</b>	<b>38,996</b>	<b>80,341</b>	<b>49,481</b>	<b>45,488</b>	<b>61,277</b>
<b>NET CONTRIBUTION</b>	<b>\$ 200</b>	<b>\$ (38,996)</b>	<b>\$ (38,796)</b>	<b>\$ (37,828)</b>	<b>\$ (31,089)</b>	<b>\$ (40,179)</b>

## STRATEGIC INVESTMENT PRIORITIES - INITIATIVES &amp; OPPORTUNITIES PROJECTS

(all figures in 000's)

		Annual Budget 2020-2021
<b>Initiatives &amp; Opportunities</b>		
Academic Services	Learner-driven Plan	\$ 1,316
Academic Services	Implement an Automated Standard Workload Formulas (SWF) Model	250
Academic Services	AODA Compliance Initiatives	187
Academic Services	College Quality Assurance Audit Process	185
Academic Services	Academic Program Lifecycle Annual Review	184
Academic Services	Develop Repository of Student Work	116
Finance and Administration	AODA Accessibility and Inclusion Facilities Programs 2020-25	800
Human Resources	People Plan Implementation Projects	310
Human Resources	Increase HR Generalists and Talent Recruiting to Support Operations	223
Human Resources	Human Resources Resourcing Support	176
Human Resources	Accessibility, Equity, Diversity & Inclusion Strategy Implementation	95
Human Resources	Diversity & Inclusion Support	31
Human Resources	Enhance Recruitment Effectiveness	18
Innovation and Strategy	Co-op Growth Initiatives	365
Innovation and Strategy	Applied Research, Innovation & Entrepreneurship Data Analytics Support	140
Student Services	Developing the Lean AC Way Brand	705
Student Services	General Data Protection Regulation (GDPR) Compliance Project	115
Student Services	Student Central Service Excellence	72
Student Services	Student Accommodation Resources for Faculty	50
Various	Prior Year Projects Carried Forward for Completion in 2020-21	1,600
<b>TOTAL EXPENDITURES</b>		<b>\$ 6,938</b>

## NET ASSETS CONTINUITY SCHEDULE

(all figures in 000's)

	Q3 Projection March 31, 2020	2020-2021 Budgeted In Year Use of Funds	2020-2021 Budgeted Year End Adjustments	Budgeted Balance March 31, 2021
<b>Appropriations</b>	\$ 100	\$ 100	\$ 100	\$ 100
<b>Specific Reserves</b>				
Other Projects & Initiatives	36,068	11,604	6,569	31,033
Campus Services Reserve Fund	4,454	-	1,142	5,596
Employment Stabilization Funds	581	-	5	586
	41,103	11,604	7,716	37,215
<b>Contingency Reserve Fund</b>	10,408	-	105	10,513
<b>Reserve Funds</b>				
Future Capital Expansion	24,653	4,308	2,380	22,725
Net Proceeds from Sale of March Road Land	2,403	-	-	2,403
	27,056	4,308	2,380	25,128
<b>TOTAL INTERNALLY RESTRICTED NET ASSETS<sup>1</sup></b>	<b>\$ 78,667</b>	<b>\$ 16,012</b>	<b>\$ 10,301</b>	<b>\$ 72,956</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>	\$ 92,837	\$ -	\$ 11,286	\$ 104,123
<b>Vacation, Sick Leave &amp; Post-Employment Benefits</b>	(19,128)	-	110	(19,018)
<b>Interest Rate Swaps</b>	(5,806)	-	998	(4,808)
<b>Endowment Fund</b>	28,070	-	1,000	29,070
<b>TOTAL NET ASSETS</b>	<b>\$ 175,640</b>	<b>\$ 16,012</b>	<b>\$ 23,695</b>	<b>\$ 183,323</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 2020-2021. 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 2019-2020			
	Academic	Admin	Support	Total
<b>Academic Services</b>				
Senior Vice-President's Office	1	3	-	4
Academic Development	7	5	10	22
Academic Operations & Planning	1	3	4	8
Algonquin Centre for Construction Excellence	64	2	11	77
Algonquin College Heritage Institute	7	4	9	20
Algonquin College In The Ottawa Valley	29	7	34	70
Centre For Continuing & Online Learning	-	9	25	34
Faculty of Arts, Media & Design	125	7	32	164
Faculty of Health, Public Safety & Comm. Studies	125	9	32	166
School of Advanced Technology	108	6	16	130
School of Business	90	5	8	103
School of Hospitality & Tourism	44	4	8	56
Total	601	64	189	854
<b>Advancement</b>				
Advancement Operations	-	6	6	12
Total	-	6	6	12
<b>Finance and Administration</b>				
Vice-President's Office	-	2	-	2
Campus Services	-	16	73	89
Facilities Management	-	11	36	47
Finance & Administrative Services	-	13	27	40
Risk Management	-	10	1	11
Total	-	52	137	189
<b>Human Resources</b>				
Vice-President's Office	-	5	1	6
Centre for Organizational Learning	-	1	2	3
Employee Abilities and Wellness	-	3	-	3
Human Resources Programs	-	3	-	3
Labour Relations	-	4	-	4
Talent and System Reporting	-	6	-	6
Talent Management & Organizational Development	1	-	-	1
Wellness, Compensation and Benefits	-	6	-	6
Total	1	28	3	32

Proposed Budget 2020-2021			
Academic	Admin	Support	Total
1	3	-	4
7	5	10	22
1	3	4	8
64	2	11	77
7	4	9	20
29	7	34	70
-	9	25	34
125	7	32	164
125	9	32	166
108	6	16	130
90	5	8	103
44	4	8	56
601	64	189	854
-	6	6	12
-	6	6	12
-	2	-	2
-	16	73	89
-	11	36	47
-	13	27	40
-	10	1	11
-	52	137	189
-	5	1	6
-	1	2	3
-	3	-	3
-	3	-	3
-	4	-	4
-	6	-	6
1	-	-	1
-	6	-	6
	28	3	32



## SUMMARY OF FUNDED POSITIONS (continued)

	3rd Quarter 2019-2020			
	Academic	Admin	Support	Total
<b>Innovation and Strategy</b>				
Vice-President's Office	-	9	4	13
Applied Research & Development	-	7	3	10
Business Development & Corporate Training	-	4	11	15
Information Technology Services	-	21	86	107
International and Strategic Planning	20	13	13	46
<b>Total</b>	<b>20</b>	<b>54</b>	<b>117</b>	<b>191</b>
<b>President &amp; Board of Governors</b>				
President's Office	-	4	-	4
Communications	-	3	4	7
<b>Total</b>	<b>-</b>	<b>7</b>	<b>4</b>	<b>11</b>
<b>Student Services</b>				
Vice-President's Office	-	2	-	2
Marketing & Recruitment	-	2	26	28
Registrar	-	9	64	73
Student Support Services	19	12	45	76
<b>Total</b>	<b>19</b>	<b>25</b>	<b>135</b>	<b>179</b>
<b>Truth, Reconciliation &amp; Indigenization</b>				
Indigenous Services And Partnerships	1	3	2	6
<b>Total</b>	<b>1</b>	<b>3</b>	<b>2</b>	<b>6</b>
<b>COLLEGE TOTAL</b>	<b>642</b>	<b>239</b>	<b>593</b>	<b>1,474</b>

Proposed Budget 2020-2021			
Academic	Admin	Support	Total
-	9	4	13
-	7	3	10
-	4	11	15
-	21	86	107
20	13	13	46
20	54	117	191
-	4	-	4
-	3	4	7
-	7	4	11
-	2	-	2
-	2	26	28
-	9	64	73
19	12	45	76
19	25	135	179
1	3	2	6
1	3	2	6
642	239	593	1,474

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 2019-2020 Q3 PROJECTED ENROLMENT

(all figures in 000's)

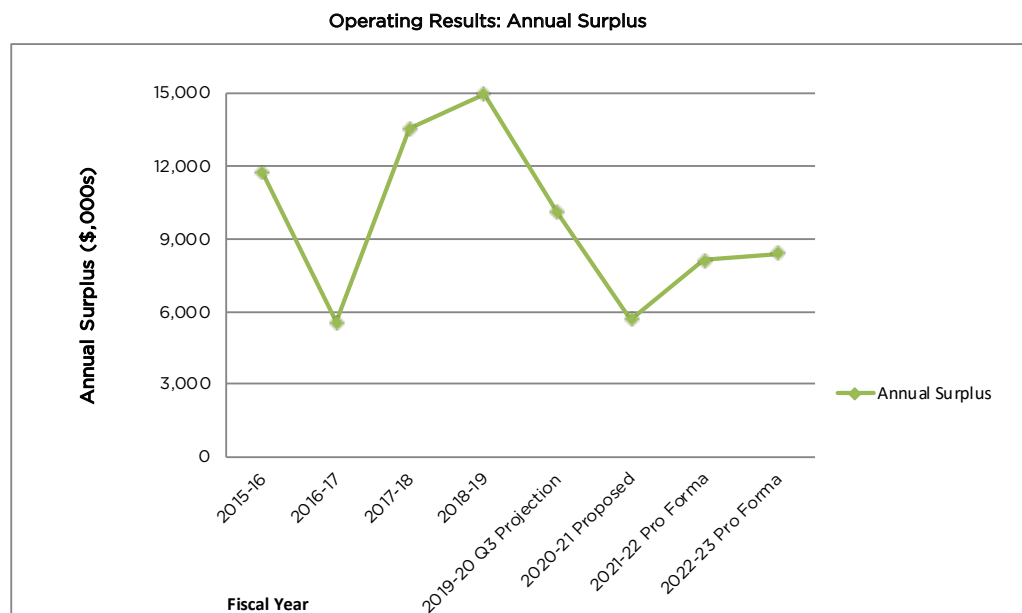
	Projected 2020-2021	Q3 Projection 2019-2020*	Variance (#)	Variance (%)
Domestic Students	36,438	35,387	1,051	3.0%
International Students	11,286	9,676	1,610	16.6%
<b>Total</b>	<b>47,724</b>	<b>45,063</b>	<b>2,661</b>	<b>5.6%</b>

\*Q3 is comprised of Day 10 actuals for the Spring 2019, Fall 2019 and Winter 2020 terms.

In addition to the above, the budget supports the following:

Apprentice Seat Purchases	2,552
Collaborative Enrolments	2,521
Full-Time Non-Funded Enrolments	217

## FINANCIAL HEALTH INDICATORS

**Objective:**

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

**Benchmark:**

Must be greater than \$0.

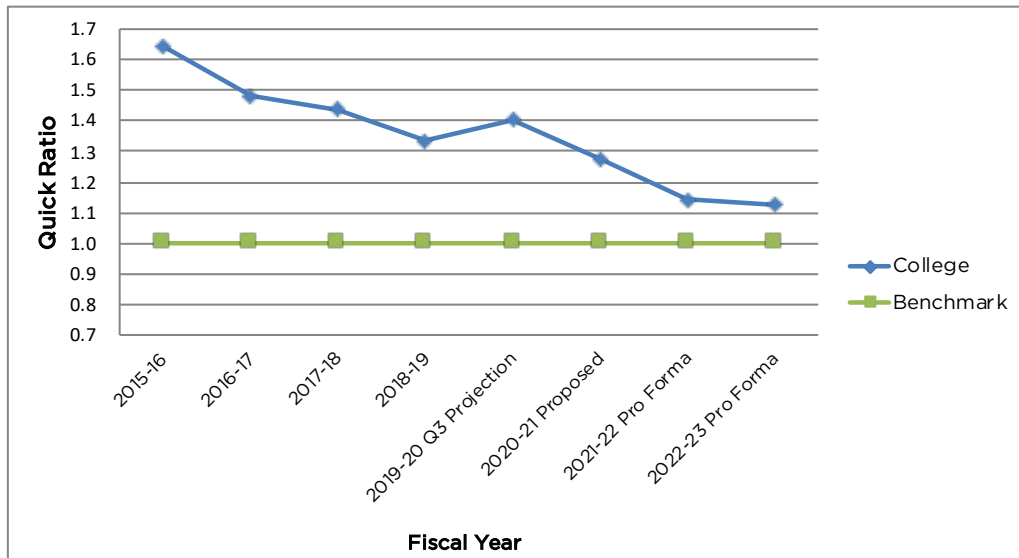
**Rationale:**

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

Students' Association revenue and expenditures related to the Athletics and Recreation Centre have been removed from the Financial Health Indicators.

## PRO FORMA SUMMARY - 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:**

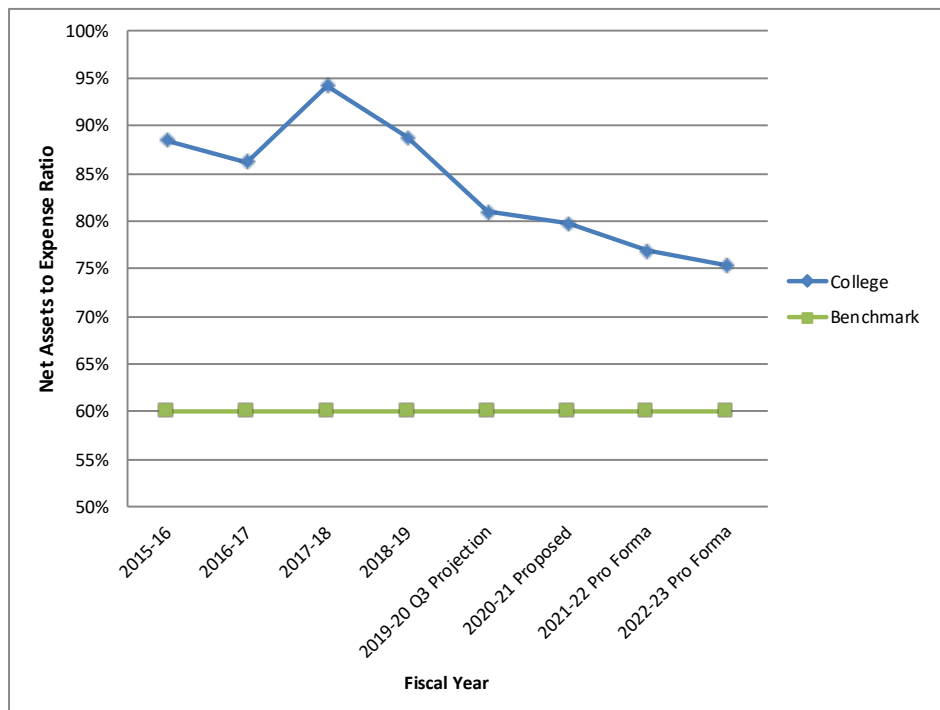
A ratio of 1 or higher indicates that a college should be able to meet its short term obligations.

**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 1.73 for 2020-2021.

Students' Association revenue and expenditures related to the Athletics and Recreation Centre have been removed from the Financial Health Indicators.

## PRO FORMA SUMMARY - 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.

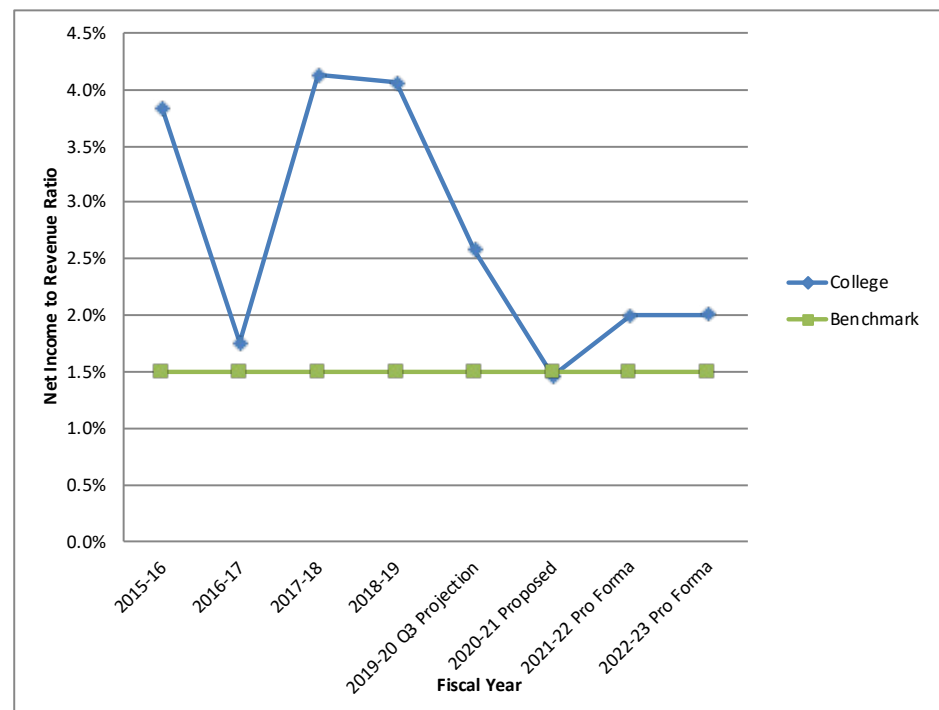
**Benchmark:**

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:**

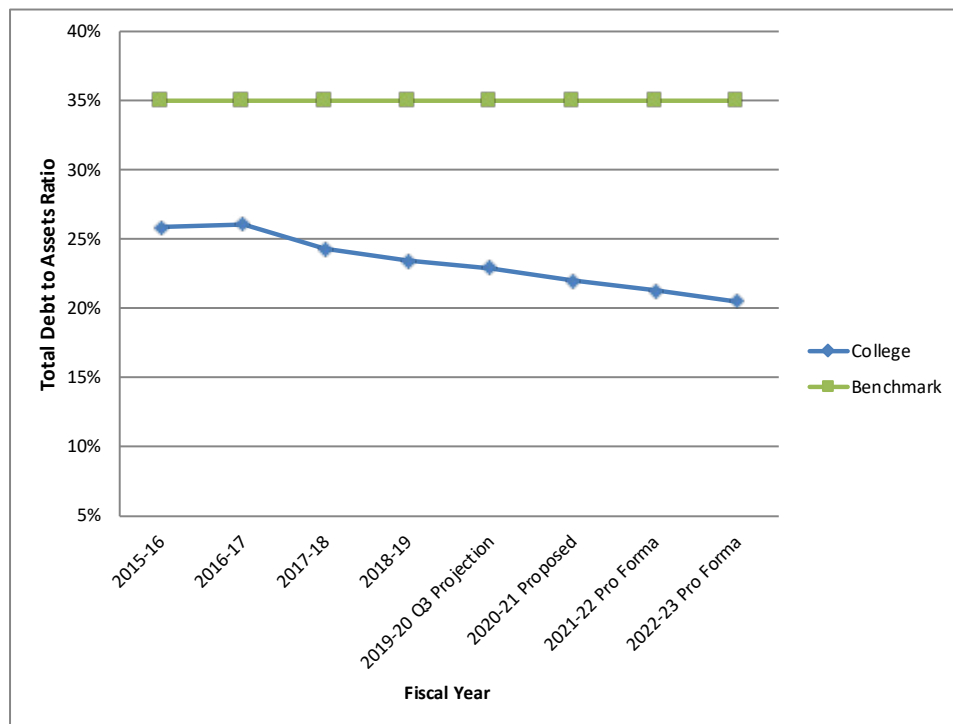
A surplus less than 1.5% of revenues indicates that small changes in expenses or revenues may result in annual deficits for the institution.

Students' Association revenue and expenditures related to the Athletics and Recreation Centre have been removed from the Financial Health Indicators.



## PRO FORMA SUMMARY - 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.

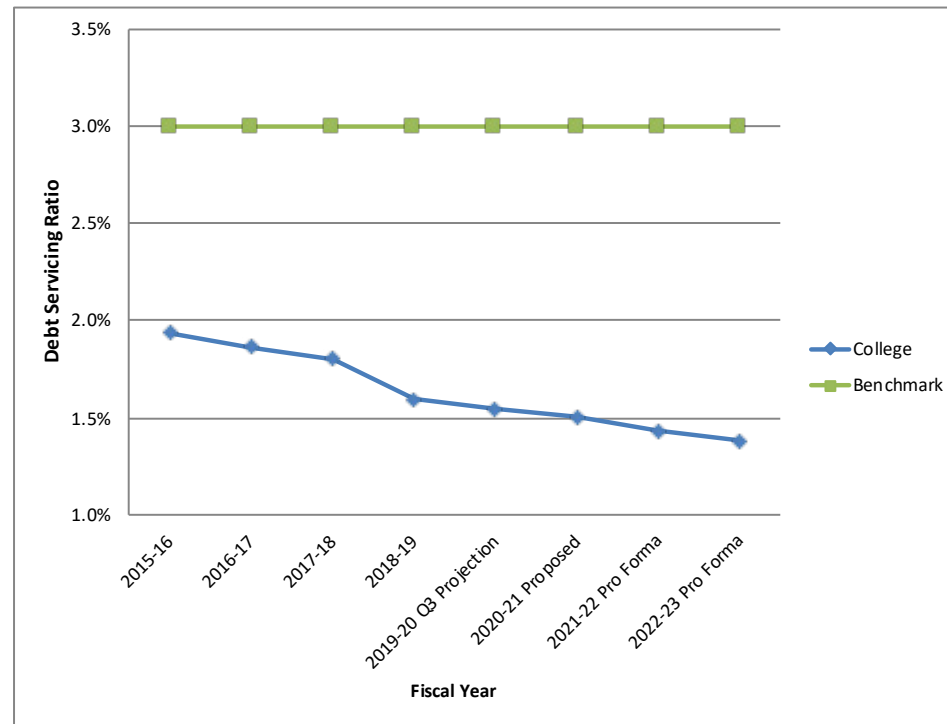
**Benchmark:**

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.

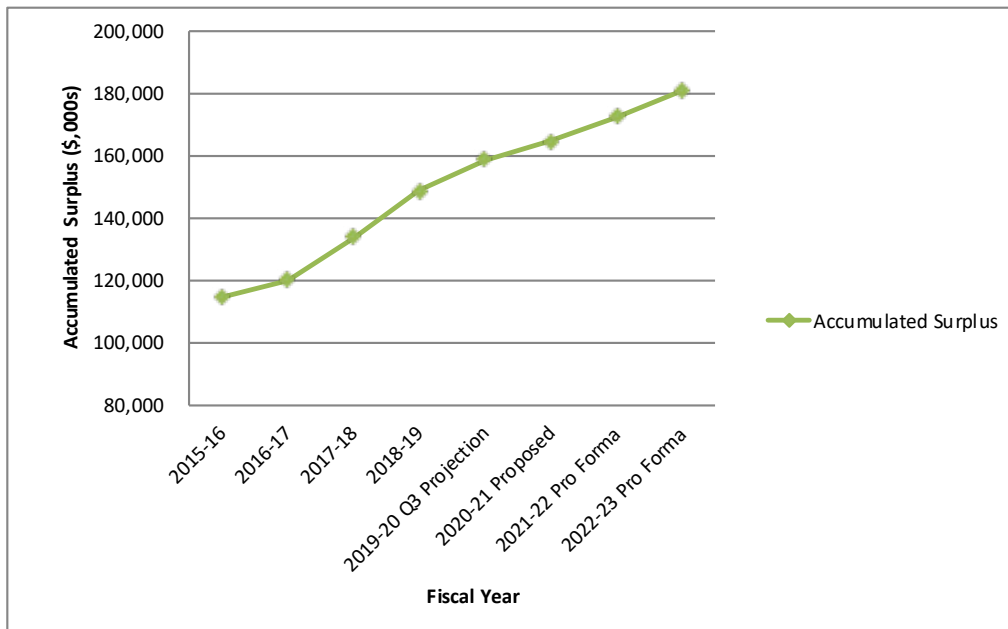
**Rationale:**

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.

Students' Association revenue and expenditures related to the Athletics and Recreation Centre have been removed from the Financial Health Indicators.

## PRO FORMA SUMMARY - 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.

Students' Association revenue and expenditures related to the Athletics and Recreation Centre have been removed from the Financial Health Indicators.

# 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:

- Alanna McDonell, (Acting Chair), Director, Marketing and Recruitment
- Mark Leduc, (Acting Vice-Chair) Executive Director, Academic Operations and Planning
- Maggie Cusson, Dean, Academic Development
- Christine Kelsey, OPSEU Local Support Staff Union President
- Teri Kinnunen, (Resource) Manager, Corporate Budgeting
- Erin Langevin, Director, Labour Relations
- Ernest Mulvey, Director, International Education Centre
- Andre O'Bonsawin, Director, Indigenization
- Krista Pearson, Registrar
- Grant Perry, (Resource), Chief Financial Officer
- Lois Pollock, Chief Digital Officer
- Nathan Sassi, (Resource) Corporate Business Administrator
- Joanne Souaid, Director, Advancement Services
- John Tattersall, Executive Director, Facilities Management
- Emily Woods, (Resource), Associate Director, Financial Services

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

