

BUSINESS PLAN

2023-2025

BOARD OF GOVERNOR'S APPROVED

February 27, 2023



ALGONQUIN
COLLEGE



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

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

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



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

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

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

Sincerely



Claude Brulé
President and Chief Executive Officer



OUR MISSION VISION & VALUES

OUR MISSION

To transform hopes and dreams into lifelong success

OUR VISION

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

OUR VALUES

Caring, Learning, Integrity, Respect

DIRECTION & GOALS

LEARNER-DRIVEN

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

CONNECTED

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

PEOPLE

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



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

BECOMING AGAIN

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

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

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

STRATEGIC INITIATIVES

MASTER CAMPUS DEVELOPMENT PLAN

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

COLLEGE STRATEGIC PLAN

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

STRATEGIC ENROLMENT MANAGEMENT PLAN IMPLEMENTATION

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

STRATEGIC INDUSTRY AND COMMUNITY PARTNERSHIPS

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

FINANCIAL SUSTAINABILITY ROADMAP: PORTFOLIO ANALYSIS AND COST CONTAINMENT

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

R3: STUDENT INFORMATION SYSTEM TRANSFORMATION

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

STRATEGIC WORKFORCE PLANNING IMPLEMENTATION

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

INTEGRATED LEADERSHIP TO ADVANCE TRUTH AND RECONCILIATION WITH INDIGENOUS COMMUNITIES

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

INCLUSION, DIVERSITY, EQUITY AND ACCESSIBILITY BLUEPRINT IMPLEMENTATION

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

2023-2024 BUSINESS PLAN (FLEXIBLE)

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

2024-2025 BUSINESS PLAN (FLUID)

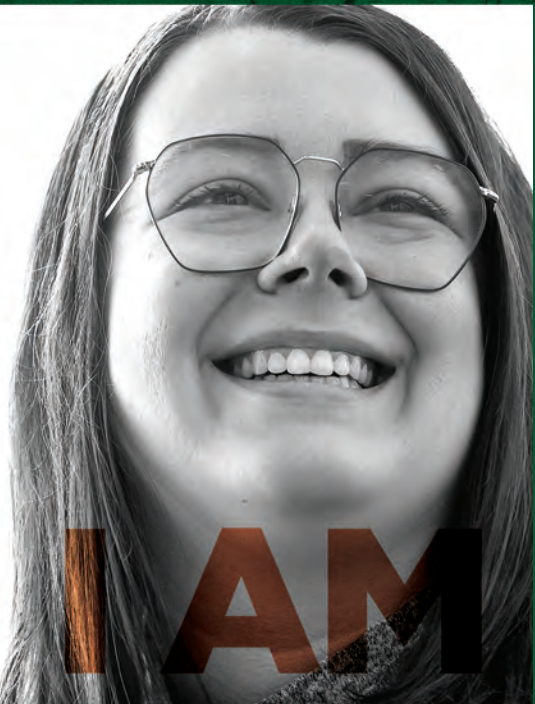
#	INITIATIVES	2024-25 DELIVERABLES	OWNER
GOAL 1: Provide flexible, personalized, and lifelong learner experiences			
1	Ten-Year Integrated Master Campus Development Plan	<ul style="list-style-type: none"> a. Master Campus Development Plan final report completed by December 31, 2024. b. Master Campus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

BUSINESS PLAN SCORECARD - METRICS

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

NOTES:

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



ANNUAL BUDGET

2023-24

BOARD OF GOVERNOR'S APPROVED

February 27, 2023



ALGONQUIN
COLLEGE

TREASURER'S **REPORT**

of the 2023-24 Annual Budget

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

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

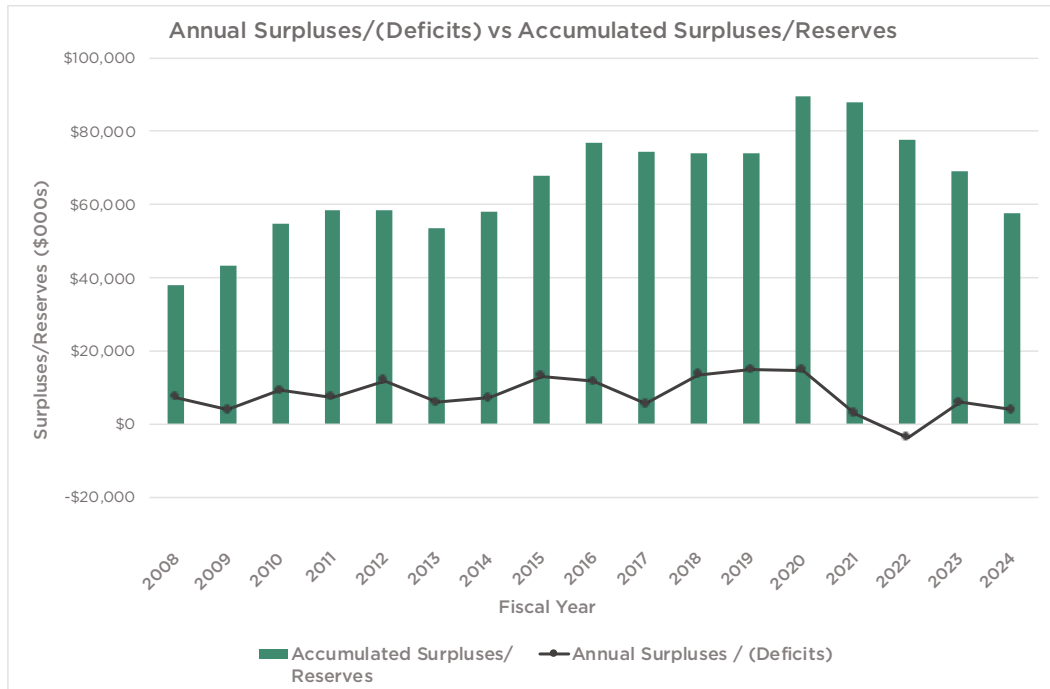
The College continues to face challenges to its financial sustainability as a result of declining domestic enrolments, an ongoing freeze on tuition fee rates, an operating grant with no adjustments for inflation or growth, and increasing operating costs. Despite these challenges, the College is focused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

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

INTERNALLY RESTRICTED NET ASSETS/ACCUMULATED SURPLUSES

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

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



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

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

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

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

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

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

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

CHALLENGES AND OPPORTUNITIES

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

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

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

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

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

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

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

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

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

ASSUMPTIONS

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

Revenues

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

Operating Expenditures

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

Strategic Investment Priorities

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

RISKS

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

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

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

Conclusion

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

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

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

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

PRO FORMA SUMMARY

(All figures in 000's)

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

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

PRO FORMA SUMMARY - continued

(All figures in 000's)

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

STATEMENT OF FINANCIAL POSITION

(All figures in 000's)

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

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

REVENUE SCHEDULE

(All figures in 000's)

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

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

EXPENDITURES SCHEDULE

(All figures in 000's)

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

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

STRATEGIC INVESTMENT PRIORITIES SCHEDULE

(All figures in 000's)

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

STRATEGIC INVESTMENT PRIORITIES - Initiatives & Opportunities Projects

(All figures in 000's)

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

NET ASSETS CONTINUITY SCHEDULE

(All figures in 000's)

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

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

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

SUMMARY OF FUNDED POSITIONS

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

	Proposed Budget 2023-24			
	Academic	Admin	Support	Total
	9	6	12	27
	1	4	9	14
	9	3	9	21
	29	7	39	75
	67	4	12	83
	-	9	26	35
	-	27	69	96
	121	9	32	162
	135	11	37	183
	120	7	19	146
	93	5	9	107
	41	4	10	55
	18	3	-	21
Total	643	99	283	1,025
	-	7	5	12
	-	1	1	2
Total	-	8	6	14
	-	16	73	89
	-	1	1	2
	-	12	36	48
	-	15	26	41
	-	27	99	126
	-	1	-	1
	-	9	1	10
	-	2	-	2
Total	-	83	236	319
	-	19	-	19
	-	18	4	22
	-	2	-	2
Total	-	39	4	43
	-	4	7	11
	-	4	-	4
Total	-	8	7	15

SUMMARY OF FUNDED POSITIONS - continued

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

The complement report represents the total number of positions for each of the College's major Areas. Not all positions are 100% funded in the budget, as some positions are vacant at the start of the year, and other positions have a start date projected other than April 1st.

PROJECTED ENROLMENT VERSUS 2022-23 Q3 PROJECTED ENROLMENT

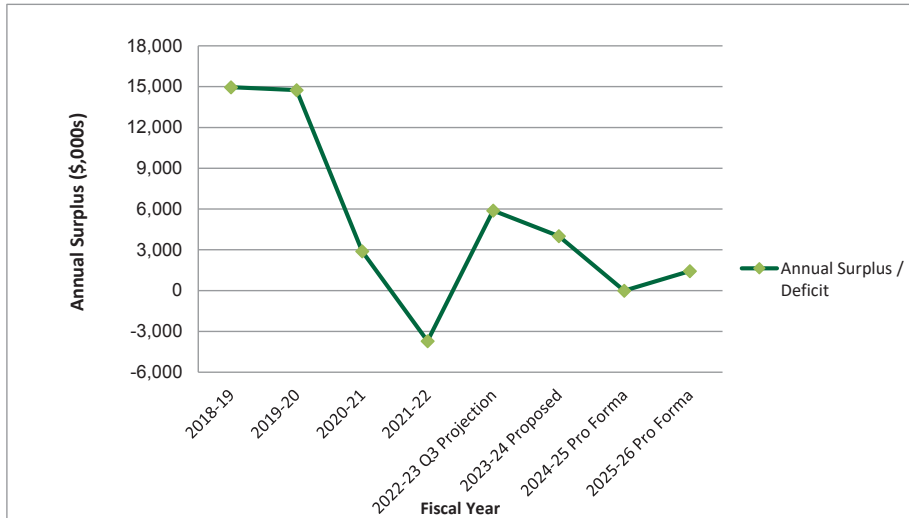
	Projected 2023-24	Q3 Projection 2022-23	Variance (#)	Variance (%)
Domestic Students	33,747	33,314	433	1.3%
International Students	13,688	10,765	2,923	27.2%
Total Domestic and International	47,435	44,079	3,356	7.6%
Public College Private Partnership	2,333	539	1,794	332.8%

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

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

FINANCIAL HEALTH INDICATORS

OPERATING RESULTS: ANNUAL SURPLUS / DEFICIT



Objective:

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

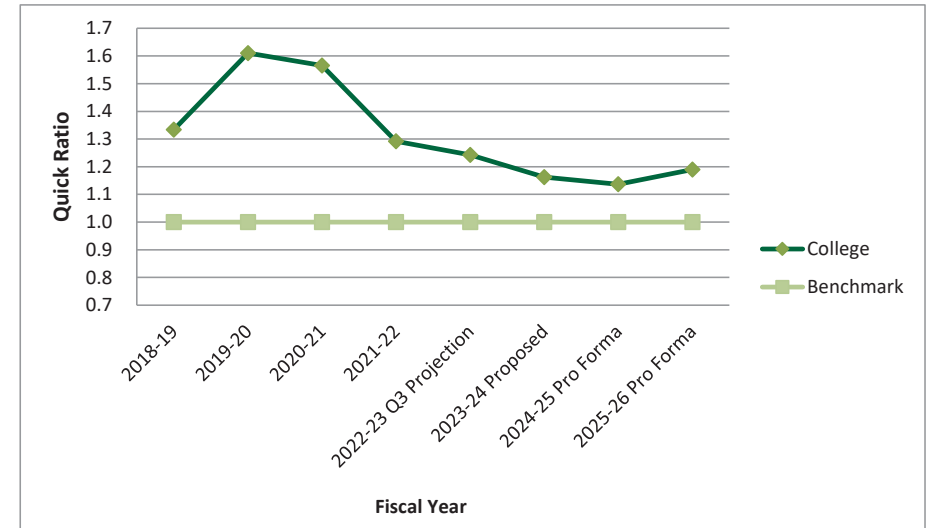
Benchmark:

Must be greater than \$0.

Rationale:

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

MEASURING LIQUIDITY: QUICK RATIO



Objective:

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

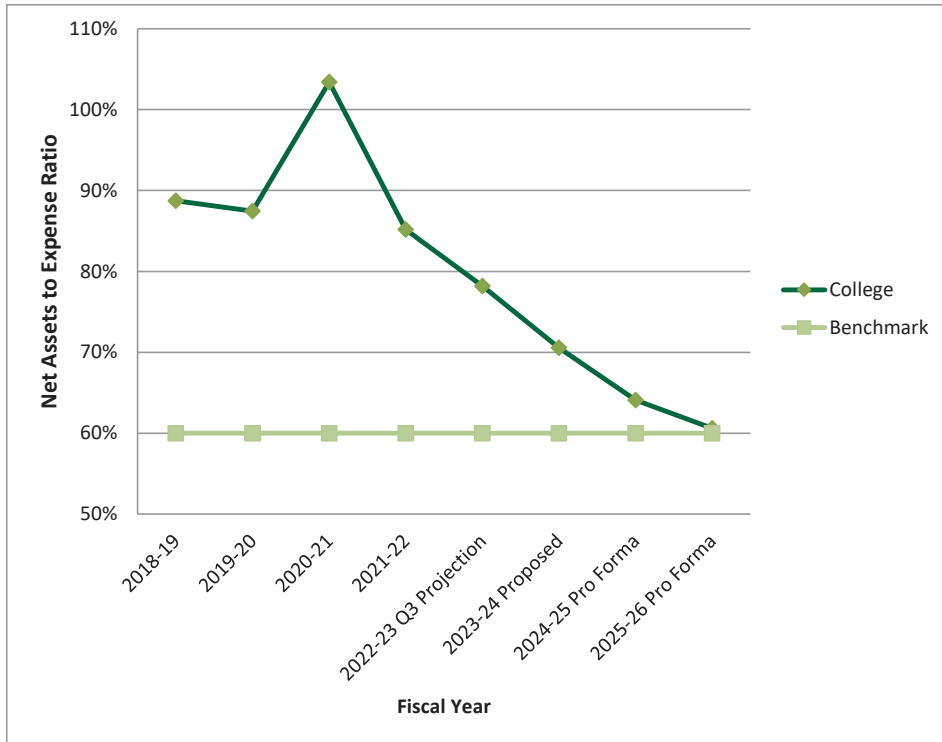
Benchmark:

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

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

FINANCIAL HEALTH INDICATORS

OPERATING RESULTS: NET ASSETS TO EXPENSE RATIO



Objective:

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

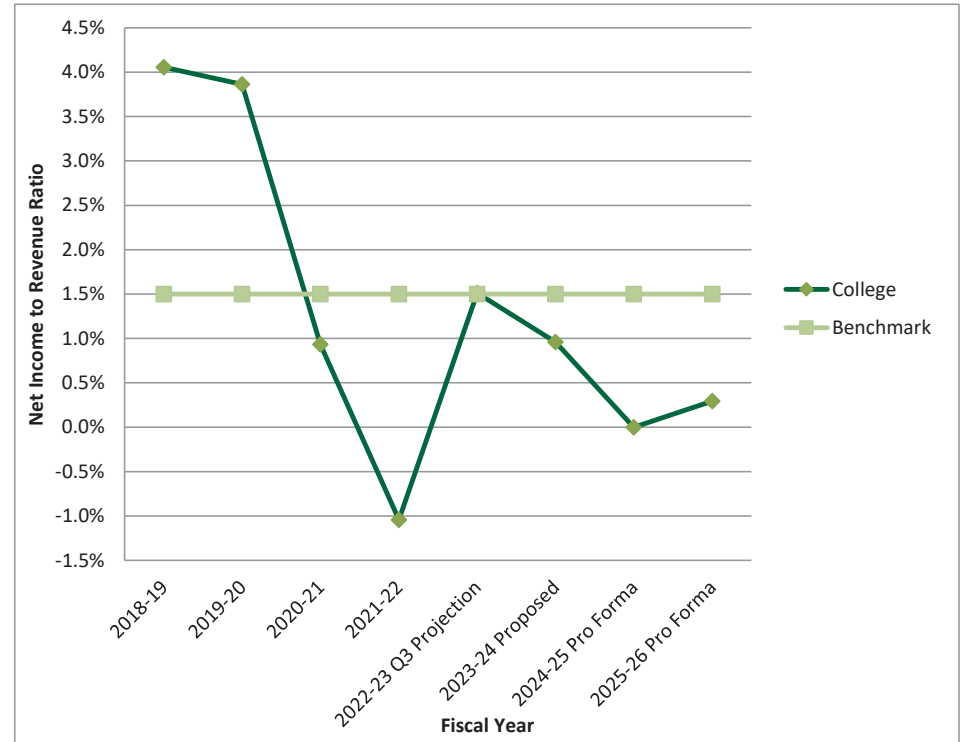
Benchmark:

60% or higher.

Rationale:

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

OPERATING RESULTS: NET INCOME TO REVENUE RATIO



Objective:

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

Benchmark:

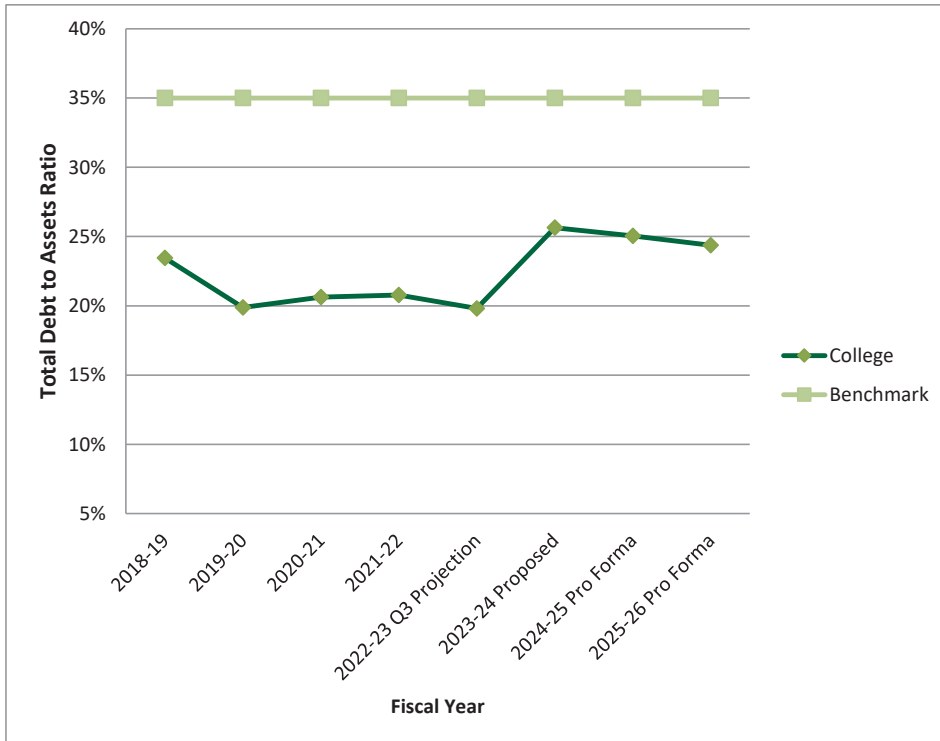
Less than 1.5% may be a concern because it may indicate that the college may not be able to recover from a deficit position in a reasonable period of time.

Rationale:

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

FINANCIAL HEALTH INDICATORS

MANAGING DEBT: TOTAL DEBT TO ASSETS RATIO



Objective:

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

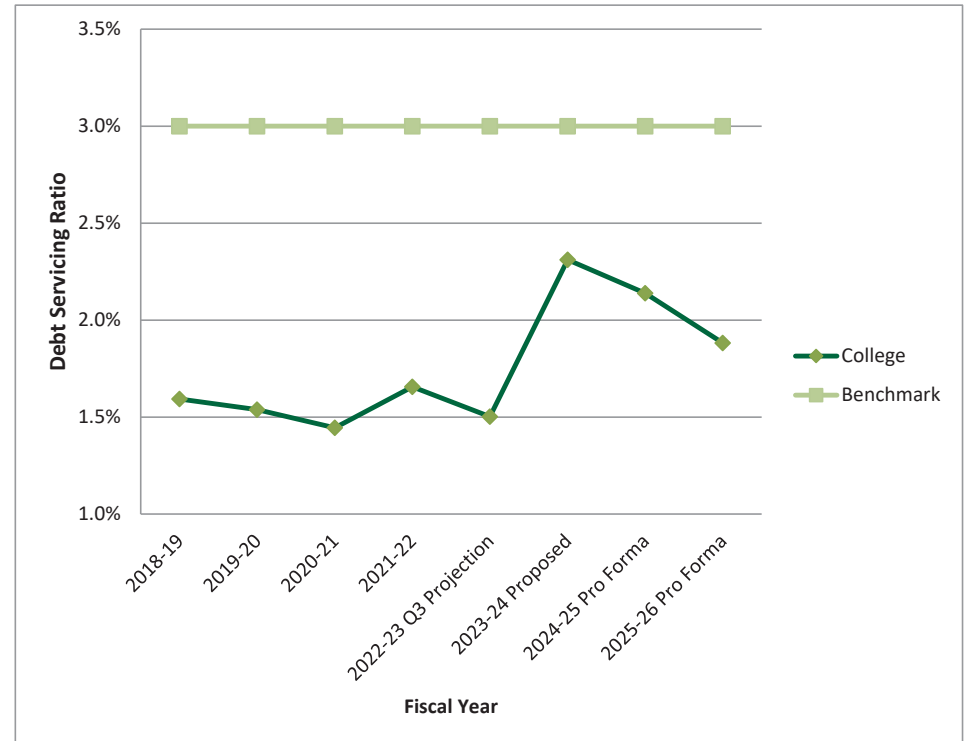
Benchmark:

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

Rationale:

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

MANAGING DEBT: DEBT SERVICING RATIO



Objective:

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

Benchmark:

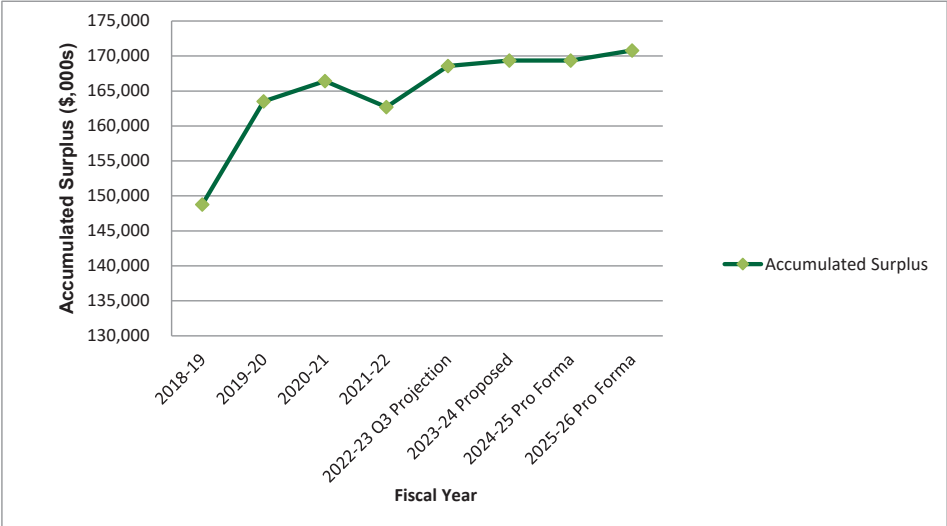
A ratio of 3% or lower, based on historical trend analysis and industry standard.

Rationale:

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

FINANCIAL HEALTH INDICATORS

ACCUMULATED SURPLUS/(DEFICIT)



Objective:

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

Benchmark:

Must be greater than \$0

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

THANK YOU

To the College Budget Committee

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

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

Duane McNair
Treasurer and Vice President, Finance and Administration

