



BOW VALLEY COLLEGE

Annual Report 2015-2016

SOUTH CAMPUS

BOW
VALLEY
COLLEGE



**WE CREATE AN
ENVIRONMENT
WHERE LEARNERS
TRIUMPH, TODAY
AND FOR THE REST
OF THEIR LIVES.**

Our unique approach to learning—*any time, any place, any path, any pace*—empowers learners to gain skills to earn a living and build a life.

At Bow Valley College over 15,000 learners are getting the skills they need to change the world, in fields like business, health care, justice, human services, and creative technologies.

In the classroom, instructors with industry experience teach valuable career skills. Learners then put their new skills to work in practicum placements in the field, or through experiential learning opportunities, such as our Pharmacy Lab, Hospital Simulation Centre, and the Alberta Deans of Business Case Competition.

Work-ready career training is only the beginning—we believe our classroom environment also makes our learners better citizens. Attending among the most intercultural colleges in western Canada prepares learners to engage and connect with a wide variety of perspectives and experiences. Learners develop a worldview vital to success in today's workplace, and gain important interpersonal skills that employers want—positive attitude, communication, and teamwork.

And when learners go out into the world, they never truly leave the college behind. Our commitment to lifelong learning means we are here to help them grow and thrive for the rest of their lives.

Bow Valley College. Creating good citizens with the skills to make better lives and a better world.



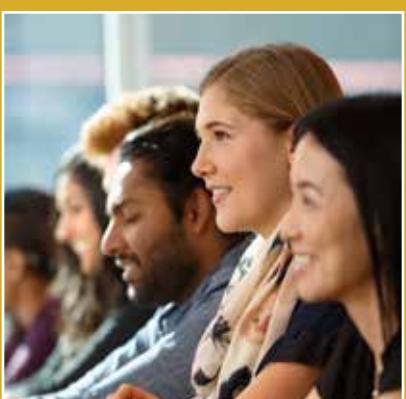
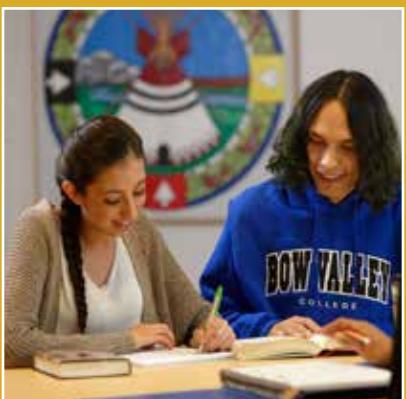
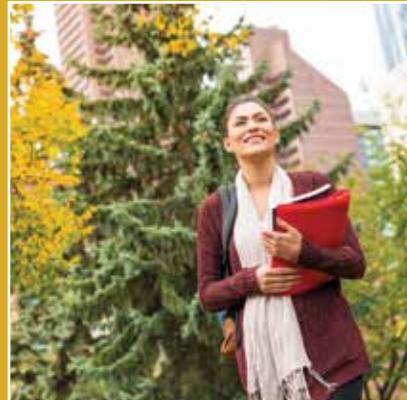
VISION

**We are an innovative world-class college,
rooted in communities, enabling people to
Learn a better living™ and *Live a better life.***



MISSION

Where people live and work, Bow Valley College will contribute to the vitality of communities and the strength of the economy through innovative adult education programs and services that equip people for successful living, lifelong learning, and work in a global, knowledge-based economy.



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How can
you
improve
your
writing
skills?



— MANDATE —

Bow Valley College is a public, board-governed college operating as a comprehensive community institution under the *Post-secondary Learning Act of Alberta*.

Operating in Calgary and throughout the surrounding region, our multi-campus college provides broad programming, including certificates, diplomas, foundational learning, and upgrading programs. Our programs and services are learner-centred, outcome-focused, and designed to provide graduates with opportunities to improve their lives, prepare for further education, and advance their careers.

Bow Valley College responds to regional, community, industry, and learner demand. Our career certificate and diploma programs are primarily focused on business; administration; health; human services; legal and security; early learning and education; and information, communications, and design technologies.

Our extensive foundational learning programs include adult literacy, essential skills, academic upgrading, and English as a second language, offered either independently or integrated with skills training and career development support.

As a comprehensive community college with regional stewardship responsibilities, we work with community-based adult learning partners to meet literacy and foundational learning needs and ensure access to a full spectrum of learning opportunities in the city and surrounding region. As a Campus Alberta partner, we collaborate with other educational organizations, post-secondary institutions, governments, business, and community agencies to contribute our organizational expertise to the economic and social well-being of our province.

Bow Valley College is committed to expanding access for adults of varied social, cultural, economic, geographic, and academic backgrounds. As an access college, we have a special focus on creating educational opportunities for immigrants, Aboriginal peoples, international learners, persons with disabilities, older workers, at-risk youth, and the unemployed and underemployed. Our curriculum and support services reflect the diversity of our learners. We emphasize small classes, high-quality instruction, applied learning, focused work experience, and extensive learner support services.

Bow Valley College offers credit and non-credit instruction year-round, on a full-time, part-time, and distributed learning basis, both independently and through partnerships and collaboration. To meet emerging workforce needs, our programs, curricula, and educational services are also customized to meet the specific requirements of industries, educators, communities, and workplaces locally, provincially, nationally, and internationally.

Bow Valley College pursues applied research activities to enhance teaching and learning and foster innovation in support of industry sectors where our academic expertise enables such a contribution. The College is known for and engaged nationally in the research, development, and commercialization of assessment and training tools used to measure and enhance the essential skills of adults in educational and workplace settings.

Bow Valley College is dedicated to providing people in our city and region with access to high-quality, efficient and effective lifelong learning opportunities and to the responsible educational, fiscal, and environmental stewardship of resources.

Approved by the Minister of Advanced Education
April 28, 2014

PROFILE

Since our inception in 1965, Bow Valley College has helped over 350,000 learners enhance their lives through attending the College. Everyone—learners, our communities, Alberta industries, the province—benefit from our unique approach to learning. We remove barriers to success by customizing education for learners' needs, creating lifetime partnerships with learners, and integrating technology into everything we do.

LEARNERS TRIUMPH HERE.

We are Alberta's largest comprehensive community college, serving Calgary from the heart of downtown, and the surrounding communities from six regional centres in southern Alberta. Over 15,000 learners take part in year round diploma and certificate programs, as well as adult upgrading and English language learning. For our learners, there is no limit to where they can go once their journey begins, and every journey can begin here.

STRATEGIES TO ACHIEVE OUR ANY TIME, ANY PLACE, ANY PATH, ANY PACE VISION FOR LEARNING

Being a Learner Partner for Life
Delivering Excellence in Applied Education
Optimizing Our Community Connectedness
Advancing Our Diversity Advantage
Growing Our Capacity for the Future

VALUES

Accountability
Concern for People
Excellence
Integrity
Learner-Centred and Learning-Centred
Teamwork and Trust
Respect for Diversity

COMMUNITIES

Airdrie
Banff
Blairmore
Calgary
Canmore
Cochrane
High River
Okotoks
Rocky Mountain House
Strathmore
Three Hills
Treaty 7 First Nations

CLIENT FOCUS

Aboriginal Communities
At-Risk Youth
Busy Working Adults
Correctional Inmates
Encore Career Learners
Front-Line Workers
High School Non-Completers and Graduates
Immigrants
International Learners
Persons with Disabilities
Post-Secondary Graduates
Rural Communities
Underemployed and Unemployed

CENTRE FOR EXCELLENCE IN IMMIGRANT AND INTERCULTURAL CENTRE

Adult Learning Facilitation
Bridging Programs
Career Development Services
Curriculum Development and eLearning
English Language Learning
International and Intercultural Communications

CENTRE FOR EXCELLENCE IN FOUNDATIONAL LEARNING

Academic Upgrading
Adult Learning Facilitation
Bridging Programs
Curriculum Development and eLearning
Literacy and Essential Skills

Any time, any place any path, any pace

SCHOOL OF HEALTH

Health Care Aide
Nutrition Management
Pharmacy Technician
Practical Nurse
Recreational Therapy Aide

CHIU SCHOOL OF BUSINESS

Administrative Professional
Business Administration
» Accounting
» Event Management
» Financial Services
» General Business
» Global Tourism
» Human Resources
» Insurance and Risk Management
» Marketing
» Public Relations
Dental Business Assistant
Events Management
Hospital Unit Clerk
Human Resources
Legal Assistant
Medical Office Assistant
Veterinary Office Assistant

SCHOOL OF COMMUNITY STUDIES AND CREATIVE TECHNOLOGIES

Addictions Studies – Aboriginal Focus
Disability Studies
Early Learning and Child Care
Education Assistant
Interior Decorating
Justice Studies
» Correctional Studies
» Law Enforcement
» Youth Justice
» Justice – Aboriginal Focus
Post-Diploma in Health and Human Services
Management Certificate
Social Work



MESSAGE FROM SHARON CARRY PRESIDENT AND CEO

With my tenure as president and CEO at its close, I take both professional and personal satisfaction in the fact that Bow Valley College's tremendous progress is the result of a shared will to connect more people to learning pathways and a lifetime of achievement. Over the years, we relied on the support of governments, communities, industry, and education partners to create exceptional learning experiences with broader and deeper pathways into Alberta's labour force.

We dedicated ourselves to ensuring a place for all who are ready to learn, regardless of where they are starting from. We maintained a deep commitment to deliver learning centred and learner centred, outcomes-focused, competency-based applied learning across our full scope of programming and in response to government strategies, community aspirations, and employer needs.

Within the College, we developed a culture of entrepreneurialism, ingenuity, and innovation, which is so clearly reflected back to us in our *any time, any place, any path, and any pace* learning vision. We collectively imagined a new model of learning that fits into busy lives, suits diverse learning styles, and gives learners access to learning content and resources where and when needed and on their terms.

Our achievements over the 2015-16 academic year continue to showcase these driving values and our participatory culture. We increased our career program offerings and enrolment. We enhanced our presence in regional communities. We developed new program curricula to prepare new programs for launch through traditional, online, or blended delivery. We attained program accreditations to smooth pathways from learning to professional careers. We built new pathways into entry career programs, discipline specializations, and post-diploma certificates, workplace certifications, and other academic programming. We continued to place work-ready graduates into a dynamic and changing economy, and we established new opportunities for alumni and other learners to return to learning and promote ongoing professional competence.

Bow Valley College exemplifies the value in those outcomes community colleges are mandated to serve: we are a College rooted in community and focused on providing pathways to better jobs and better lives. I am confident and optimistic that our best days remain ahead.

My gratitude extends to all who are connected to this institution for your support and dedication to uplifting the communities we serve.

Sincerely,

[ORIGINAL SIGNED BY:]

Sharon Carry, AOE
President and CEO

MESSAGE FROM DAVID COLLYER BOARD CHAIR

Bow Valley College closed out the year with strong momentum toward achieving its *anytime, anywhere, anypath, and anypace* learning vision. The College continues to be recognized for delivering a highly flexible and responsive learning experience, as well as sustained value for our key constituents: learners, employers, governments, communities, and other learning partners. Through strong leadership and operational focus, the College remains well positioned for growth and resilience amid an uncertain and challenging economic environment.

The College's acquired confidence and strong position reflect the extraordinary vision, strategic leadership, and day-to-day operational discipline of President and CEO Sharon Carry, who completes her 20 years as president and CEO of Bow Valley College at the end of the 2016 calendar year. Sharon guided the College through its transition to board governance, to deployment of its first diploma programs and post-diploma certificates, and to spirited adoption of its comprehensive community college mandate. Her efforts created the necessary conditions for significant enrolment growth, expansion of physical and virtual operations, and recognition of the College as a leader in the Campus Alberta system and beyond.

Sharon served the Bow Valley College learning community with great distinction throughout her remarkable career. We congratulate her for her tremendous contribution to the College and more broadly to post-secondary education in Alberta, and we wish her continued success in her future endeavors.

Sincerely,

[ORIGINAL SIGNED BY:]

David Collyer,
Chair, Board of Governors

The College remains committed to creating new learning opportunities that are responsive to increased learner demand arising from the current economic downturn and from changing labour markets. However, there are limits to the College's efforts to maximize efficiencies and reallocate resources to meet this increasing demand. The Board and College executive are therefore currently considering a range of options to expand access to support the province's economic transition, including a potential expansion of the College's physical campus in downtown Calgary.

The College executive, faculty, and staff are deserving of congratulations for their dedication to fostering learner achievement, building better lives, and developing a more resilient 21st Century labour force. I also extend sincere thanks and appreciation to my colleagues on the Board of Governors, who contributed their valuable time and expertise to the governance of Bow Valley College over the past year.

The next several months will be a period of leadership transition for the College. I remain very confident about the capacity of Bow Valley College to deliver sustained value to our city and province, and particularly to continue to be proactive in providing for the needs of our learners. The Board looks forward to working with Laura Jo Gunter, Sharon's successor, to deliver on our current plans and to develop the strategy that will guide the College over the next decade.



David Collyer
Chair



Andrea Robertson
Vice Chair



Roger Gibbins
Public member



Vance Langford
Public member



Cathy Orr
Public member



Sharon Carry
President and CEO



Stacie Baker
Non-Academic member



Akshat Dhingra
Learner member (former)

ACCOUNTABILITY STATEMENT

The Bow Valley College Annual Report for the year ended June 30, 2016 was prepared under the board's direction in accordance with the *Fiscal Planning and Transparency Act* and ministerial guidelines established pursuant to the *Post-secondary Learning Act*. All material, economic or fiscal implications of which we are aware have been considered in the preparation of this report.



Arshit Dhingra
Learner member (current)



Hana Taleb-Imai
Academic member

[ORIGINAL SIGNED BY:]

David Collyer
Chair, Board of Governors

Vacant Positions:

Public member
Public member
Public member

STRATEGY

VISION 2020

Our Vision 2020 learning vision sets out the strategic pillars used to focus our efforts, while our annual reports chart our progress. The five pillars are:

- 1.** Being a Learning Partner for Life
- 2.** Delivering Excellence in Applied Education
- 3.** Optimizing Our Community Connectedness
- 4.** Advancing the Diversity Advantage
- 5.** Growing Our Capacity for the Future





OPERATIONAL OVERVIEW

KEY CHANGES IN ENROLMENT

Overall College Enrolment

Estimated

Overall enrolment
to grow by:

20%

Bow Valley College is an access college. The highly flexible nature of our College admissions and program delivery options make enrolment difficult to project. A prolonged tightening of the labour market is one factor that has contributed to the increased demand.

Actual

Overall enrolment
grew by:

9%

Centre for Excellence in Immigrant and Intercultural Advancement

Estimated

Full load
equivalents:

1,429

Canada Immigration, Refugees and Citizenship's Language Instruction for Newcomers (LINC) program supports full-time and part-time seats in English Language Learning through a contribution agreement. The ministry conducts annual reviews of demand, its financial position, and supports additional seats through an amendment if warranted. There is strong demand for full-time and part-time LINC programs from all across the spectrum. This helped to drive enrolment beyond projections.

Actual

Full load
equivalents
(18% variance):

1,691

KEY CHANGES IN OPERATING ENVIRONMENT

Campus Alberta Grants

Estimated

Anticipated a cut to our Campus Alberta Grant of (1.4%).

Actual

Campus Alberta Grants saw a 2% lift from 2014-15 levels.

The government's commitment to provide Campus Alberta Grant increases each year for two years promoted fiscal stability.

Tuition and Market Modifiers

Estimated

Government announced a two-year tuition freeze on domestic rates and reversed market-modifier tuition increases for specified programs.

Actual

Government provided offset funding for the tuition freeze as well for the market modifier reversal.

Offset funding promoted fiscal stability in 2015-16 and predictability for 2016-17.

Economy

Estimated

Expected 0.4% growth in GDP in Alberta in 2016.

Actual

Alberta GDP is forecast to fall (2.7%) in 2016.

Consistent with historical patterns, the economic slowdown resulted in increased demand for upgrading and career programming. The College was also successful in several career service contracts this past year, including relaunching Career Connections, a program that supports underemployed and unemployed Albertans transition to improved employment conditions. The College was awarded federal contracts for programs aimed at transitioning youth from the underemployed, part-time, and non-permanent workforce to full-time employment and better earnings.

Operational Overview

TOTAL FULL LOAD EQUIVALENT (FLE) DISTRIBUTION ACROSS CENTRES AND SCHOOLS

	Actual 2013-2014 ¹	Actual 2014-2015 ²	% change	Budget 2015-2016 ²	% change	Actual 2015-2016 ²	% change
Centre for Excellence in Foundational Learning	1,344	1,268	-5.7%	1,155	-8.9%	1,140	-10.1%
Centre for Excellence in Immigrant & Intercultural Advancement	1,418	1,500	5.8%	1,429	-4.7%	1,691	12.7%
School of Health and Wellness	1,271	1,269	-0.2%	1,328	4.6%	1,326	4.5%
School of Community Studies and Creative Technologies	530	721	36.0%	822	14.0%	833	15.5%
Chiu School of Business	893	1,049	17.5%	1,186	13.1%	1,319	25.7%
Overall Total	5,456	5,807	6.4%	5,920	1.9%	6,309	8.6%

Notes

1 Total Includes Prior Learning Assessment and Recognition (PLAR) FLEs.

2 Effective 2014-15, total FLE excludes Prior Learning Assessment and Recognition (PLAR) due to IAE changes to the guideline for enrolment/FLE reporting.

Source Data - Office of Institutional Analysis

Last Updated: October 28, 2016

ANNUAL FLE TREND BY CREDENTIAL

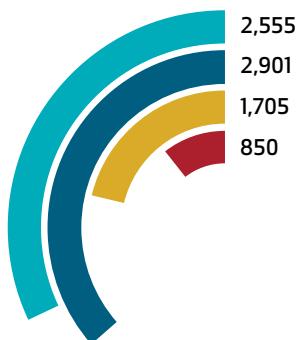
Certificate

Diploma

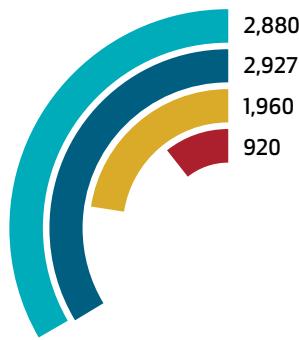
Non-Credential

Total Certificate and Diploma

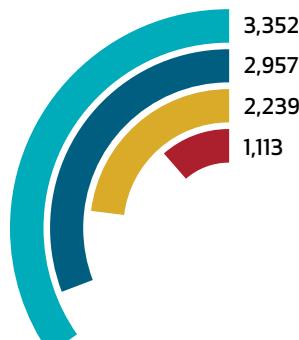
Actual 2013-2014



Actual 2014-2015



Actual 2015-2016



Notes from opposite page

1 In 2014-2015, the Accounting and Financial Management name changed to Business Administration Certificate.

2 In 2014-2015, the Human Resources Management program name changed to Human Resources.

3 2013-14 Business Administration Diploma includes FLEs of specializations prior to 2014-15 program and specializations name changes.

4 Includes Health Care Aide Bridging to Practical Nurse Diploma FLEs.

5 Academic Upgrading Program includes Academic Preparation, Art Stream, General Education Development Preparation and High School Specializations.

6 Employment Preparation Program includes Career Transition Specialization.

7 Employment Skills Program includes Sewing and Upholstery Specialization.

8 ESL – English Language Learning includes Bridge, English for Academic Purposes, English as a Second Language, English as a Second Language Courses, International ESL, LINC Conversation, LINC Reading/Writing/Grammar, Post-Secondary Preparation for International Learners and Youth in Transition Specializations.

9 Open Studies includes Practical Nurse Re-entry FLEs.

Source Data: Alberta Advanced Education, Learner Enrolment Reporting System (LERS) Cubes

Last Updated: October 28, 2016

FULL LOAD EQUIVALENT (FLE) TREND ACROSS PROGRAMS AND CREDENTIALS

	Actual 2013-2014	Actual 2014-2015	%change	Actual 2015-2016	%change
Certificate					
Aboriginal Addictions Services Counselling	28.2	8.5	-69.9%	9.2	8.3%
Administrative Professional	104.0	103.3	-0.6%	92.5	-10.4%
Business Administration ¹	76.6	81.4	6.3%	77.2	-5.1%
Dental Business Assistant	32.6	33.3	2.2%	37.0	11.1%
Disability Studies		11.3		25.5	126.1%
Early Learning and Child Care	118.7	150.6	26.9%	164.5	9.2%
Education Assistant	29.0	27.1	-6.4%	30.7	13.1%
Events Management	3.6	1.7	-53.4%	4.2	147.8%
Health Care Aide	166.5	165.5	-0.6%	150.5	-9.1%
Hospital Unit Clerk	98.6	155.9	58.1%	276.6	77.4%
Human Resources ²	49.3	43.6	-11.6%	46.1	5.8%
Interior Decorating	2.5	2.2	-14.0%	0.3	-86.6%
Medical Office Assistant	87.3	94.2	7.9%	146.4	55.4%
Nutrition Manager	7.6	12.0	56.7%	14.4	20.6%
Out of School Programming for School Age Children	0.4	0.0	-94.6%		-100.0%
Pharmacy Technician Professional Transition	0.0		-100.0%		
Recreation Therapy Aide	6.9	5.7	-17.9%	4.5	-20.6%
Veterinary Office Assistant	38.3	24.1	-37.0%	33.6	39.3%
Diploma					
Aboriginal Addictions Services Counselling Diploma		29.8		38.0	27.6%
Business Administration ³	187.3	290.1	54.9%	390.5	34.6%
Disability Studies		28.5		57.4	101.5%
Early Learning and Child Care Diploma	138.3	186.1	34.6%	231.0	24.1%
Events Management Diploma	39.2	26.1	-33.5%	0.3	-98.9%
Global Tourism Management and Marketing	21.3	13.0	-38.7%	0.0	-99.7%
Interior Decorating Diploma	41.8	48.9	17.0%	47.9	-2.1%
Justice Studies	192.7	246.7	28.0%	248.0	0.5%
Legal Assistant Diploma	69.5	85.5	23.0%	142.8	67.1%
Pharmacy Technician	43.6	48.2	10.6%	55.0	14.0%
Practical Nurse ⁴	968.9	956.5	-1.3%	1,028.2	7.5%
Practical Nurse - Aboriginal Focus	2.3	0.9	-61.3%		-100.0%
Non-Credential					
Academic Upgrading ⁵	1,305.9	1,225.3	-6.2%	1,117.4	-8.8%
Employment Preparation ⁶	10.4	11.5	10.8%		-100.0%
Employment Skills ⁷	27.4	31.7	15.8%	22.7	-28.4%
ESL - English Language Learning ⁸	1,418.0	1,500.5	5.8%	1,690.8	12.7%
Occupational Skills Training - Office	8.7	14.5	67.9%		-100.0%
Open Studies ⁹	130.1	143.0	10.0%	125.9	-12.0%

SUMMARY OF ACHIEVEMENTS

1

LEARNING PARTNER FOR LIFE

New Models of Learning Partnerships:

Supported development of Alberta Aboriginal Construction Career Project. Developed a series of online workshops to promote Aboriginal workers to employers through the Centre.

Lifetime Attachments:

Developed Post-Diploma program in Health and Human Services Management Certificate to provide valuable leadership skills in the health and wellness sector. This is a model for future post-diploma certificate programs leveraging advanced skills and concepts in multiple disciplines.

Affordable Learning:

Developed a comprehensive fund-raising initiative called 1,000 Women Rising to address barriers that disproportionately affect female learners from full participation in learning and the workforce.

Learning Centred Customization:

Introduced self-registration and a course-based program structure for career learners to ease bottlenecks and leverage our online expertise.

2

EXCELLENCE IN APPLIED EDUCATION

Access Mission:

Welcomed a significant contribution from the Métis Education Foundation, with matching funds from the College, to increase financial support for Métis learners.

Franchise Model:

Worked with NorQuest College to adapt and launch their Social Work Diploma program for delivery at Bow Valley College.

Pathways:

Graduates of the College's Pharmacy Technician Diploma, Licensed Practical Nurse Diploma, Social Work Diploma, and Disability Studies Diploma can attain years one and two credit toward the Bachelor of Health Sciences at the University of Lethbridge, Calgary Campus.

Credential Learning:

Developing continuing education courses that complement our career programming and enrich continuing professional competence opportunities at the College.

Training Source:

Expanded testing services to enable credentialing pathways across multiple institutions and professional bodies to help increase workforce skills and recognize abilities.

Integrated Learning:

Implemented policy for all career learners to take at least one online course as a program requirement.

3

COMMUNITY CONNECTEDNESS

Community Relationships:

Extended leases in both Airdrie and Canmore, and continued discussions with the City of Airdrie and other community partners on expanding capacity.

Community Service:

Engaged Linkages, The Kirby Centre, YWCA, Inn from the Cold, and the Drop-In Centre to create learner and employee community and volunteer opportunities.

International Education:

Signed agreement with the Max Institute of Health Education and Research in India to develop health programming and train facilitators in India.

4 5

DIVERSITY ADVANTAGE

Inclusive College:

Hosted the third annual Canada Day Pow Wow at Prince's Island Park. Iniikokaan Aboriginal Centre partnered with the City of Calgary to engage 80,000 visitors in programming that spanned First Nations, Métis, and Inuit cultural traditions.

Workforce Training:

Launched Smart Pathways, in partnership with the Calgary Region Immigrant Employment Council, to help internationally educated professionals receive guidance from a Calgary-based mentor before they arrive in Canada.

Multi-Language Options:

Secured contract renewals for Connexion Carrière and Directions for Immigrants, and restarted Career Connection. These are career development and job search services, which are open to the public.

CAPACITY FOR THE FUTURE

Exploit Technology:

Developing a Learning Technology Strategy to offer simultaneous online and face-to-face instruction so learners can easily move between modes of delivery. The plan means we can help more learners succeed.

Well-Qualified and Engaged People:

Piloted a performance management system to assist in the development of a new appraisal tool for supervisors to manage staff performance.

Financial Stability:

Coordinate and deliver on Quest for Best, a \$20 million community philanthropic investment campaign. Reached 75 per cent of our goal and are on track for campaign to be completed in 2017.

1

LEARNING
PARTNER
FOR LIFE



ACHIEVEMENTS 2015-2016

Being a Learning Partner for Life means staying relevant at every stage of a learner's career. Our commitment to lifetime achievement for learners means their skills and expertise will evolve with the times, keeping the workforce, our community, and the province strong.

CHANGING LIVES THROUGH 1000 WOMEN RISING

Nancy Wagner was only months away from getting her Practical Nurse Diploma when a cancer scare turned her life upside down.

A single mom of an energetic 4-year-old son, now struck with new fears and the possibility of having to dropout due to financial burdens, Nancy needed support.

After a serendipitous conversation with a classmate, she was introduced to Bow Valley College's 1000 Women Rising campaign, which is dedicated to helping female learners break through barriers.

She soon received Child Care Bursaries and Finish Line Funding from an anonymous donor that made it possible for her to complete her program.

"The bursaries just lifted a complete weight off my shoulders," said Nancy. "It helped me complete my program and get financial support for my son."

Since launching in June 2015, the 1000 Women Rising Campaign has raised nearly half of its \$1 million goal, with the largest injection of funds going into the Finish Line Fund, followed by Child Care bursaries.

While graduation is always an emotional moment for learners, Nancy's experience was extra sweet, as just months before the day, she learned her health was in the clear.

The impact of 1000 Women Rising goes well beyond financial support, empowering our learners to reshape their lives.



BEING A LEARNING PARTNER FOR LIFE

Overall Performance Metrics

2013-2014	2014-2015	2015-2016	
5,456	5,807	6,309	Total full-load equivalents
14,280	14,793	14,685	Total unduplicated headcount
3,854	4,373	4,216	Total unduplicated non-credit headcount
4,269	5,480	4,452	Number of registrations through eCampusAlberta ¹

Notes

1 The drop in eCampusAlberta registrations coincides with the implementation of online registration in fall 2015 at the College.

1.1 NEW MODELS OF LEARNING PARTNERSHIPS

Build new systems of learning that engage employers, learners, and the College directly in the learning process and outcomes.

COMPLETED **IN PROGRESS**

Create and resource a Corporate Business Development department to provide coordination and support in generating entrepreneurial activities.

Established the new Business Development Unit to focus on building stronger business partnerships and coordinated training opportunities for academic delivery departments.



Conducted market research and identified opportunities to engage the marketplace with training programs and partnerships.



Created a model that identifies viable continuing education courses to focus funding and development where it will have the most impact for our learners and the province.



Support development of Alberta Aboriginal Construction Career Project.

Developed a series of online workshops (using funding from the Calgary Foundation) to promote Aboriginal workers to employers through the Alberta Aboriginal Career Construction Centre.



1.2 LIFETIME ATTACHMENTS

Create the systems, policies, practices, and programming that will lead to a lifetime attachment for learners, alumni, employees, and communities.

COMPLETED IN PROGRESS

Reorganize academic units as applicable to further engage mandate, programming, and scope.

Managed dramatic enrollment growth of 9 per cent by reallocating resources, drawing on efficiencies, and making targeted investments.



Established new School of Community Studies and Creative Technologies. Designed core programming direction after a thorough competitive analysis and consultation with industry and other post-secondary institutions.



Launched the School of Health and Wellness with a renewed focus on health programming to deepen skillsets and broaden health workforce preparation.



Continued development of a new career institute. Conducted research with industry and communities, and conducted a feasibility study to determine how the institute can enrich learning and allow the College to make a contribution to the understanding of wellness and aging.



Expand career certificate and diploma enrolment.

Developed Post-Diploma program in Health and Human Services Management Certificate to provide valuable leadership skills in the health and wellness sector.



Developed and prepared for the launch of a new Business Administration Diploma major in Insurance and Risk Management, which expands vital programs in the Chiu School of Business.



Introduced two new specializations to our successful Justice Studies Diploma program: Aboriginal Focus and General Justice.



Adapted and launched Fetal Alcohol Spectrum Disorder Education Certificate for online delivery, as well as made our existing Disabilities Studies Certificate and Diploma available online.



Enhanced our ability to engage potential Continuing Education and Open Studies learners by creating 24 website landing pages. The pages identify prospective learners and target relevant promotions to only those individuals who have expressed interest, delivering increased enrollment and retention.



Launched a revised year two of the Business Administration Diploma to give learners more choice of specialization and more control of pace.



Create return to learning opportunities that deepen skillsets and promote continuing professional competence.

Developed a new Immigration Practitioner Certificate Program. The program will prepare learners to challenge the associated exam and become a designated Immigration Practitioner in Canada.



Combined our intercultural training expertise with our online learning leadership to develop the Fit in Fast online intercultural training course for professionals in the energy sector.



Developed Language for Work online courses. Launched a series of programs for newcomers to smooth their entry into the labour market and increase their success on the job.



1.3 AFFORDABLE LEARNING

Build new strategies through advancement and partnership to open doors to learners with challenges.

COMPLETED IN PROGRESS

Advance learner persistence by ensuring access to a broad range of supports.

Created a portal that will automatically match eligible learners with relevant awards to help them overcome funding barriers. We will be able to help more learners and enhance stewardship of donor funds by maximizing fund distribution.



Supported learners who are struggling in academics and need tutoring and/or technology, face immediate financial barriers, or have suspended their education but can resume studies with relatively minimal assistance.



Developed a comprehensive fundraising initiative called 1,000 Women Rising to address barriers that disproportionately affect our female learners from full participation in learning and the workforce. Achieved high community profile for this campaign as the Calgary Municipal Land Corporation chose 1,000 Women Rising as its charitable organization choice of the year.



1.4 LEARNING CENTRED CUSTOMIZATION

Further develop pathways, programming, services, and curricula design that promote a distributed, flexible, interactive, unbundled, and supportive environment.

COMPLETED IN PROGRESS

Meet learners' needs for enhanced flexibility.

Introduced self-registration and a course-based program structure for career learners to ease bottlenecks and provide learners with more flexibility and choice.



Instituted a room and course scheduling system that automates room booking to get maximum use of all the facilities.

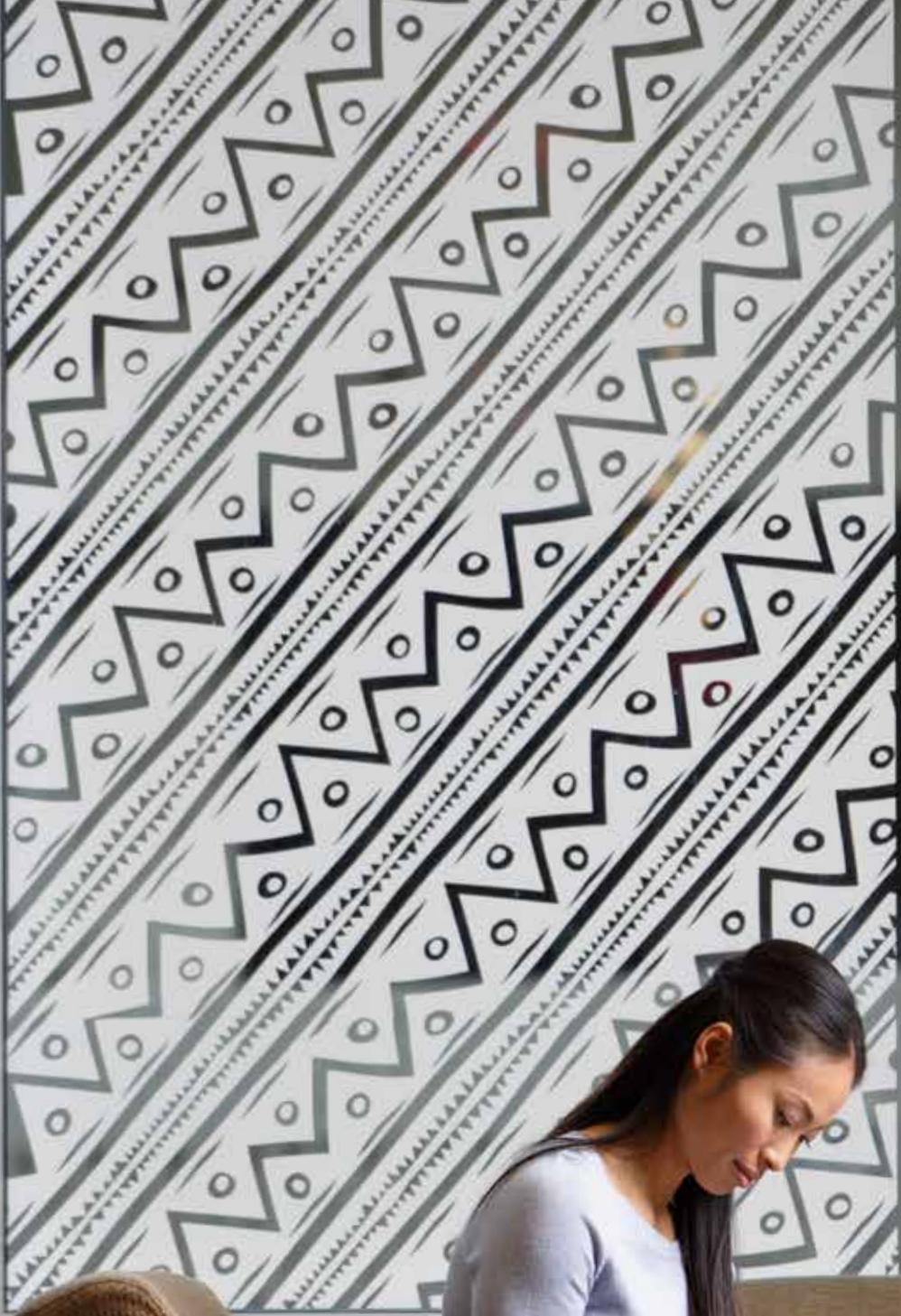


Increasing options for learners in non-credit programs by allowing them to transfer credit courses to a credit program so they can work towards a valuable certificate or diploma.



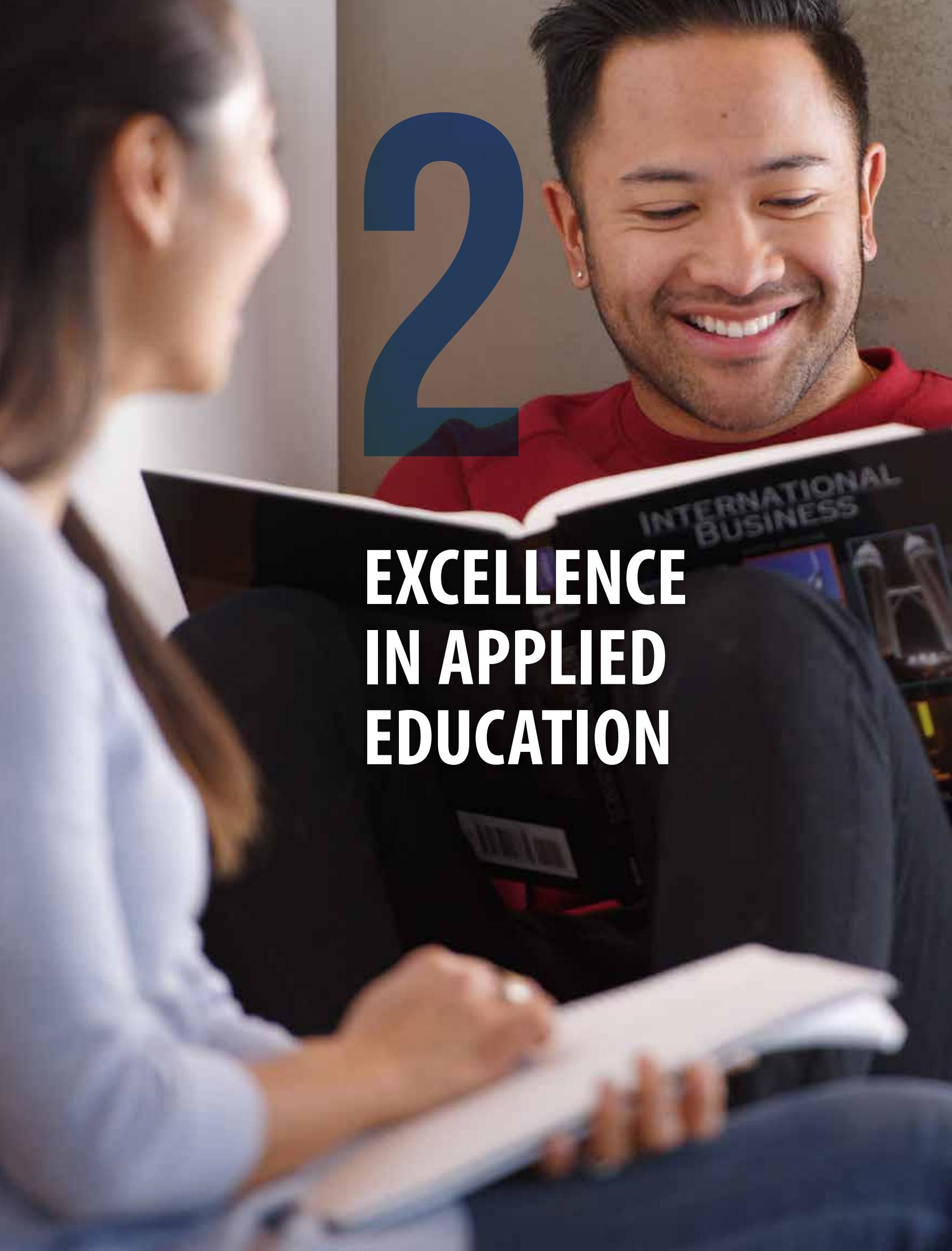
Developing opportunities with industry and employers to offer non-credit credentials that meet their skills needs and enhance qualifications of employees.





2

EXCELLENCE IN APPLIED EDUCATION



ACHIEVEMENTS 2015-2016

Our single-minded focus is to make our learners more employable, providing them with the ability and skills to launch a career. We work with employers to ensure our programming will prepare learners to be work-ready graduates, armed with the practical skills needed for that first day on the job, as well as the soft skills and intercultural training needed for long-term success.

USING TECHNOLOGY TO BETTER CONNECT WITH INTERNATIONAL PROFESSIONALS

SmartPathways is a comprehensive mentorship program designed to make it easier for internationally educated professionals to find work in Canada.

Launching this past April, the federally-funded program pairs each participant with a Canadian mentor before they even arrive.

"The program gives the College the ability to reach out to participants and help mitigate their needs ahead of time," said Elza Bruk, Dean of the Centre of Excellence in Immigrant and Intercultural Advancement (CEIIA).

Participants are given job searching and coaching sessions through webinars and video conferencing sessions using Skype. Once they're ready to move to Canada, the mentees continue their training with the same mentor in person. This is a critical component for the program, as a recognizable face helps ease their worldly transition.

Through a partnership between Bow Valley College, the Calgary Region Immigrant Employment Council, and Colleges and Institutes Canada, SmartPathways is just one area where CEIIA is helping immigrants advance into the workforce.



EXCELLENCE IN APPLIED EDUCATION

Overall Performance Metrics

2013-2014	2014-2015	2015-2016	
78.4 %	84.3 %	81.7%	Certificate completion rates
73.7 %	71.2 %	67.3%	Diploma completion rates
92.8 %	92.6 %*	92.6%*	Percentage of graduates employed across career programs within a specified period following completion.*

2.1 ACCESS MISSION

Evolve access designed to engage the maximum number of potential participants, including Aboriginal peoples.

COMPLETED IN PROGRESS

Provide more direct pathways from foundational learning and English Language Learning to career programs.

Developed new pathways with an emphasis on pre-health and pre-business to make it easier for applicants to move from upgrading to career certificates and diplomas. The initiative ensures a spot is available for learners in the program, as well as providing opportunities for learners to earn advanced credit.



Negotiated a new parchment certificate offered by Alberta College of Art and Design with upgrading provided by the College. The improved Artstream program will continue a 20-year collaboration between the two institutions.



Refined admission requirements as well as language standards for English for Academic Purposes to make transitions into career programs or programs at other adult education providers easier for applicants.



Increase Aboriginal learner participation and persistence.

Welcomed a significant contribution from the Métis Education Foundation, with matching funds from the College, to increase financially support for Métis learners.



Implemented an \$80,000 grant agreement from Advanced Education for a new Indigenous Awards Program for Aboriginal career learners.



Introduced an occupational skills training initiative in collaboration with Stoney Nation and the Town of Canmore.



Launched Justice Studies – Aboriginal Focus, one of two new programs added to our successful Justice Studies program.



* Graduate indicators are based on Alberta Advanced Education's latest biennial Graduate Outcomes Survey, 2011-2012.

2.2 FRANCHISE MODEL

Develop systems and criteria to maximize delivery of the Bow Valley College credential and learning experience through partnering or franchising agreements locally and internationally.

COMPLETED **IN PROGRESS**

Facilitate opportunities for joint programming (local or international), brokering partnerships, and other educational collaborations.

Renewed our partnership with the Alberta College of Art and Design to jointly offer and enrich the ArtStream program.



Exploring international educational partnership opportunities.

Worked with NorQuest College to adapt and launch their Social Work Diploma program for delivery at Bow Valley College.



2.3 PATHWAYS

Build upon the current systems of transfer, articulation, advanced placement, and dual credit programs to create seamless options for our lifelong learners.

COMPLETED **IN PROGRESS**

Expand dual credit opportunities.

Graduates of the College's Disability Studies program can now attain years one and two credit toward the University of Calgary's Bachelor in Rehabilitation and Disability Studies program.



Graduates of the College's Pharmacy Technician Diploma, Licensed Practical Nurse Diploma, Social Work Diploma, and Disability Studies Diploma can now attain years one and two credit toward the Bachelor of Health Sciences at the University of Lethbridge, Calgary Campus.

High school learners of Calgary Catholic and FancoSud School Divisions can earn credit toward a Bow Valley College Health Care Aide Certificate.



Enhance capacity for learners to receive credit by demonstrating competence, however attained.

Broadened prior learning assessment recognition processes to recognize and credit previous health care related activities of individuals entering into the Practical Nurse Diploma program.



Evolved the policy to value previous learning experiences to open the door for more learners to successfully launch their education programs and their careers.

2.4 CREDENTIAL LEARNING

Develop innovative models to recognize, credential, and bridge learning from informal and formal sources.

COMPLETED **IN PROGRESS**

Expand the role of the College as a credentialing body.

Completed preparation to select a vendor for a new Customer Relationship Management system to coordinate the efforts of all Bow Valley College departments as they develop and market programs to the workplace.



Developing continuing education courses that complement our career programming and enrich continuing professional competence opportunities at the College.



2.5 TRAINING SOURCE

Become the strategic source for professional development and training for professional organizations, accreditation bodies, employers, unions, and regulatory agencies.

COMPLETED **IN PROGRESS**

Respond to new opportunities generated through corporate business development.

Launched a new stream of workplace productivity and safety certification courses, including Workplace Documents Literacy; Workplace Hazardous Materials Information System; Construction Safety Literacy; Basic Food Safety Literacy; and Food Safety, Sanitation, and Hygiene Literacy.



Expanded testing services enable credentialing pathways across multiple institutions and professional bodies to help increase workforce skills and recognize abilities.



2.6 INTEGRATED LEARNING

Foster a community of learning and service that champions a shared focus on holistic education and learner engagement.

COMPLETED **IN PROGRESS**

Ensure learners have the skills to access learning through various delivery methodologies.

Implemented policy for all career learners to take at least one online course as a program requirement.



Adopted eCampusAlberta courses from other institutions into some Bow Valley College programs.





3

COMMUNITY CONNECTEDNESS



ACHIEVEMENTS 2015-2016

We are a community college. By aligning our activities around service to our community, we are able to deliver on this key mandate, to help build the community and make it stronger.

KEY PARTNERSHIPS LEAD TO STRONG COMMUNITIES

A strong community needs a strong network of support services. For decades, Bow Valley College has played an active role in improving communities, and the addition of the new Social Work diploma is testament to that.

Recognizing a growing local demand, the College looked to a post-secondary partner with a successful program—NorQuest College. In 2015, the two colleges agreed on a brokerage. This program also gives graduates of Bow Valley College the opportunity to transfer to the University of Calgary's Bachelor of Social Work degree.

"The highway goes both ways. NorQuest College and Bow Valley College often share programs and ideas," said Cherylyn Cameron, Dean, School of Community Studies and Creative Technologies. "It's very collaborative."

Currently, there are more than 200 learners enrolled in the Social Work diploma and it is on track to meet or exceed 2017's initiatives. The comprehensive program also incorporates a focus on work experience, a strong mandate of the College, tasking learners to complete two practicums worth 290 hours per year.



THE YEAR WE TURNED

50

Bow Valley College has long been an integral part of this province. With a storied history of changing lives through education and training, our 50th anniversary gave us an opportunity to reflect on those achievements, while keeping our focus on the next half century.

To showcase the College's journey in becoming Alberta's largest comprehensive community college, a year-long campaign was launched. We shared learner and employee stories of success and inspiration, and invited community leaders to tell us Bow Valley College's impact on their industry.

Culminating the celebration, the College took over Olympic Plaza in September for a public celebration. More than a thousand visitors danced in the pond, enjoyed live local music, and helped paint a College mural that now hangs in our North Campus.

"The gathering in Olympic Plaza brought communities together," said Sharon Carry, President and CEO of Bow Valley College. "Fifty years of history has set the stage for the next half century of success."



COMMUNITY CONNECTEDNESS Overall Performance Metrics

2013-2014	2014-2015	2015-2016	
85.8 %	85.8 %*	85.8%*	Percentage of graduates satisfied with Bow Valley College learning and services across career programs

3.1 COMMUNITY RELATIONSHIPS

Build strategic relationships that extend our reach into the community and engage stakeholders in our College community to enhance the learning experience and create opportunities for service learning.

COMPLETED IN PROGRESS

Facilitate community engagement, build programming capacity, and attract partnerships that enhance learning.

Extended leases in both Airdrie and Canmore, and continued discussions with the City of Airdrie and other community partners on expanding capacity. 

Partnered with Calgary Economic Development to promote the Calgary Connector program and match industry professionals to learners for networking and learning opportunities. 

Granted our first honourary diploma to Nancy Mannix, Chair and Patron of the Palix Foundation, at the Spring graduation ceremony. 

Launched co-op streams to provide relevant experience, develop professional skills, and enhance networking opportunities with the business community. 

Prepared for the launch of the Diversity on Board program, which helps connect qualified, pre-screened candidates from visible minority and under-represented communities to board positions. 

Partnered with Imagine Health Clinics in our West Campus to meet the health and wellness needs of the College community and downtown residents. 

Loaned Indigenous artwork from the College's extensive art collection for display at the Glenbow Museum. 

Continued Venture Quest, a thriving business competition in its third year. Venture Quest is a multi-phase, three-month initiative in which learners take an idea from initial concept to a viable business venture. The winner receives support to improve and launch their business. 

* Graduate indicators are based on Alberta Advanced Education's latest biennial Graduate Outcomes Survey, 2011-2012.

3.2 COMMUNITY SERVICE

Generate opportunities for learners and staff to work in service of community as part of their learning for life.

COMPLETED IN PROGRESS

Stimulate community engagement, volunteerism, and opportunities for service learning.

Established co-curricular record that displays learning outcomes associated with learner volunteering, certificates, learner clubs, and awards and scholarships.



Engaged Linkages, the Kirby Centre, YWCA, Inn from the Cold, and the Drop-In Centre to create learner and employee community and volunteer opportunities.



Placed learners in valuable health care roles throughout communities in Southern Alberta thanks to the practicum opportunities available in all health programs at Bow Valley College.



Received a national award recognizing our work in social entrepreneurship and innovation from Colleges and Institutes Canada. The award highlighted the College's innovation centres: RBC Foundation Business Accelerator Centre, BMO Centre for Experiential Learning, and the Repsol Social Enterprise Hub.



3.3 INTERNATIONAL EDUCATION

Create linkages between international markets and our College community to foster and support learning opportunities abroad that enrich learning experiences and outcomes.

COMPLETED IN PROGRESS

Enrich the campus learning environment through integration of international learners and study abroad opportunities.

Achieved International enrolment of approximately 10 per cent of total College enrolment.



Supported a group of Chiu School of Business learners in a business and intercultural initiative in Japan.



Supported a group of Early Learning and Child Care learners participating in a practicum in Guyana.



Enhance offshore program delivery and partnership.

Delivered management and leadership training to a group of senior education leaders from China.



Delivered teacher training and curriculum development in Tanzania.



Signed agreement with the Max Institute of Health Education and Research in India to develop health programming and train facilitators in India.



Submitted a teacher training proposal to officials in Daqing Municipal Government, China, following a successful delegation visit to the College.



4 DIVERSITY ADVANTAGE



ACHIEVEMENTS 2015-2016

Bow Valley College is a leader in programs and services that advance the diversity at the core of our nation's success. Learners get real-world experience from one of the most intercultural colleges in western Canada, preparing them to work effectively with people of all backgrounds and cultures.

SETTING UP SUCCESS FOR NEWCOMERS

At Bow Valley College, improving the lives of new immigrants doesn't just end with an education — they get an experience. Learning how to adapt to Canadian culture contributes to success. For Mohamed El Dahir, that included giving back to the city that's welcomed him.

This past June, his entire life was uprooted by the Syrian civil war, forcing him, his wife and two young kids to leave behind family and friends. Mohamed is just one of the thousands of refugees who've come to Canada looking for a safe harbour to restart their life.

Now as an English Language Learning student at Bow Valley College, Mohamed's dream of owning a Canadian organic farm — one that's reminiscent of his family's in Syria — is taking shape. In what was once a simple backyard, Mohamed and his family have cultivated a lush garden, and have been giving away bushels of fresh fruit and vegetables to his community, college, and new friends.

"I wouldn't have made it without [the people who helped me] so I thanked them by giving away food," said Mohamed.

With most of the College's applicants enrolling in English Language Learning programs, it's essential that these learners get proper training and access to services. As a nationally-recognized leader in English literacy, the College has seen Syrian applicants increase fourfold, year-to-year since January.

Bow Valley College's President and CEO Sharon Carry and her daughter, Stephanie Talbot, have also taken an active role, donating a \$10,000 scholarship to two Syrian refugees studying at the College.

"We support immigrants at all points of their learning and integration journey," says Elza Bruk, Dean of the Centre for Excellence in Immigrant and Intercultural Advancement. "We provide language instruction at all skill levels, and training and services to all immigrants who are seeking employment or want to advance in their careers."



ADVANCING THE DIVERSITY ADVANTAGE

Overall Performance Metrics

Age distribution (full-time enrollee)	% of Total
--	-------------------

Less than 18	1.3%
18-24	38.2%
25-34	31.4%
35-44	19.7%
45+	9.5%

Highest Education of Full-time Enrolees	% of Total
--	-------------------

Less than Grade 12	11.9%
Grade 12	25.3%
Certificate	8.8%
Diploma	3.6%
Bachelor's Degree	11.4%
Master's Degree	2.3%
Doctoral	0.2%
Other	2.6%
Unknown	34.0%

Gender Ratio of Full-time Enrolees	% of Total
---	-------------------

Female	76%
Male	24%

Count

International Learners Credit Enrolment	884
Aboriginal Credit Enrolment	419
Learners with Disabilities	526

4.1 INCLUSIVE COLLEGE

Promote our current strengths in our internal and external communities.

COMPLETED **IN PROGRESS**

Ensure College culture and practices promote inclusivity across the full spectrum of human diversity.

Hosted the third annual Canada Day Pow Wow at Prince's Island Park. The Iniiokokaan Aboriginal Centre partnered with the City of Calgary to engage 80,000 visitors in programming that spanned First Nations, Métis, and Inuit cultural traditions.



Began development of a College-wide Indigenization strategy that includes engagement of relevant Truth and Reconciliation Commission calls to action.



Created web-based language training tools and digital assets for communication and language development in the workplace.



Incorporated principles of universal design—creating programs that take into account diverse backgrounds and abilities, appeal, and usefulness across a broad learner base—in curriculum development and program delivery, campus design and development, and service provision.



Further develop the Centre for Excellence in Immigrant and Intercultural Advancement.

Developed a course for international English Language Learning students on how to succeed academically in Canada.



Completed development of two new certificates: Intercultural Competencies for Leaders Certificate and Indigenous Awareness Training Course for Employers Certificate.



4.2 WORKFORCE TRAINING

Lead in the delivery of inclusive support, training, service, advocacy, and employer engagement.

COMPLETED **IN PROGRESS**

Build on service suite that promotes newcomers' successful integration into the workplace.

Launched Smart Pathways, in partnership with the Calgary Region Immigrant Employment Council, to help internationally educated professionals get work-ready before arriving in Canada. The program connects them with a Calgary-based mentor over Skype so they are prepared to succeed on arrival.



Introduced short courses for the workplace and part-time courses online to boost intercultural competence and language training.



Developed pre-departure testing tool to help newcomers to Canada prepare to succeed even before they come to Canada.



4.3 MULTI-LANGUAGE OPTIONS

Explore and expand possibilities of offering services and programming in multiple languages.

COMPLETED **IN PROGRESS**

Maintain career and employment services for Francophone Albertans.

Secured contract renewals for Connexion Carrière and Directions for Immigrants, and restarted Career Connection. These are career development and job search services, which are open to the public.



Explore market demand for and partner with Francophone providers of French as an additional language programs or French career programming.

College continues to identify and assess the possibility of partnering with other providers on French career programming.



5

CAPACITY FOR THE FUTURE



ACHIEVEMENTS 2015-2016

Demand for Bow Valley College programs continues to grow. By building our capacity we can meet this demand, delivering graduates with the practical training they need to succeed in the vital areas of health, justice, business, human services and creative technologies.

ALIGNING THE COLLEGE WITH INDUSTRY NEEDS

Bow Valley College has always been a key player to some of Alberta's most in-demand markets, particularly the health care sector.

To provide a more focused programming for learners, July 2015 saw the College split one school into two, resulting in the School of Health and Wellness and the School of Community Studies and Creative Technologies.

With an aging population, and increasing demand for age care staff in Canada, the fields of health and wellness have consistently been the College's most sought-after programs.

"The ability to be autonomous as a health and wellness department enables learners to have a broader perspective of what the wellness side of health may look like in programming", according to Nora MacLachlan, Dean of the School of Health and Wellness.

Research into age care options and the increasingly complex needs of the growing population of seniors has led the School of Health and Wellness to start researching healthy aging. This will lead to new program offerings for learners, meet demands in the workforce, and will fit in well with the expansion of the wellness side of the school.

NEW SCHOOL OF COMMUNITY STUDIES AND CREATIVE TECHNOLOGIES

The School of Community Studies and Creative Technologies was created to focus on the College's underdeveloped programs in the area of creative technologies.

Our new focus on creative technologies aims to give learners more options for programming in the areas of information, communication and design technologies, as community and industry become better aligned in the quest to find skilled employees.

"There are more options for learners and more breadth and depth to our programming," says Cherylyn Cameron, Dean, Community Studies and Creative Technologies.

Ultimak



GROWING CAPACITY FOR THE FUTURE

Overall Performance Metrics

2013-2014	2014-2015	2015-2016	
40 %	44 %	44%	Government of Alberta grant as a percentage of revenue
14 %	15 %	15%	Entrepreneurial contracts as a percentage of total revenue*

Notes

* The calculation for this metric excludes proceeds received by the College from insurance partners to remediate damage caused by the 2013 Alberta Floods.

5.1 EXPLOIT TECHNOLOGY

Change the way learning and services are delivered beginning with mobile technology and other advances to keep on the cutting edge.

COMPLETED **IN PROGRESS**

Leverage technologies to enhance access, flexibility, engagement, and learner success.

Building on our robust online learning programs, we are developing a Learning Technology Strategy (for implementation in 2016-17 and beyond) to offer simultaneous online and face-to-face instruction so learners can easily move between modes of delivery. The plan means we can help more learners succeed.



5.2 WELL-QUALIFIED AND ENGAGED PEOPLE

Recruit, retain, and develop our people, fostering an organization where people will embrace new opportunities and continue to learn.

COMPLETED **IN PROGRESS**

Make strategic investments from 50th Anniversary People Fund to develop organizational capacity by engaging leadership development, adult educator instruction and technological skills, and credential gaps.

Implemented recruitment practices to ensure faculty possess academic credentials and industry qualifications that exceed the credential level of the program in which they teach by one level or more.



Refocus Human Resources Strategic Plan.

Piloted a performance management system to assist in the development of a new appraisal tool for supervisors to manage staff performance.



Developed an online employee onboarding process to ensure successful employee commencement with the College. The onboarding process will result in a tighter focus on key College mandates and increased retention.



Named one of Alberta's Top 70 employers for a third year in a row.



5.3 FINANCIAL SUSTAINABILITY

Raise, steward, and advance the resources the College will need through new financial models and partnerships.

COMPLETED **IN PROGRESS**

Coordinate and deliver on Quest for Best, a \$20 million community philanthropic investment campaign.

Reached 75 per cent of our goal and are on track for campaign to be completed in 2017.







APPLIED RESEARCH

The scope of Bow Valley College's applied research continues to expand appropriate to our mandate as a comprehensive community college. We are convening new partners and attracting new funding to develop action research, alternative credentialing, and social innovation projects that address teaching and learning, industry practice, government programs and benchmarks, as well as collective trauma and community well-being.

Contributing to the Knowledge Base and Informing Practice

Including four Social Sciences and Humanities Research Council (SSHRC) funded projects:

Social Innovation on the Ground: Accessible and Evidence-Based Tools for Social Innovators (in partnership with Mount Royal University, the Town of High River, and the United Way of Calgary and Area).

Bringing Hearts and Minds Together: Co-Creating Lifelong Learning Materials for Caregivers of Aboriginal Clients (in partnership with Siksika Employment and Training Services and Palix Foundation).

Enhancing the Well-Being, Social, and Civic Engagement of Immigrant Women Retirees (in partnership with Calgary Immigrant Women's Association).

The Effects and Implications of Environmental Disasters on the Family: Communicating, Coping, and Caring (with study lead Mount Royal University).

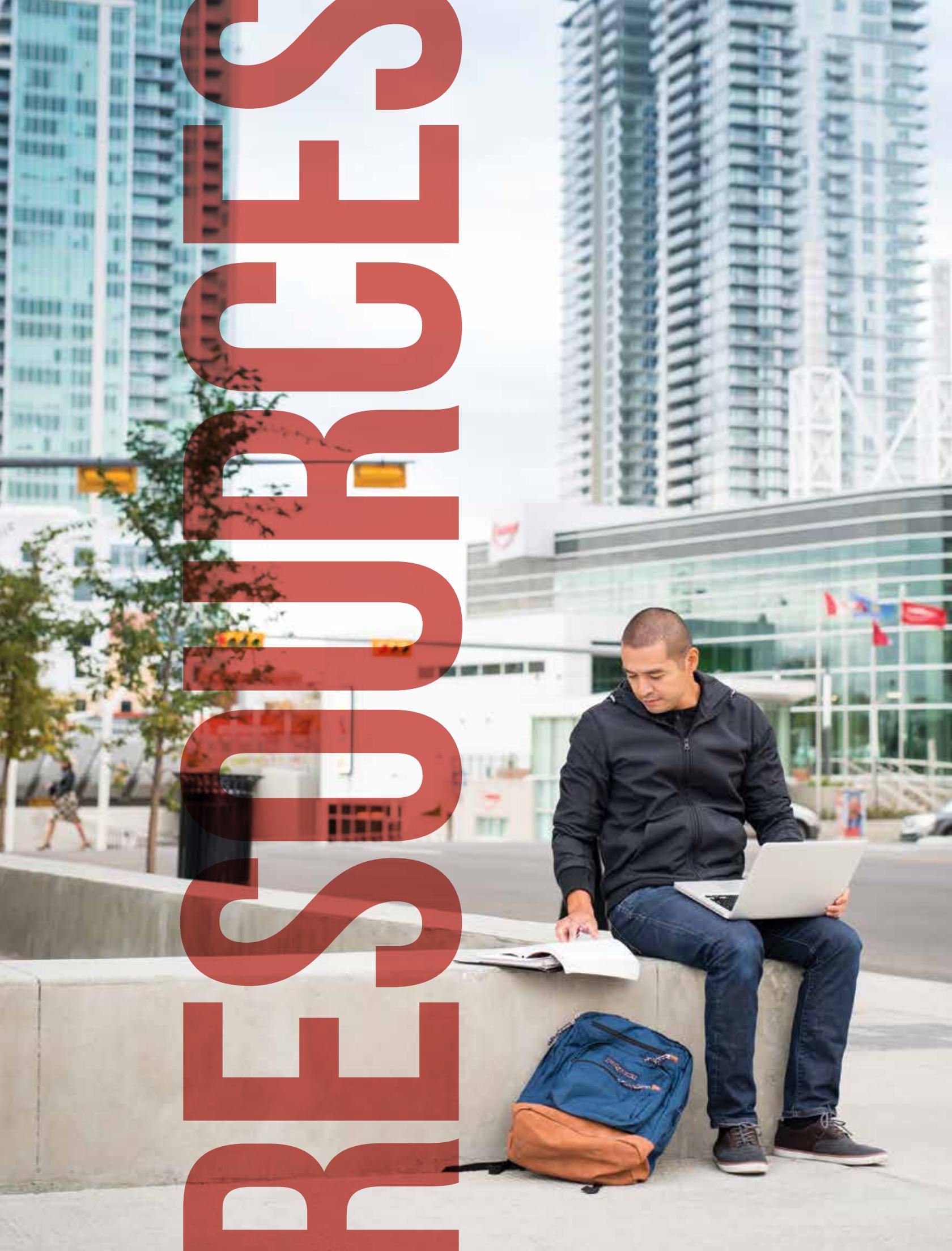
COMPLETED WRITEFORWARD

The College completed formative research in increasing practitioner knowledge in assessing the writing skills and writing strategies of adults with low literacy writing and increase learners' knowledge about writing skills and the strategies that make those skills transferrable from home, to community, and to the workplace.

The result of this work is an assessment tool called Writeforward, which was funded by the Government of Canada's Office of Literacy and Essentials Skills with support from the Government of Alberta. The

College also supports a number of time-limited applied research projects conducted by faculty and staff each year. Recently completed projects have engaged teaching and assessing adult literacy, writing, and essential skills; early indicators of learner success and failure; distributed delivery; peer-to-peer learner engagement; and coping with natural disaster.

Study
in
the
city



VOLUNTEERS

Bow Valley College faculty and staff are truly part of their communities — giving of their personal time, energy, and creativity to community organizations throughout southern Alberta.

- | | |
|--|--|
| Airdrie Minor Hockey Association | Folk Arts Council of Alberta |
| Alberta Rescue Foundation | Habitat for Humanity |
| Alberta Women's Science Network | Haitian Association of Calgary |
| Alexandra Centre Society | Heart and Stroke Foundation |
| Boards of Community Associations | Hungarian Arts and Heritage Foundation of Alberta |
| Bowness Railway Community Garden | I Can for Kids |
| Bow River Quilters | INSPIRE!africa Foundation |
| Bow View Manor | International Women's Forum - Calgary Chapter |
| Calgary Centre for Spiritual Living | Leukemia and Lymphoma Society of Canada - Calgary Chapter |
| Calgary Folk Festival | National Music Centre |
| Calgary Food Bank | Parent Support Association |
| Calgary Inter-Faith Food Bank | Public and separate school districts |
| Calgary Outdoor Recreation Enthusiasts | RADICAL! Research and Development in the Classroom to Advance Learning |
| Calgary Public Library | SEEDS Connections Foundation |
| Calgary Seniors' Resources Society | Spruce Meadows |
| Calgary Stampede Prelude to the Parade | Ujamaa Grandmas |
| Canada West Foundation | United Way of Calgary and Area |
| Canadian Diabetes Association | Western Canadian Folk Festival |
| Canadian-Hungarian Cultural Association | Westwinds Music Society |
| Canadian-Pakistani Support Group | Will for Riding Foundation |
| Children's Birthday Miracles | Wordfest |
| CJSW 90.9 FM | Youth Central |
| Credit Union Deposit Guarantee Corporation | Youth Singers of Calgary |
| Faith-based Organizations | |
| Fast and Female | |
| Fire Fighters Museum of Calgary | |

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The College gratefully acknowledges our supporters for generous gifts received between July 1, 2015 and June 30, 2016. The College also acknowledges the many additional supporters who prefer to remain anonymous.

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The Calgary Foundation

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Students' Association of Bow Valley College

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UP TO \$999

Arlayna Alcock	Don Chynoweth	Tasha Giroux	Laura Koronko	Stephanie McDonald	Charlotte Self
AUPE - Chapter 011	Meggi Clarke	Rosanne Goetz	Vicki Kranenburg	Joanne Miller	Sharp's Audio Visual
Stacie Baker	Joy Cohen, Proprietor, I Need a Résumé Now!	Chris Goulard	Jenny Laing	Frances Murphy	Richard R. Singleton
Jason A. Balasch	Career and HR Advising Services	Kevin and Debbie Gregor	Tammy Landry	Roger Nippard	Tony Spoletini
Cynthia L. Bandet	Marjorie Contenti	Bruce and Sherri Hamblin	Augusto Legaspi	Maria Nystrom	Joanne Stalinski
Beaupre-Olsen Family	Catherine Cook	David Harvey and Joan Martin	Jasper Leung-Chau in honour of Joan Leung	Olds College	Gail Thauberger
Chris Bloomer	Daph Crane	Peter Hayren	Robert Liddle	Tina and Rick Overwater	Alana Thibault
BluEra	Mahua Dasgupta	Dixie Heron	Carolyn Lindsay	Carol Pennycook	Karen Thomas
John Borrowman	Mary Davey	Susan Hessel	Karen Lynch	Ray Pisani	Debbie Toole
Jana Boychuk	Natascha Doiron	Cattaleyah Hill	Heather MacDonald	Pat Preston and John Tylee	R and C Tomlinson
Shaku Brar	The Dorval Family	Julia Hinman	Gael MacLeod	Sonja Quirouette	Crystal Tulloch
Barry D. Bultz	Christin Elawny	Linda Hohol	Nora MacQuarrie	RBC Royal Bank	Liz van Ramele
Calgary Stampede	Caroline Fairbrother	L. Houck	Laurel Madro	Ed and Tara Rihm	West Canadian Digital Print
Sharon Cameron	Mary Anne Fish	Margot Howard	Leanne Makinson	Andrea Robertson	Russ Wilde
Morgan Campbell	Christine M. Fisher	Hana Taleb Imai	Crystal Manyfingers	Stephen and Gloria Ross	Jerilyn Wright
Luisa Castro	Shanon Fisher	Jan Jamieson, In memory of Kevin Peterson	Ross Marsh	Susan Wright, in memory of Kevin Peterson	
Melisa Cekic	Ginny Flood	Elsbeth and Ed Mehrer	Jerry Rudelic		
Joan Chapman	Beverley Foy	June Jeffery	Denise Savage-Hughes and Ken Hughes	Reiko Yoshizawa	
Alice Charland	Amanda Fusaro	Martin and Kelly Jones	Erica and Jeff Meunier	Cindy (Dan) Yu	
William Christensen	The Gallart Family	Lorrie Keon	Laura Meyers		
Anjali Chugh	Michael Gaschnitz	Art Korpach	Shelley McConnell	Maggie Schofield	

MANAGEMENT DISCUSSION & ANALYSIS

YEAR ENDED JUNE 30, 2016

Introduction

Bow Valley College has prepared the following Management Discussion and Analysis (MD&A) which should be read in conjunction with the 2015-16 financial statements and accompanying notes included in the Annual Report. The MD&A and audited financial statements are reviewed and approved by the Board of Governors of Bow Valley College. The financial statements have been prepared in accordance with Public Sector Accounting Standards (PSAS) and are consistent with the net debt financial statement framework prescribed by the Office of the Controller, Alberta Treasury Board and Finance.

The net debt financial statement framework was adopted by the post-secondary education sector for the first time in the current year. For comparative purposes the framework has been also been applied to the prior year and the restatements are itemized in Note 3.

Although the financial statements and notes are presented in PSAS format, the comparative analysis of revenue and expenses in this MD&A are based on object type reporting used in Canadian generally accepted accounting principles (GAAP) rather than the functional reporting classification used in PSAS. Note 13 provides more details on this composition. It is management's belief that this analysis provides the reader with greater continuity and visibility into the College's key operating activities.

Corporate Overview

Bow Valley College is the largest and fastest growing comprehensive community institution in Alberta. The College's goal is to provide Albertans with the skills and qualifications to enable them to become active members of the Albertan economy. The College achieves this via a diverse and ever growing offering of programs and courses. These programs and courses are designed with industry consultation, to ensure a relevant and forward looking set of offerings that meet the needs of the marketplace, now and into the future.

The College commenced its 2013-14 fiscal year with 5,124 full load equivalents (FLEs). Over the following three years the FLE count has increased by over 23 per cent. As at June 30 2016, the College now has 6,309 FLE's. It is anticipated by the College that as this rate of FLE growth continues it will place additional pressure upon Bow Valley College's operational infrastructure. The College believes additional investment in campus facilities will be required to meet this demand within the foreseeable future.

Over time, the College has adopted an effective organizational structure that has resulted in high quality, relevant programming at an efficient cost. During the year, the College continued to build its capacity by developing a Learning Technology Strategy, re-aligning Schools' structure to expand programming and implementing enhanced recruitment

practices to further develop the College's human capital. Although not immediately reflected in these results, such investments will yield dividends in the future.

As a public institution, the College receives the most significant portion of its operating revenue from the Government of Alberta. During 2015-16 the College received an increase in government funding of \$3.0 million (6.1 per cent). This additional funding assisted with providing resources to further expand access, cover inflationary pressures and pay facility operating costs. However, it is also important to highlight that the growth rate in college learners far exceeds the annual adjustment in the Government of Alberta funding model. Today Bow Valley College has the most efficient level of grant revenue to FLE ratio of any public post-secondary institution in the province of Alberta.

The healthy financial results posted by the College in 2015-16 are a reflection of its continued successful implementation of the *any time, any place, any path, any pace* vision. As the province continues to experience economic uncertainty, the strong balance sheet maintained by Bow Valley College will enable it to continue to support strategic investments while focusing on providing Albertans with greater access to career development and educational services.

Financial Overview

Strong revenue growth combined with responsible management of overall operations are the two key drivers to the College's \$11.8 million annual operating surplus. In 2015-16, the College's total revenue of \$102.5 million was higher than the prior year by \$6.9 million (7.3 per cent), while total expenses of \$90.7 million grew by \$3.3 million (3.8 per cent). The annual operating surplus was thereby higher by \$3.6 million.

The annual operating surplus realized in the current year will be reinvested into internally restricted reserves to sustain the College's capital infrastructure through life-cycle maintenance, exploit new strategic opportunities involving expanding and improving learning program delivery by the College, and enhancing the College's capacity with investments in technology and people.

Statement of Operations

REVENUES

College revenues are comprised of Government of Alberta grants (50.8 per cent), federal and other government grants (6.8 per cent), Sale of services and product revenue (8.0 per cent), Learner tuition and fees (27.7 per cent), Donations and other contributions (2.4 per cent), and Investment income (4.3 per cent).

Government of Alberta grant revenue met budget expectations during the year. This revenue is comprised of funding which supports annual operations (\$45.3 million) as well as the amortization of capital contributions of historical infrastructure development projects (\$6.7 million). During the year the College received incremental Government of Alberta grants of \$3.0 million:

- \$1.7 million to replace market modifier pricing and hold learner tuition and fees at prior year rates,
- \$0.7 million to cover cost of living increases,
- \$0.4 million to support incremental campus facility operating costs,
- \$0.2 million earned in delivering key initiatives on conditional grants.

This injection of grant funding enabled the College to forgo planned market modifications to tuition rates and preserve pricing at 2014-15 levels. Bow Valley College's tuition remains at the most competitively priced rates across the province.

Included annually in the Government of Alberta grant revenue is an amount of \$1.1 million to support learners with disabilities. This grant has remained unchanged at \$1.1 million since 2012-13. This is despite a 12.4 per cent increase in the number of registered learners with disabilities and an overall 46 per cent increase in the total number of learners accessing advising services offered by the College.

During the year federal and other government grants increased slightly (\$0.1 million) and exceeded budget expectations by \$0.4 million. The biggest contributor of federal and other government grants comes from the Language Instruction for Newcomers to Canada program (LINC).

In 2015-16, LINC revenues increased \$0.3 million to close at \$6.9 million as the College expanded English Language Learning offerings to enhance immigrant entry to career programs. The number of FLE's in the Centre for Excellence in Immigrant and Intercultural Advancement grew by 196.8 during the year.

In 2015-16, sale of services and product revenue exceeded budget expectations by \$0.6 million but trailed the prior year results by \$0.8 million. In 2014-15, \$1.1 million in insurance proceeds were received by the College to cover costs incurred on flood remediation work performed in that year. This activity was finalized in 2014-15 and represents a non-recurring revenue item. Adjusting for this anomaly, College sale of services and products improved over the prior year by \$0.3 million.

The College actively pursues a variety of entrepreneurial activities and sale of services and product revenue represents income generated from those sources. The majority of this revenue (2015-16 \$5.0 million) is realized from the execution of educational contracts. Educational contract revenue exceeded budget expectations during the year by \$0.6 million and was driven by activities which included:

- Connexion Carrière and Directions for Immigrants - a broadly-available career development and job search service.
- Smart Pathways - a partnership with the Calgary Region Immigrant Employment Council designed to help internationally educated professionals get work ready before arriving to Canada by connecting them with a Calgary-based mentors.
- Delivering teacher training and curriculum development in Tanzania.
- Implementing the DiverseCity on Board program in partnership with Ryerson University and the Maytree Foundation

Revenue from the College's ancillary services (which includes parking, food services, book store administration and facility rentals) represents the second major component of sale of services and product revenue (2015-16 \$1.5 million). This revenue met budget expectations and exceed the prior year by \$0.2 million primarily due to additional parking revenue; following the completion of flood remediation work, the College's parking facilities were restored to their full revenue generating capacity.

Learner tuition and fees increased by \$2.5 million over the prior year and exceeded budget expectations by \$2.0 million. This increase in revenue was entirely driven by the substantial growth of College FLEs. The overall FLEs population increased by 501.8 over 2014-15. This represented an increase of 8.6 per cent and was a result of the College's focus at building strong career-focused programs. In particular in the Chiu School of Business experienced a 27.3 per cent growth rate. Key programs contributing to this result included:

- Hospital Unit Clerk Certificate (120.7 FLEs),
- Business Administration Diploma (100.4 FLEs),
- Legal Assistant Diploma (57.3 FLEs),
- Medical Office Assistant Certificate (52.2 FLEs).

During the year Bow Valley College re-aligned its school structure by establishing the School of Community Studies and Creative Technologies and the School of Health and Wellness. In addition to facilitating the development and expansion of future programming offerings, this structural adjustment also equipped the College with the foundation to accommodate further growth. FLE's increased in the School of Community Studies and Creative Technologies by 115.6 and the School of Health and Wellness by 63.9.

The College has a goal to create linkages between international markets and our college community to foster and support learning opportunities abroad that enrich learning experiences and outcomes. In 2015-16, Bow Valley College met its target (10 per cent) of international FLEs as a ratio of total college FLEs. Total international FLE's increased to 632.0. In the prior year, the ratio of international FLEs to total college FLEs was 8.7 per cent.

International learners are not covered by Government of Alberta funding; tuition levied on international learners are set at levels which ensure Bow Valley College recovers the full costs of education of international learners. The rate charged to international learners enrolled in career programs is higher

than domestic fees by approximately three times and the impact of this growth in international tuition on 2015-16 tuition and fees revenue is an incremental \$0.9 million.

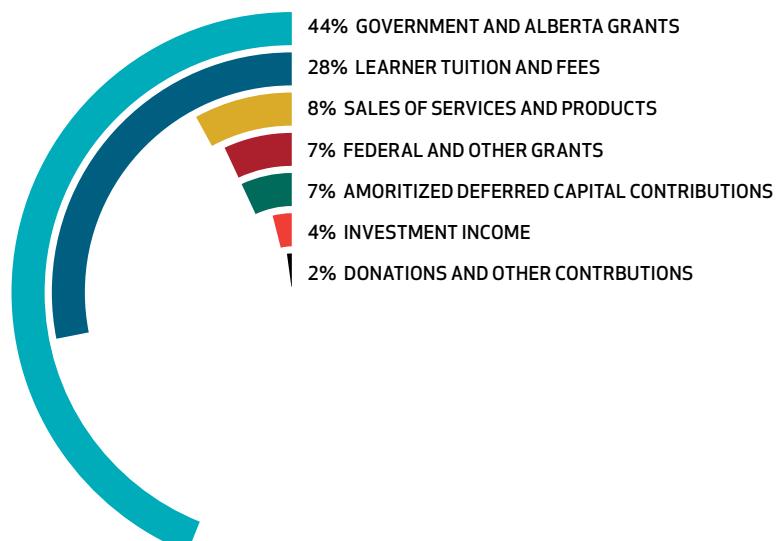
Donations and other contributions increased by \$1.3 million over the prior year and exceeded budget expectations by \$1.2 million. College donors generously supported Bow Valley College during 2015-16 and advanced \$1.1 million more in donations than that received in the prior year. Also during the year the College expanded the amount of scholarships and awards provided to its learners by \$0.2 million.

Investment income includes dividends, interest income and realized gains on sale of portfolio investments. The objectives of the College's investment policy are to:

- Have an established investment strategy which will preserve capital.
- Achieve a growth rate beyond the rate of inflation.
- Provide a secure and consistent income flow to meet daily operations, longer-term operating and capital needs and endowment requirements.

During the year investment income exceeded budget expectations by \$2.0 million and was higher than the prior year by \$0.9 million. This positive result was a function of the College professional investment management policy and the College's focus on maximizing returns on surplus cash generated from operations. The overall return on the College's general portfolio exceeded 5.0 per cent per annum and was a considerable achievement bearing in mind the volatility of global equity markets towards the end of the year created by the United Kingdom's vote to exit from the European Union.

REVENUES



EXPENSES

College expenses are comprised of Salaries and benefits (69.2 per cent), Materials supplies and services (12.9 per cent), Maintenance and repairs (5.5 per cent), Amortization of capital assets (9.6 per cent), Scholarship and bursaries (1.0 per cent), and Utility expenditures (1.8 per cent).

As a public sector employer whose prime mandate is the delivery of educational and human services, the major annual expenditure is related to salary and benefits. During the year the College recorded total salary and benefits of \$62.8 million (\$60.0 million in 2014-15) and this expenditure level was exactly in line with budget expectations.

The increase in compensation of \$2.8 million represents a deliberate investment by the College to build operational capacity and enhance program development. \$2.0 million of this incremental compensation was directed to investments in building learner-focused resources. Specific initiatives implemented during the year include:

- Recruitment of additional faculty to respond to the increased growth in FLE population.
- Structural re-alignment of schools which created the School of Community Studies and Creative Technologies and the School of Health and Wellness.
- Expansion of external testing services and to enable credentialing pathways across multiple institutions and professional bodies.
- Development of new specializations in the Chiu School of Business and the School of Health and Wellness.

- Implementation of new programming which included the Fetal Alcohol Spectrum Disorder Education Diploma, Social Work Diploma, the Justice Studies - Aboriginal Focus Diploma and General Diploma, and the Health and Human Services Management Certificate.

- Enhancement of resources to address the needs of our international learners.
- Establishment of a College Business Development department to provide coordination and support in generating entrepreneurial activities.

Material supplies and services increased during the year by \$1.4 million and was below budget expectations by \$0.6 million. This expense category comprises a variety of expenditures and includes computer costs, professional fees, advertising costs, educational and consulting contract costs, travel expenditures, service charges and insurance expenses.

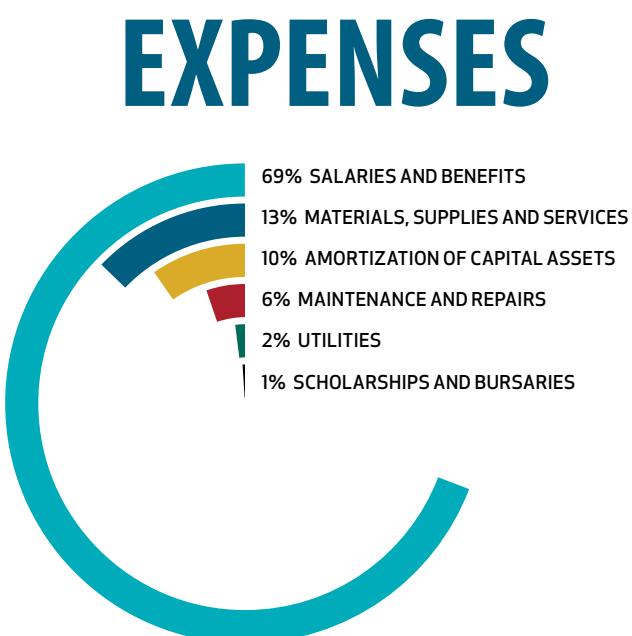
During the year the increase in material supplies and services was predominantly driven by a change in accounting treatment of expenditures on website development costs which resulted in a charge of \$1.2 million. The college continued to develop its intranet and website during the year. These initiatives are important components in the College Learning Technology Strategy and a fundamental tenant of the *any time, any place, any path, any pace* vision.

Maintenance and repairs decreased during the year by \$1.3 million and were below budget expectations by \$2.3 million. The completion of flood restoration work in the prior year represented \$1.1 million of this year-over-year cost savings.

Amortization of capital assets was higher than the prior year by \$0.3 million but well short of budget expectations by \$0.4 million. As the College increases its asset base, the amortization expense rises. However, during 2015-16, College capital expenditures fell short of budget expectation levels and as a consequence the expense trailed budget.

Scholarships and bursaries payments were increased by the College during the year and were higher than 2014-15 by \$0.2 million. Expenditures exceeded budget expectations by \$0.2 million. This was a function of the College's focus to increase access to the College through providing donor-funded support. Also during the year, the College launched a web based Learner Awards Portal. It is expected that initiatives like this will continue to drive scholarship and bursary awards into the future.

The College has taken action to reduce its exposure to volatility in utility charges by entering into contracts fixing rates at set levels. Usage of gas and electricity during the year remained consistent with 2014-15 levels and there was a modest savings of \$0.2 million against budget expectations



Statement of Financial Position

Bow Valley College continued to maintain a strong financial position during 2015-16. Financial assets increased by \$10.9 million – primarily driven by a growth in its portfolio investments. Liabilities also increased during the year but the growth as held to \$0.5 million. Non-financial assets decreased by \$6.1 million as capital expenditures have trailed budget expectations. Spent deferred capital contributions (which represents the unamortized value of capital contributions provided to the College to develop its campus infrastructure) decreased by \$6.3 million. Overall net assets of the College improved by \$10.7 million for the year which was in-line with the annual operating surplus result.

FINANCIAL ASSETS

Financial assets are comprised of cash and cash equivalents, portfolio investments, accounts receivable and inventories held for resale. Portfolio investments include general investments (non-endowments) and investments predominantly comprised of donated funds restricted by Statements of Trust (endowments). During the year the general portfolio assets increased by \$8.9 million as the College invested surplus cash. Endowment portfolio assets increased during the year by \$0.5 million with incremental donations. Cash and cash equivalents was higher by \$1.8 million during the year and this was due to the College's preference to hold investments in a liquid form whilst the markets absorb the impact of global volatility. Accounts receivable decreased by \$0.3 million during the year.

LIABILITIES

Liabilities are comprised of accounts payable and accrued liabilities, employee future benefit liabilities, deferred revenue and capital lease obligations. The increase in liabilities during the year was predominantly driven by growth in accounts payable and accrued liabilities and was associated with capital acquisitions of equipment made late in the year.

NON-FINANCIAL ASSETS

Non-financial assets are comprised of tangible capital assets and prepaid expenses. During the year a small increase in prepaid expenses (\$0.5 million) was offset by a decrease in tangible capital assets of \$6.6 million. Prepayment of licenses increased during the year as the College continue to execute its Learning Technology Strategy. This decrease in tangible capital assets was created by the annual depreciation charge of \$8.8 million exceeding annual capital expenditures of \$2.2 million.

SPENT DEFERRED CAPITAL CONTRIBUTIONS

In prior years, this balance was consolidated with deferred revenue but is now segregated on the Statement of Financial Position. The College commenced the year with an unamortized balance of \$243.6 million. There were modest additions to the balance during the year of \$0.5 million which was predominantly due to capital expenditures funded from the Access to the Future grant. The annual amortization charge applied to the balance was \$6.7 million thereby rendering the balance as \$237.4 million.

NET ASSETS

The net assets increase of \$10.7 million is predominantly driven by an annual surplus of \$12.1 million and partly offset by a decrease in the market value of portfolio investments of \$1.4 million. The decrease in market value of portfolio investments is considered temporary in nature resulting from volatility in financial markets as well as a rebalancing of portfolio assets which occurred during the year.

Independent Auditor's Report

To the Board of Governors of Bow Valley College

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Bow Valley College, which comprise the statement of financial position as at June 30, 2016, and the statements of operations, change in net financial assets, remeasurement gains and losses, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

OPINION

In my opinion, the financial statements present fairly, in all material respects, the financial position of Bow Valley College as at June 30, 2016, and the results of its operations, its remeasurement gains and losses, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

October 26, 2016

Edmonton, Alberta

STATEMENT OF MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING



The financial statements of Bow Valley College have been prepared by management in accordance with Canadian Public Sector Accounting Standards. The financial statements present fairly the financial position of the College, as at June 30, 2016 and the results of its operations for the year then ended.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has developed and maintains a system of internal controls designed to provide reasonable assurance that the College assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of the financial statements.

The Board of Governors is responsible for reviewing and approving the financial statements, and overseeing management's performance of its financial reporting responsibilities.

The Board of Governors carries out its responsibilities for review of the financial statements principally through its Audit and Risk Management Council. The majority of the members of the Audit and Risk Management Council are not employees of the College. The Audit and Risk Management Council meets with management and the external auditor to discuss the results of audit examinations and financial reporting matters. The external auditor has full access to the Audit and Risk Management Council, with and without presence of management.

These financial statements have been reported on by the Auditor General of Alberta, the auditor appointed under the *Post-secondary Learning Act*. The Independent Auditor's Report outlines the scope of the audit and provides the audit opinion on the fairness of the presentation of the information in the financial statements.

[ORIGINAL SIGNED BY:]

Sharon Carry, AOE
President & CEO

Gayle Burnett
Vice President, College Services and Chief
Financial Officer

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2016
(thousands of dollars)



	2016	2015 (note 3)
Financial assets		
Cash and cash equivalents (note 4)	\$ 27,512	\$ 25,702
Portfolio investments – non endowments (note 5)	60,297	51,375
Portfolio investments – restricted for endowments (note 5)	4,220	3,657
Accounts receivable (note 7)	3,452	3,813
Inventories for resale	59	52
	\$ 95,540	\$ 84,599
Liabilities		
Accounts payable and accrued liabilities	\$ 6,759	\$ 6,211
Employee future benefit liabilities (note 19)	922	1,084
Deferred revenue (note 9)	12,921	12,743
Capital lease obligation (note 14)	56	171
	\$ 20,658	\$ 20,209
Net financial assets	\$ 74,882	\$ 64,390
Non-financial assets		
Tangible capital assets (note 8)	286,668	293,247
Prepaid expenses	1,079	578
	\$ 287,747	\$ 293,825
Net assets before spent deferred capital contributions	\$ 362,629	\$ 358,215
Spent deferred capital contributions (note 10)	237,351	243,641
Net assets	\$ 125,278	\$ 114,574
Net assets is comprised of:		
Accumulated surplus (note 11)	121,532	109,423
Accumulated remeasurement gains	3,746	5,151
	\$ 125,278	\$ 114,574

Contractual obligations and contingent liabilities (note 14 and note 15)

Approved by the Board of Governors: (note 22)

[ORIGINAL SIGNED BY:]

[ORIGINAL SIGNED BY:]

Chair, Board of Governors

President & CEO

The accompanying notes are an integral part of these financial statements.

STATEMENT OF OPERATIONS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)



	Budget 2016 (note 21)	2016	2015 (note 3)
Revenues			
Government of Alberta grants (note 17)	\$ 52,045	\$ 52,033	\$ 49,070
Federal and other government grants	6,577	7,010	6,881
Sales of services and products	7,550	8,186	8,941
Student tuition and fees	26,383	28,429	25,953
Donations and other contributions	1,249	2,434	1,183
Investment income (note 16)	2,279	4,366	3,487
	96,083	102,458	95,515
Expenses (note 13)			
Instruction and training	37,739	38,012	36,856
Academic and student support	22,793	20,460	19,546
Facility operations and	14,236	14,250	15,318
maintenance Institutional support	18,938	17,670	15,260
Ancillary services	374	308	388
	94,080	90,700	87,368
Annual operating surplus	2,003	11,758	8,147
Endowment contributions	-	218	10
Endowment capitalized investment income	-	133	18
Endowment contributions and capitalized investment income	-	\$ 351	\$ 28
Annual surplus	\$ 2,003	\$ 12,109	\$ 8,175
Accumulated surplus, beginning of year	109,423	109,423	101,248
Accumulated surplus, end of year (note 11)	\$ 111,426	\$ 121,532	\$ 109,423

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)



	Budget 2016 (note 21)	2016	2015 (note 3)
Annual surplus	\$ 2,003	\$ 12,109	\$ 8,175
Acquisition of tangible capital assets	(4,000)	(2,167)	(9,664)
Amortization of tangible capital assets	9,112	8,747	8,449
Gain on sale of tangible capital assets		(1)	-
Change in prepaid expenses	165	(501)	54
Change in spent deferred capital contributions	(6,774)	(6,290)	(6,018)
Net accumulated remeasurement gains (losses)		(1,405)	386
Increase in net financial assets	506	10,492	1,382
Net financial assets, beginning of year	64,390	64,390	63,008
Net financial assets, end of year	\$ 64,896	\$ 74,882	\$ 64,390

The accompanying notes are an integral part of these financial statements.

STATEMENT OF REMEASUREMENT GAINS AND LOSSES
YEAR ENDED JUNE 30, 2016
(thousands of dollars)



	2016	2015
	(note 3)	
Unrealized gains (losses) attributable to:		
Portfolio investments – non-endowment	\$ 97	\$ 289
Amounts reclassified to statement of operations:		
Portfolio investments – non-endowment	(1,502)	96
Accumulated remeasurement gains, beginning of year		
	5,151	4,766
Accumulated remeasurement gains, end of year		
	\$ 3,746	\$ 5,151

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)



	2016	2015 (note 3)
Operating transactions		
Annual surplus	\$ 12,109	\$ 8,175
Add (deduct) non-cash items:		
Expended capital recognized as revenue (note 10)	(6,813)	(6,785)
Amortization of tangible capital assets (note 8)	8,747	8,449
(Gain) / loss on disposal of investments	(1,491)	120
(Gain) on disposal of capital assets	(1)	-
Decrease in accounts receivable	361	2,074
(Increase) decrease in inventories for resale	(6)	19
(Increase) decrease in prepaid expenses	(501)	54
Increase (decrease) in accounts payable and accrued liabilities	548	(1,990)
Increase (decrease) in employee future benefits liabilities	(162)	241
Increase in spent deferred capital contributions, (note 10)	523	767
Increase (decrease) in deferred revenue	178	(403)
Cash provided by operating transactions	13,492	10,721
Capital transactions		
Acquisition of tangible capital assets, net of proceeds on disposal	(2,167)	(9,664)
Cash applied to capital transactions	(2,167)	(9,664)
Investing transactions		
Purchase of investments	(18,694)	(8,158)
Proceeds on sale of investments	9,293	6,410
Cash applied to investing transactions	(9,401)	(1,748)
Financing transactions		
Repayments of capital lease obligation	(114)	(117)
Cash applied to financing transactions	(114)	(117)
Increase (decrease) in cash and cash equivalents	1,810	(808)
Cash and cash equivalents, beginning of year	25,702	26,510
Cash and cash equivalents, end of year (note 4)	\$ 27,512	\$ 25,702

The accompanying notes are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2016

(thousands of dollars)



1. Authority and purpose

The Board of Governors of Bow Valley College is a corporation which manages and operates Bow Valley College ("the College") under the *Post-secondary Learning Act* (Alberta). All members of the Board of Governors are appointed by either the Lieutenant Governor in Council or the Minister of Advanced Education, with the exception of the President, who is an ex officio member. Under the *Post-secondary Learning Act*, Campus Alberta Sector Regulation, the College is a comprehensive community institution offering mandated credentials and programs as well as a full range of continuing education programs and activities. The College is a registered charity, and under section 149 of the *Income Tax Act* (Canada), is exempt from the payment of income tax.

2. Summary of significant accounting policies and reporting practices

a. General – Canadian Public Sector Accounting Standards (PSAS) and use of estimates

These financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards.

The measurement of certain assets and liabilities is contingent upon future events; therefore, the preparation of these financial statements requires the use of estimates, which may vary from actual results. The College's management uses judgment to determine such estimates.

Employee future benefit liabilities, amortization of tangible capital assets and the revenue recognition for expended capital are the most significant items based on estimates. In management's opinion, the resulting estimates are within reasonable limits of materiality and are in accordance with the significant accounting policies summarized below. These significant accounting policies are presented to assist the reader in evaluating these financial statements and, together with the following notes, should be considered an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)



b. Valuation of financial assets and liabilities

The College's financial assets and liabilities are generally classified and measured as follows:

Financial statement component	Measurement
• Cash and cash equivalents	Amortized cost
• Portfolio investments – non endowments	Fair Value
• Portfolio investments – restricted for endowments	Fair Value
• Accounts receivable	Amortized cost
• Accounts payable and accrued liabilities	Amortized cost

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. When the restricted nature of a financial instrument and any related changes in fair value create a liability, unrealized gains and losses are recognized as deferred revenue

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value. Investment management fees are expensed as incurred. The purchase and sale of cash and cash equivalents and portfolio investments are accounted for using trade-date accounting.

The College does not use foreign currency forward contracts or any other type of derivative instruments for trading or speculative purposes.

Management evaluates contractual obligations for the existence of embedded derivatives and elects to either designate the entire contract for fair value measurement or separately measure the value of the derivative component when characteristics of the derivative are not closely related to the economic characteristics and risks of the contract itself. Contracts to buy or sell non-financial items for the College's normal purchase, sale or usage requirements are not recognized as financial assets or financial liabilities. The College does not have any embedded derivatives at June 30, 2016.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2016

(thousands of dollars)



c. Revenue recognition

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recognized as deferred revenue.

Government grants, non-government grants and donations

Government transfers are referred to as government grants.

Restricted government grants and donations are recorded as deferred revenue if the terms for use, or the terms along with the College's actions and communications as to the use, create a liability. These grants and donations are recognized as revenue as the terms are met and when applicable the College complies with its communicated use. If the grants and donations are used to acquire or construct tangible capital assets, revenue will be recognized over the useful life of the tangible capital assets.

Government grants without terms for the use of the grant are recorded as revenue when the College is eligible to receive the funds. Unrestricted grants and donations are recorded as revenue in the year received or in the year the funds are committed to the College if the amount can be reasonably estimated and collection is reasonably assured.

In-kind donations of services, materials and tangible capital assets are recognized at fair value when a fair value can be reasonably determined. Transfers of tangible capital assets from related parties are recorded at the carrying value. While volunteers as well as College staff contribute a significant amount of time each year to assist the College in carrying out its mission, such contributed services are not recognized in these financial statements because a fair value cannot be reasonably determined.

Grants and donations related to land

Grants and donations for the purchase of land are recognized as deferred revenue when received and as revenue when the land is purchased.

The College recognizes in-kind contributions of land as revenue at the fair value of the land when a fair value can be reasonably determined. When the College cannot determine the fair value, it records such in-kind contributions at nominal value.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016
(*thousands of dollars*)



Endowments

Endowments consist of externally restricted donations received by the College and internal allocations by the College's Board of Governors, the principal of which is required to be maintained intact in perpetuity.

Investment income earned on endowments must be used in accordance with the various purposes established by the donors or the Board of Governors. Benefactors as well as College policy stipulate that the economic value of the endowments must be protected by limiting the amount of income that may be expended and reinvesting unexpended income.

Under the *Post-secondary Learning Act*, the College has the authority to alter the terms and conditions of endowments to enable:

- income earned by the endowment to be withheld from distribution to avoid fluctuations in the amounts distributed and generally to regulate the distribution of income earned by the endowment.
- encroachment on the capital of the endowment to avoid fluctuations in the amounts distributed and generally to regulate the distribution of income earned by the endowment if, in the opinion of the Board of Governors, the encroachment benefits the College and does not impair the long-term value of the fund.

In any year, if the investment income earned on endowments is insufficient to fund the spending allocation, the spending allocation is funded from the cumulative capitalized investment income. However, for individual endowment funds without sufficient cumulative capitalized income, endowment principal is used in that year. This amount is expected to be recovered by future investment income.

Endowment contributions, matching contributions, and associated investment income allocated for the preservation of endowment capital purchasing power are recognized in the statement of operations in the period in which they are received.

Investment income

Investment income includes dividend and interest income, and realized gains or losses on the sale of portfolio investments. Investment income from restricted grants and donations is recognized as deferred revenue when the terms for use create a liability, and is recognized as investment income when the terms of the grant or donation are met.

Realized investment income allocated to endowment balances for the preservation of endowment capital purchasing power is recognized in the statement of operations as a component of endowment contributions and capitalized investment income.

d. Inventories for resale

Inventories for resale are valued at the lower of cost and net realizable value and are determined using the first-in-first-out (FIFO) weighted average method.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2016

(thousands of dollars)



e. Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset. Work in progress, which includes facilities and improvement projects and development of information systems, is not amortized until after the project is complete and the asset is in service.

Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs. The discount rate used to determine the present value of lease payments is the College's rate for incremental borrowing set by the Bank of Canada.

The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over the estimated useful lives as follows:

- | | |
|--|--------------|
| • Building, leasehold and site improvements | 3 - 40 years |
| • Furniture and equipment, computer equipment and software | 3 - 10 years |
| • Learning resources equipment | 2 years |

Tangible capital assets are written down when conditions indicate they no longer contribute to the College's ability to provide goods and services, or when the value of future economic benefits associated with the capital assets are less than their net book value. The net write-downs are recognized as expenses in the statement of operations.

Contributed capital assets are recorded as revenues at their fair market value on the date of donation except in circumstances where fair value cannot be reasonably determined which are recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at their carrying value.

Intangible assets, works of art, historical treasures and collections are expensed when acquired and not recognized as tangible capital assets.

f. Asset retirement obligations

Asset retirement obligations are recognized for statutory, contractual or legal obligations, associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related asset. In subsequent periods, the liability is adjusted for the accretion of discount and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and the discount accretion is included in determining the results of operations.

At June 30, 2016, the College did not have any asset retirement obligations.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2016

(thousands of dollars)



g. Foreign currency translation

Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents at exchange rates prevailing at the transaction dates. Carrying values of monetary assets and liabilities and non-monetary items included in the fair value category reflect the exchange rates at the statement of financial position date. Unrealized foreign exchange gains and losses are recognized in the statement of remeasurement gains and losses.

In the period of settlement, foreign exchange gains and losses are reclassified to the statement of operations, and the cumulative amount of remeasurement gains and losses is reversed in the statement of remeasurement gains and losses.

h. Employee future benefits

Pension

The College participates with other employers in the Management Employees Pension Plan (MEPP) and the Public Service Pension Plan (PSPP). These pension plans are multi-employer defined benefit pension plans that provide pensions for the College's participating employees, based on years of service and earnings.

The College does not have sufficient plan information on the MEPP or PSPP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. Accordingly, pension expense recorded for MEPP or PSPP is comprised of employer contributions to the plans that are required for its employees during the year, which are calculated based on actuarially pre-determined amounts that are expected to provide the plan's future benefits.

Long term disability

For a limited number of employees the College contributes both the employer and employee portions of the PSPP pension premiums and the employer portion of premiums for health, dental and health spending account contribution on behalf of employees on long term disability for the duration of their leave, until retirement age or until the termination of the benefit. The annual cost and ongoing liability for these benefits are determined by management's estimate based on a present value calculation taking into account the number of employees per year, the discount rate, retirement age of employee, and the period of employee disability. The cost is expensed in full when the event that obligates the College occurs.

Transitional leave

The College accrues for transition leave of the President & CEO. This transition leave entitlement is to be either taken or paid out; if the leave is paid out, that payment can occur during or at the end of the executive appointment. The expense for this benefit is computed each year by adjusting the transition leave provision to the cost of the individual's salary and benefits in effect at the date of transition.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2016

(thousands of dollars)



i. Expense by function

The College uses the following categories of functions on its statement of operations:

Instruction and training

Expenses relating to instruction and training support for the academic functions of the College both directly and indirectly. This function includes expenses incurred by faculties for their scholarly and non-sponsored research activities, in both credit and non-credit courses.

Academic and student support

Includes activities directly relating to the support of the academic functions of the College such as libraries and galleries, as well as expenses for the deans. This category includes functions that support individual students or groups of students, such as student service administration, student recruitment, records and admissions, counseling or career services, social development and recreation, financial aid administration, and any other centralized student support group.

Facility operations and maintenance

Includes utilities costs and centralized management of grounds and facilities and operations and maintenance of physical capital assets for all College activities. This function also includes utilities, facilities administration, building maintenance, custodial services, landscaping and grounds keeping, and major repairs and renovations. The College maintains service and operating contracts with external vendors for facilities operations and maintenance, security and custodial services. Amortization of buildings and capital assets is also included with the exception of those attributable to ancillary services.

Institutional support

Includes expenses for executive management, public relations, alumni relations/development, corporate insurance premiums, corporate finance, human resources and any other centralized college wide administrative services. This category also includes computing, network and data communication expenses.

Ancillary services

Includes expenses for operations outside of the normal functions of instruction and research such as bookstores, food services and parking services. This will also include amortization directly related to ancillary services. The College maintains service and operating contracts with external vendors for its food services, printing, parking and bookstore operations.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2016

(thousands of dollars)



j. Funds and reserves

Certain amounts, as approved by the Board of Governors, are set aside in accumulated surplus for future operating and capital purposes. Transfers to / from funds and reserves are an adjustment to the respective fund when approved.

k. Future accounting changes

In March 2015, the Public Sector Accounting Board issued PS 2200 Related party disclosures and PS 3420 Inter-entity transactions. In June 2015, the Public Sector Accounting Board issued PS 3210 Assets, PS 3320 Contingent assets, PS 3380 Contractual rights, and PS 3430 Restructuring transactions. These accounting standards are effective for fiscal years starting on or after April 1, 2017, with the exception of PS 3430, which is effective for fiscal years starting on or after April 1, 2018.

- PS 2200 - Related party disclosures defines a related party and identifies disclosures for related parties and related party transactions, including key management personnel and close family members.
- PS 3420 - Inter-entity transactions, establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.
- PS 3210 - Assets provides guidance for applying the definition of assets set out in PS 1000, Financial statement concepts, and establishes general disclosure standards for assets.
- PS 3320 - Contingent assets defines and establishes disclosure standards for contingent assets.
- PS 3380 - Contractual rights defines and establishes disclosure standards on contractual rights.
- PS 3430 - Restructuring transactions defines a restructuring transaction and establishes standards for recognizing and measuring assets and liabilities transferred in a restructuring transaction.

Management is currently assessing the impact of these new standards on the financial statements. The College discloses transactions and balances related to the Government of Alberta in note 17.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2016

(thousands of dollars)



3. Changes in accounting policy and comparative figures

a. Adoption of the Net Debt Model

The net debt model (with reclassification of comparatives) has been adopted for the presentation of financial statements. Net financial assets or net debt is measured as the difference between the College's financial assets and liabilities.

The effect of this adoption results in changing the presentation of the statement of financial position and adding the statement of change in net financial assets.

b. Endowment contributions and capitalized investment income

Effective April 1, 2015, endowment contributions, matching contributions, and associated investment income allocated for the preservation of endowment capital purchasing power are recognized in the statement of operations in the period in which they are received. In prior years, such transactions were recognized as direct increases to endowments, not through income in the statement of operations, in the period they were received. This change in accounting policy is applied retroactively.

The impact on the prior year's financial statements as a result of the net debt model reclassification and the change in accounting policy is as follows:

	2015			
	Previously recorded	Reclass to net debt model	Recognition of endowment contributions	Restated
Increase (decrease) in:				
Statement of financial position				
Portfolio investments – non endowments	55,032	(3,657)	-	51,375
Portfolio investments – restricted for endowments	-	3,657	-	3,367
Inventories for resale	-	52	-	52
Prepaid expenses	630	(52)	-	578
Deferred revenue	256,384	(243,641)	-	12,743
Spent deferred capital contributions	-	243,641	-	243,641
Endowments net assets	3,189	(3,161)	(28)	-
Accumulated surplus	106,234	3,161	28	109,423
Statement of operations				
Annual surplus	\$ 8,147	\$ -	\$ 28	\$ 8,175

NOTES TO THE FINANCIAL STATEMENTS
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4. Cash and cash equivalents

	2016	2015
Cash	\$ 10,128	\$ 18,830
Money market funds, short-term notes and treasury bills	17,384	6,872
Balance, end of year	\$ 27,512	\$ 25,702

Cash equivalents include short-term investments with a maximum maturity of 90 days at date of purchase.

Note that included in Money market funds, short-term notes and treasury bills is an amount of \$552 (2015 - \$568) which is the cash component of the portfolio investments – restricted for endowments.

5. Portfolio investments

	2016	2015
		(note 3)
Portfolio investments – non endowments	\$ 60,297	\$ 51,375
Portfolio investments – restricted for endowments	4,220	3,657
	\$ 64,517	\$ 55,032

The composition, fair value and annual market yields on portfolio investments are as follows:

Investments at Fair Value	Market Yield	2016			
		Level 1	Level 2	Level 3	Total
Bonds					
Pooled investment funds - Canadian government and corporate bonds	2.37%	\$ -	\$ 41,405	\$ -	\$ 41,405
Equities					
Pooled investment funds - Canadian equity	2.65%	-	8,844	-	8,844
Pooled investment funds - Foreign equity	2.28%	-	14,268	-	14,268
Total Investments		\$ -	\$ 64,517	\$ -	\$ 64,517

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016
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Investments at Fair Value	Market Yield	2015				
		Level 1	Level 2	Level 3	Total	
Bonds						
Pooled investment funds - Canadian government and corporate bonds	2.13%	\$ -	\$ 31,657	\$ -	\$ 31,657	
Equities						
Pooled investment funds - Canadian equity	1.72%	-	15,407	-	15,407	
Pooled investment funds - Foreign equity	1.97%	-	7,968	-	7,968	
Total Investments		\$ -	\$ 55,032	\$ -	\$ 55,032	

The fair value measurements are those derived from:

- Level 1 - Quoted prices in active markets for identical assets or liabilities;
- Level 2 - Fair value measurements are those derived from inputs other than quoted prices included with level 1 that are observable for the assets, either direct (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3 - Fair value measurements are those derived from valuation techniques that include inputs for the assets that are not based on observable market data (unobservable inputs).

The average annualized effective yields on the money market investments ranged from 0.42% to 1.03% (2015 - 0.59% to 1.20%), Canadian bonds investment yields range from 1.75% to 4.27% (2015 – 1.99% to 3.80%), and equity pooled fund yields range from 1.47% to 3.60% (2015 - 2.07% to 2.60%).

Terms to maturity of fixed income investments are as follows:

- Canadian government and corporate bonds - range from less than one year to thirty three years;
- Money market funds, short-term notes, and treasury bills - less than one year.

The primary objective of the College's investment policy is to have an established investment strategy which will preserve capital and achieve a growth rate beyond the rate of inflation. It is also to provide a secure and consistent income flow to meet daily operations, longer-term operating and capital needs and endowment requirements. The College has policies and procedures in place governing asset mix, diversification, exposure limits, credit quality and performance measurement.

The College, through two investment advisors, invests primarily in Canadian bonds and pooled investment funds containing Canadian government and corporate bonds, Canadian equities and foreign equities. Management has consulted with its investment advisors with regard to the components of its investment portfolio and the College's exposure to embedded derivatives is restricted to holdings in a short-term bond pooled fund in which derivatives represent less than 1% of the total portfolio value.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2016

(thousands of dollars)



The College's Audit and Risk Management Council, a subcommittee of the Board of Governors, has delegated authority for oversight of the College's investments. The Audit and Risk Management Council meets regularly to monitor investments, to review investment manager performance, to ensure compliance with the College's investment policies and to evaluate the continued appropriateness of the College's investment policy.

6. Financial risk management

The College is exposed to the following risks:

Market price risk

The College is exposed to market price risk - the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, its issuer or general market factors affecting all securities. To manage this risk, the College has established an investment policy with a target asset mix that is diversified by asset class with individual issuer limits and is designed to achieve a long-term rate of return that in real terms equals or exceeds total endowment expenditures with an acceptable level of risk.

The College assesses its portfolio sensitivity to a percentage increase or decrease in the market prices. The following details the College's portfolio sensitivity to a 1.89% - 3.61% increase or decrease in the market prices. The sensitivity rate is determined by the College's investment advisors using the historical annualized standard deviation for the total endowment fund over a four year period. At June 30, 2016, if the market prices had a 3.61% (2015 - 3.18%) increase or decrease with all other variables held constant, the increase or decrease in remeasurement gains and losses and endowment net assets for the year would have been a total increase or decrease of \$2,332 (2015 - \$1,749).

Foreign currency risk

The College's exposure to foreign currency risk is not material due to minimal business activities conducted in a foreign currency. The College does not invest in investments or pooled funds denominated in foreign currencies. The College does not use foreign currency forward contracts or any other type of derivative financial instruments for trading or speculative purposes.

Liquidity risk

The College maintains a short-term line of credit that is designed to ensure funds are available to meet current and forecasted financing requirements, including construction and development cash flows, as cost effectively as possible. As at June 30, 2016, the College had committed borrowing facilities of four million dollars, none of which has been drawn.

NOTES TO THE FINANCIAL STATEMENTS
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(thousands of dollars)



Credit risk

The College is exposed to credit risk on investments arising from the potential failure of a counterparty, debtor, or issuer to honor its contractual obligations. To manage this risk, the College only invests in investment grade issuers as guided by the investment policy. The credit risk from accounts receivable is relatively low as the majority of balances are due from government agencies and corporate sponsors.

The credit rating for Canadian government and corporate bonds held is as follows:

	2016	2015
AAA	34%	36%
AA	26%	20%
A	29%	30%
BBB	10%	12%
Below BBB	1%	2%
	100%	100%

Interest rate risk

Interest rate risk is the risk to the College's earnings that arise from fluctuations in interest rates and the degree of volatility of these rates. The College is exposed to this risk on its interest bearing assets, cash deposits, bonds and pooled portfolio investments. Cash deposits are affected directly as they earn interest at market rates. The interest rate risk on cash deposits is managed by contractually setting interest rates with banking institutions.

Bonds are affected indirectly as they are subject to fluctuations in market values. Bonds are currently invested at the shorter end of the yield curve to reduce market volatility.

The terms of maturity of interest-bearing securities held by the College are as follows:

Asset class	< 1 year	1-5 years	>5 years	Average effective market yield
Cash and cash equivalents	100%	-	-	0.71%
Portfolio investments, fixed income	11%	15%	74%	2.37%

Commodity price risk

The College is exposed to commodity price risk as a result of substantial electricity and natural gas usage required to operate the College's facilities. To mitigate this risk, the College has entered into contracts to fix the price for electricity and natural gas.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)



7. Accounts receivable

	2016	2015
Accounts receivable	\$ 1,522	\$ 1,887
Other receivable	2,718	2,755
Less: Allowance for doubtful accounts	(788)	(829)
Balance, end of the year	\$ 3,452	\$ 3,813

Accounts receivable are unsecured and non-interest bearing.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2016

(thousands of dollars)



8. Tangible capital assets

	2016			2015	
	Buildings, leasehold, and site improvements	Furniture and equipment, computer equipment and software	Learning resources equipment	Land	Total
Cost					
Beginning of year	\$ 285,689	\$ 17,465	\$ 527	\$ 36,626	\$ 340,307
Acquisitions	-	2,197	-	-	2,197
Disposals	-	(48)	(16)	-	(64)
	285,689	19,614	511	36,626	342,440
					340,307
Accumulated Amortization					
Beginning of year	35,229	11,318	513	-	47,060
Amortization expense	6,893	1,844	10	-	8,747
Disposals	-	(19)	(16)	-	(35)
	42,122	13,143	507	-	55,772
					47,060
Net book value at June 30, 2016	\$ 243,567	\$ 6,471	\$ 4	\$ 36,626	\$ 286,668
Net book value at June 30, 2015	\$ 250,460	\$ 6,147	\$ 14	\$ 36,626	\$ 293,247
					\$ 293,247

Included in furniture and equipment, computer equipment and software is work in progress of \$739 (2015 - \$1,026).

Furniture and equipment, computer equipment and software also includes multi-function print devices that have been acquired with a capital lease. The original present value of the capital lease obligation was \$597. The related accumulated amortization on this equipment under capital lease is \$537 (2015 - \$418). Amortization of \$119 (2015 - \$119) is included in the statement of operations.

During the year the College disposed equipment with an initial cost of \$64 and an accumulated amortization of \$35; the net book value of this equipment was \$29. The College received new equipment in exchange for the disposed assets. The trade-in value of the new equipment was \$30.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016
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9. Deferred revenue

Deferred revenue is comprised of unearned externally restricted grants for research and special purpose, restricted donations, unspent deferred capital contributions and prepaid tuition and other fees. Deferred revenue is set aside for specific purposes as required either by legislation, regulation or agreement.

	2016			2015	
	Research and special purpose	Unspent deferred capital contributions	Tuition and other fees	Total	(note 3) Total
Balance, beginning of year	\$ 5,454	\$ 1,329	\$ 5,960	\$ 12,743	\$ 13,144
Grants, tuitions, contract revenue, donations, and other fees received	6,682	1,025	6,151	13,858	11,964
Investment income					
Realized gains	83	34	-	117	221
Unrestricted gains (losses)	(62)	-	-	(62)	122
Transfers to spent deferred capital contributions	(415)	(108)	-	(523)	(767)
Recognized as revenue	(7,400)	-	(5,812)	(13,212)	(11,941)
Balance, end of year	\$ 4,342	\$ 2,280	\$ 6,299	\$ 12,921	\$ 12,743

10. Spent deferred capital contributions

Spent deferred capital contributions is comprised of restricted grants and donations spent on tangible capital acquisitions (not yet recognized as revenue).

	2016	2015
		(note 3)
Spent deferred capital contributions, beginning of year	\$ 243,641	\$ 249,659
Transfers from deferred research and special purpose	523	767
Expended capital recognized as revenue	(6,813)	(6,785)
Spent deferred capital contributions , end of year	\$ 237,351	\$ 243,641

NOTES TO THE FINANCIAL STATEMENTS
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11. Accumulated surplus

The composition of accumulated surplus is as follows:

	Accumulated surplus from operations	Investment in tangible capital assets	Internally restricted reserves (note 12)	Endowments	Total accumulated surplus
Balance, June 30, 2014	\$ 5,455	\$ 42,255	\$ 50,490	\$ 3,048	\$ 101,248
Annual surplus	8,175	-	-	-	8,175
Transfers to endowments	(28)	-	-	28	-
Net Board appropriation to internally restricted reserves	(16,931)	-	16,818	113	-
Internally funded acquisition of tangible capital assets	64	8,897	(8,961)	-	-
Amortization of internally funded tangible capital assets	1,545	(1,545)	-	-	-
Net change in investment in capital leased assets	2	(2)	-	-	-
Operating expenses funded from internally restricted reserves	1,912	-	(1,912)	-	-
Balance, June 30, 2015	194	49,605	56,435	3,189	109,423
Annual surplus	12,109	-	-	-	12,109
Transfers to endowments	(351)	-	-	351	-
Net Board appropriation to internally restricted reserves	(14,171)	-	13,971	200	-
Internally funded acquisition of tangible capital assets	(724)	1,644	(920)	-	-
Amortization of internally funded tangible capital assets	1,813	(1,813)	-	-	-
Net change in investment in capital leased assets	175	(175)	-	-	-
Operating expenses funded from internally restricted reserves	1,149	-	(1,149)	-	-
Balance, June 30, 2016	\$ 194	\$ 49,261	\$ 68,337	\$ 3,740	\$ 121,532

Total value of endowments is comprised of:	2016	2015
Endowment component of accumulated surplus	\$ 3,740	\$ 3,189
Endowment component of deferred revenue	992	1,096
	\$ 4,732	\$ 4,285

Investment in capital tangible assets represents the amount of the College's accumulated surplus that has been invested in the College's capital assets.

NOTES TO THE FINANCIAL STATEMENTS
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12. Internally restricted reserves

Certain amounts, as approved by the Board of Governors, are set aside in accumulated operating surplus for future operating and capital purposes. Those amounts are not available for other purposes without the approval of the Board.

							2016
							<u>Net Board appropriation from accumulated Surplus</u>
	Balance, beginning of year	Inflows	Transfers ⁽¹⁾	Disbursements		Balance, end of year	
Appropriation for capital activities							
Facilities and IT infrastructure improvements	\$ 38,250	\$ 12,771	\$ -	\$ (11)	\$ 51,010		
Appropriation for operating activities							
Special initiatives fund	10,734	-	(2,000)	(623)	8,111		
College technology plan	5,328	-	-	(1,007)	4,321		
Fund development plan	2,010	1,317	1,800	(357)	4,770		
Academic excellence scholarship	113	83	-	(71)	125		
	\$ 56,435	\$ 14,171	\$ (200)	\$ (2,069)	\$ 68,337		

⁽¹⁾ During the year there was a transfer of \$2,000 between the Special initiatives fund and the Fund development plan. There is also a transfer of \$200 out from internally restricted reserves to match donor contributions required to establish an endowment.

13. Expense by object

The following is a summary of expense by object:

	Budget 2016 (note 21)	2016	2015
Salaries and benefits	\$ 62,724	\$ 62,774	\$ 60,051
Materials, supplies and services	12,395	11,724	10,337
Maintenance and repairs	7,322	4,954	6,328
Amortization of capital assets	9,112	8,747	8,449
Cost of goods sold	25	13	17
Scholarship and bursaries	723	889	682
Utilities	1,779	1,599	1,504
	\$ 94,080	\$ 90,700	\$ 87,368

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)



14. Contractual obligations

- a) The College has contractual obligations which are commitments that will become liabilities in the future when the terms of the contracts or agreements are met. The estimated aggregate amount payable for the unexpired terms of these contractual obligations are as follows:

	2016					
	Service Contracts	Information Systems and Technology	Long-term Leases		Total	
Fiscal year:						
2017	\$ 3,480	\$ 56	\$ 127		\$ 3,663	
2018	2,243	43	60		2,346	
2019	1,267	19	7		1,293	
2020	948	14	-		962	
2021	824	-	-		824	
	\$ 8,762	\$ 132	\$ 194		\$ 9,088	

In order to manage its exposure to the volatility in the energy sector, the Board of Governors have entered into two contracts. The first contract, beginning January 1, 2013 and ending December 31, 2017, is to fix its energy cost at \$0.05742/kWh. The second contract beginning January 1, 2018 and ending December 31, 2019 is to fix its energy cost at \$0.05910/kWh.

In order to manage its exposure to the volatility in the natural gas industry, the Board of Governors has entered into a two year contract, beginning December 2014 to fix its gas cost at \$3.80/GJ. The contract ends December 30, 2016.

- b) At June 30, 2016, the College has a capital lease obligations for multi-function print devices. The lease term will expire in December 2016. The present value of net minimum capital lease payments is \$56 (i.e. total instalments outstanding are \$63 less \$7 representing interest).

NOTES TO THE FINANCIAL STATEMENTS**YEAR ENDED JUNE 30, 2016***(thousands of dollars)***15. Contingent liabilities**

- a) The College, in the conduct of its normal activities, is a defendant in a number of legal proceedings. While the ultimate outcome and liability of these proceedings cannot be reasonably determined at this time, the College believes that any settlement will not have a material adverse effect on the financial position or the results of operations of the College. Based on legal advice, management has concluded that none of the claims meet the criteria for recording an accrued liability under Canadian Public Sector Accounting Standards.
- b) The College has identified a potential liability related to the existence of asbestos in a number of its facilities. Although not a current health hazard, upon renovation or demolition of these facilities, the College may be required to take appropriate remediation procedures to remove the asbestos. As the College has no legal obligation to remove the asbestos in these facilities as long as the asbestos is contained and does not pose a public health risk, the fair value of the obligation cannot be reasonably estimated due to the indeterminate timing and scope of the removal. The asset retirement obligations for these assets will be recorded in the period in which there is certainty that the renovation or demolition project will proceed and there is sufficient information to estimate the fair value of the obligation.

16. Investment income

	2016	2015
Portfolio investments – non endowments	\$ 4,401	\$ 3,540
Portfolio investments – restricted for endowments	215	186
	4,616	3,726
Income capitalized to endowments	(133)	(18)
Deferred	(117)	(221)
	\$ 4,366	\$ 3,487

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)



17. Government of Alberta transactions and balances

The College operates under the authority and statutes of the Province of Alberta. Transactions and balances between the College and the Government of Alberta (GOA) are measured at the exchange amount and summarized below:

	2016	2015
Grants from Government of Alberta		Restated ⁽¹⁾
Advanced Education:		
Operating	\$ 41,970	\$ 38,886
Access to the Future Fund	-	1,200
Health Workforce Action Plan	1,176	1,176
Infrastructure Maintenance grant	1,025	152
Other	1,219	774
Total Advanced Education	\$ 45,390	\$ 42,188
Other Government of Alberta departments and agencies:	\$ -	\$ 135
Total contributions received	45,390	42,323
Add: Amortization of deferred capital contributions	6,813	6,785
Add: Amortization of deferred non-capital contributions	860	1,570
Add: Amount receivable	186	-
Less: Deferred revenue	(1,216)	(1,608)
	\$ 52,033	\$ 49,070
Accounts receivable:		
Advanced Education	\$ 186	\$ -
Other Government of Alberta departments and agencies	548	783
Other Post-secondary Institutions	2	18
	\$ 736	\$ 801
Accounts payable:		
Other Government of Alberta departments and agencies	\$ 6	\$ 38
Other Post-secondary Institutions	-	5
	\$ 6	\$ 43

During the year, the College conducted business transactions with related parties, including Ministries of the Province of Alberta, other public colleges, and corporations for which certain Board members of the College served as management. The revenue earned from these business transactions amount to \$4,310 (2015 - \$4,204) and are included in these financial statements. These transactions were entered into on the same business terms as with non-related parties and are recorded at fair market values.

⁽¹⁾ In 2015, \$1,200 of Access to the Future funding was received by the College and recorded as a movement to deferred revenue. This funding has been restated as being sourced from Advanced Education.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2016

(thousands of dollars)



18. Salary and employee benefits

	2016				2015	
	Base salary ⁽¹⁾	Other cash benefits ⁽²⁾	Other non-cash benefits ⁽³⁾	Total		Total
Governance ⁽⁴⁾						
Chair of the Board of Governors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4
Members of the Board of Governors	-	2	-	2	-	9
	-	2	-	2	-	13
Executive						
President and Chief Executive Officer	306	95	10	411		390
Vice President, Academic and Chief Learning Officer	226	3	42	271		235
Vice President, College Services and Chief Financial Officer ⁽⁵⁾	197	18	43	258		199
Associate Vice President, College Advancement ⁽⁶⁾ (Retired)	135	9	30	174		196
Vice President, College Advancement and Chief External Relations Officer ⁽⁷⁾	43	-	11	54		-
Vice President, Learner Services and Chief Student Services Officer ⁽⁸⁾	50	-	13	63		-
Vice President, Enrolment and Learner Services (Past)	-	-	-	-		130
	\$ 957	\$ 127	\$ 149	\$ 1,233		\$ 1,163

The College maintains a five member executive management team. During the year there was a restructuring of this team which involved the retirement of one Associate Vice President position, the creation of one new Vice President position, and the reconstitution of another Vice President position. Between December 2014 and March 2016 the duties of the Vice President, College Services and Chief Financial Officer were augmented to include functions previously performed by the former Vice President, Enrolment and Learner Services.

⁽¹⁾ Base salary includes pensionable base pay.

⁽²⁾ Other cash benefits include bonuses, payments in lieu of pension, car allowance and vacation payments.

⁽³⁾ Other non-cash benefits include College's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental death and dismemberment insurance, long and short-term disability plan, Employment Insurance, Canada Pension Plan, Worker's Compensation, professional memberships and parking costs.

⁽⁴⁾ The majority of the nine member board do not accept honoraria from the College.

⁽⁵⁾ This position was previously called the Vice President, Learner and College Services and Chief Financial Officer.

⁽⁶⁾ The Associate Vice President, College Advancement retired in March 2016.

⁽⁷⁾ The Vice President, College Advancement and Chief External Relations Officer is a new position created in the year. The incumbent has held the post since April 2016.

⁽⁸⁾ The Vice President, Learner Services and Chief Student Services Officer is a reconstituted position created during the year. The incumbent has held the post since April 2016.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)



19. Employee future benefit liabilities

Long term disability health and pension premiums

Up to December 31, 2014, the College contributed both the employer and employee portion of the PSPP premiums and the employer portion of premiums for the health spending account, dental and extended health account contributions on behalf of employees on long term disability (LTD) for the duration of their leave or until retirement age. The annual cost and ongoing liability for these benefits is determined by management's estimate based on a present value calculation taking into account the number of employees, the discount rate, the period of employee disability and the retirement age of employee. Commencing January 1, 2015, the College discontinued this practice. This change does not affect those employees who were receiving LTD prior to 2015.

Transitional leave

The College accrues for transition leave of the President & CEO. This transition leave entitlement is to be either taken or paid out during the calendar year commencing January 1, 2017. The leave is contingent upon the individual's salary and benefits in effect at the end of the service. Leave costs as detailed in the schedule below are not cash payments in the year but are period expenses for the rights to future compensation. Costs shown reflect the total estimated cost to provide leave benefits.

	2016			2015		
	LTD health & pension premiums	Transitional leave	Employee future benefit liability	LTD health & pension premiums	Transitional leave	Employee future benefit liability
Expenses						
Current service cost	\$ (155)	\$ 97	\$ (58)	\$ 215	\$ 123	\$ 338
Less: Previous service costs recognized	(104)	-	(104)	(97)	-	(97)
Net current service cost	(259)	97	(162)	118	123	241
Financial Position						
Accrued benefit obligation						
Beginning of year	719	365	1,084	601	242	843
Net current service cost	(259)	97	(162)	118	123	241
Balance, end of year	\$ 460	\$ 462	\$ 922	\$ 719	\$ 365	\$ 1,084

Significant management assumptions used to measure the accrued benefit obligation for the LTD health and pension premiums are as follows:

	2016	2015
Average Inflation rate	2.10 %	2.10 %
Average discount rate	3.00 %	3.00 %

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2016

(thousands of dollars)



Defined benefit plans accounted for on a defined contribution basis

The College participates with other employers in the Management Employees Pension Plan (MEPP) and the Public Service Pension Plan (PSPP).

Management Employees Pension Plan (MEPP)

MEPP is a defined benefit pension plan for eligible management employees of the Province of Alberta and approved provincial agencies and public bodies. The College does not have sufficient plan information on the MEPP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. The pension expense recorded in these financial statements is \$598 (2015 - \$534).

At December 31, 2015 the MEPP reported an actuarial surplus of \$299,051 (2014 – \$75,805). In accordance with the *Public Sector Pension Plans Act*, the actuarial surplus or deficit is determined by an actuarial funding valuation performed at a minimum of every three years. The actuarial funding valuation of the MEPP took place in 2015.

For the calendar year ended December 31, 2015, MEPP reported employer contributions of \$132,727 (2014 - \$127,497). For the calendar year ended December 31, 2015, the College's employer contributions to the MEPP were \$555 (2014 - \$514). Other than the requirement to make additional contributions, the College does not bear any risk related to the MEPP deficiency.

Public Service Pension Plan (PSPP)

PSPP is a defined benefit pension plan for faculty, exempt and support staff members. The College does not have sufficient plan information on the PSPP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. The pension expense recorded in these financial statements is \$4,629 (2015 - \$4,428).

An actuarial valuation of the PSPP was carried out as at December 31, 2014 and was then extrapolated to December 31, 2015. At December 31, 2015, the PSPP reported an actuarial deficiency of \$133,188 (2014 - \$803,299).

For the calendar year ended December 31, 2015, PSPP reported employer contributions of \$347,759 (2014 - \$326,134). For the 2015 calendar year end, the College's employer contributions were \$4,492 (2014 - \$4,325). The PSPP's deficiency is being discharged through additional contributions from both employees and employers until 2026. Other than the requirement to make additional contributions, the College does not bear any risk related to PSPP deficiency.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016
(thousands of dollars)



20. Funds held on behalf of others

The College holds the following funds on behalf of others over which the Board has no power of appropriation.

	2016	2015
Bow Valley College Students' Association	\$ 238	\$ 222
Other	46	49
	\$ 284	\$ 271

21. Budget comparison

During the year, the College budget was revised from that originally submitted to the Minister of Advanced Education in the 2014-2017 Comprehensive Institutional Plan. This revision, approved by Board of Governors in January 2016, was necessary due to a change in funding introduced by the new provincial government.

22. Approval of financial statements

The financial statements were approved by the Board of Governors of Bow Valley College.

23. Comparative figures

Certain comparative figures have been reclassified to conform to the current year presentation.

