

The logo for GPRC, featuring a stylized 'G' inside a square followed by the letters 'GPRC' in a serif font.

**GPRC**

A photograph of two women. The woman on the left is wearing a red blazer over a white top and a gold necklace with yellow flowers. She has dark hair and is wearing glasses. The woman on the right is wearing a black graduation cap and gown with a purple and orange patterned headscarf. She is also wearing glasses and has a bright smile. The background is slightly blurred, showing other people in graduation attire.

**2018 – 2019  
ANNUAL REPORT**

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CUSTOMER SATISFACTION



**BRETT HART  
MOTOR CYCLE MECHANIC  
CERTIFICATE GRADUATE**

Brett completed his Motorcycle Mechanic Certification from GPRC Fairview in 2006.

Since graduating with top marks and landing a Head Technician role at Blackfoot Motorsports, Hart has competed in the biennial Yamaha Technician Grand Prix competition since 2012. In 2018 he achieved the Canadian Champion title and went to Japan to compete against head technicians from all over the world and became the first Canadian to earn the World Champion title in the Sports Model Class.

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## ACCOUNTABILITY STATEMENT

The Grande Prairie Regional College (GPRC) Annual Report for the year ended June 30, 2019 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, environmental or fiscal implications of which we are aware have been considered in the preparation of this report.

Original signed by  
Natalia Reiman,  
*Chair, Board of Governors*

## MANAGEMENT'S RESPONSIBILITY FOR REPORTING

GPRC's management is responsible for the preparation, accuracy, objectivity and integrity of the information contained in the Annual Report including the financial statements, performance results and supporting management information. Systems of internal control are designed and maintained by management to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, are executed in accordance with all relevant legislation, regulations and policies, reliable financial records are maintained and assets are properly accounted for and safeguarded.



The Annual Report has been developed under the oversight of the institution audit committee, as well as approved by the Board of Governors and is prepared in accordance with the *Fiscal Planning and Transparency Act* and the *Post-secondary Learning Act*.

The Auditor General of Alberta, the institution's external auditor appointed under the *Post-secondary Learning Act*, performs an annual independent audit of the consolidated financial statements which are prepared in accordance with Canadian public sector accounting standards.

Original signed by  
Don Gnatiuk,  
*President and CEO*

## **VISION, MISSION, AND MANDATE**

**VISION:** GPRC is recognized by its learning communities for leadership in educational excellence.

**MISSION:** Creating and connecting to knowledge, experience and community one life at a time.

### **MANDATE:**

Grande Prairie Regional College is a public, board-governed college operating as a comprehensive community institution under the *Post-secondary Learning Act* of Alberta. The College offers regional learners instruction and support services that are learner-centred and responsive to the lifelong educational needs of full-time and part-time students of diverse, multicultural and Aboriginal backgrounds.

As a comprehensive community institution, Grande Prairie Regional College is committed to expanding access to post-secondary education in its service area by responding to community and regional demand for both credit and non-credit programming. The College has developed a portal access delivery model that encourages other post-secondary institutions to deliver programming on site, enabling the establishment of collaborative partnerships that rapidly and effectively meet the varied needs of regional learners.

The College offers university transfer, diploma and certificate programs; apprenticeship and pre-employment training; and adult high school completion. Credit programs are offered in the areas of Liberal Arts, Education, Health and Wellness, Human Services, Fine Arts, Business, Technology, Academic Upgrading, Trades and Technical training, Agriculture and Environmental Sciences. The College also offers baccalaureate degrees, primarily as collaborative degrees.

In response to regional, community and industry demand, Grande Prairie Regional

College provides a range of customized non-credit pre-employment programming, skills development, safety, English as a Second Language and community interest courses. The College meets community and industry demand for responsive and specific industry training through the provision of customized programming.

As an educational facility in northwest Alberta, Grande Prairie Regional College helps meet the cultural, recreational, athletic and conferencing needs of the region in partnership with service area, community and regional stakeholders. The College offers athletic, music, art and science summer camps, and the Douglas J. Cardinal Performing Arts Centre is frequently the site of community music festivals, dance recitals, speakers' series and industrial seminars.

The College encourages and supports applied research and scholarly activities, and innovation activities that complement and enhance teaching and learning in program areas and in industry sectors where its academic expertise enables such a contribution.

Grande Prairie Regional College is dedicated to providing learners in northwest Alberta with access to high quality and diverse lifelong learning opportunities, and to the responsible educational, fiscal and environmental stewardship of resources.

Approved by the Minister of Advanced Education (2008)

## **PUBLIC INTEREST DISCLOSURE (WHISTLEBLOWER PROTECTION) ACT**

GPRC is committed to providing a supportive environment where employees can disclose, make enquiries about, or seek advice regarding potential wrongdoing and cooperate in an investigation of wrongdoing without fear of reprisal.

During fiscal 2018 - 2019 GPRC had one incident to report. The incident was investigated and was unsubstantiated.

## MESSAGE FROM THE PRESIDENT

GPRC started on a path of change in its 2018-19 year.

First and foremost work continued to move GPRC along its journey towards granting its own degrees. In consultation with GPRC faculty and staff as well as our communities, two degree proposals - Computer Science and Psychology, were developed and started the review process with a goal of launching in the coming years.

The support and enthusiasm in the community, from students and among GPRC faculty and staff to increase the opportunities for students in Northwestern Alberta and beyond has been incredible. It's a unique opportunity to create a post-secondary institution that will achieve its degree-granting goal but will also maintain, and even expand, its certificate, diploma, trades and apprenticeship opportunities.

GPRC also experienced the start of a transition of executive leadership in 2018-19. GPRC's Vice-President Academics and Research announced her retirement March 5, 2018 and following an extensive search process GPRC welcomed Dr. Tim Heath, a GPRC Alumni, as the new academic lead for the institution on January 10, 2019.

On January 7, 2019, I announced my own plans to retire from GPRC by March 31, 2020 and the GPRC Board of Governors started the search process that continued into the 2019-20 year. This was followed by the January 28, 2019 announcement that Vice-President External



Relations Carmen Haakstad will retire from GPRC by February 2020.

During this year of change GPRC's faculty and staff continued to maintain its focus on serving its region and expanding opportunity for students through partnerships. In September 2019, the Bachelor of Social Work GPRC offers in collaboration with the University of Calgary was expanded to West Yellowhead. GPRC's partnership with SAIT expanded to add a new Bachelor of Business Administration with a specialization in management along with the already offered Bachelor of Business Administration with a specialization in accounting.

During the past several months as I prepared for my retirement from GPRC, I've had the opportunity to reflect on all that the community has achieved during my time here. GPRC expanded to include its Fairview Campus and extend its stewardship into the West Yellowhead region. The College partnered with Alberta Health Services to create new nursing education space in the new regional hospital in Grande Prairie. The College moved into realms of research and scholarship and now serves the beekeeping industry as well as researchers nationally and internationally with its recently expanded laboratory in Beaverlodge conducting research that enhances this region.

GPRC accomplished all this because the College and the community worked towards a common vision that access to post-secondary education in northwestern Alberta is good for our youth, our communities and the entire region. This shared vision is what will guide GPRC through the coming years of change.

The past 12 years in the region has been an incredible personal and professional experience and I want to thank all the faculty, staff, students and community members I've had the opportunity to work with during my time at GPRC.

This community and its College can accomplish anything. I'm proud to have had the privilege of being part of this community and College and I can't wait to see where it goes next.

Original signed by  
**Don Gnatiuk,**  
*President and CEO*

## OPERATIONAL OVERVIEW

2018-2019 marked a year of profound transition and change for Grande Prairie Regional College (the College / GPRC). In spring 2018 the Government of Alberta announced GPRC's ability to begin the transition to pursue degree-granting status. This initiated the work to ensure robustness of degree proposals, that the degrees selected increase accessibility for students in the stewardship region and that degrees pursued meet the needs of our local economy. The School of Arts, Science and Upgrading have been hard at work researching and preparing applications to the Ministry of Advanced Education for a Bachelor of Arts in Psychology and a Bachelor of Science in Computing Science. The Computing group also prepared and submitted a proposal for a post-diploma certificate in Artificial Intelligence and Machine Learning.

Concurrently, the Vice-President Academics and Research announced her intention to retire at the end of June 2018 after a 10 year tenure with the institution. A nation-wide search for a new Vice-President Academics and Research commenced and the incumbent, Dr. Tim Heath, and alumnus of GPRC, began with the College in January 2019. Shortly after Tim's arrival the President and CEO, Don Gnatiuk, announced his intention to retire no later than March 2020. The Board of Governors launched an international search for the 9th President and CEO for Grande Prairie Regional College. In addition, the Vice-President Community Relations announced his intention to retire by February 2020 upon successful completion of the Vital fundraising campaign.

Over the past year, Grande Prairie Regional College has continued to demonstrate a deep commitment to its role as a comprehensive community institution delivering collaborative baccalaureate degrees, university transfer, diploma and certificate programs; apprenticeship and pre-employment training; adult high school completion, and a wide range of non-credit programming.

### EXPANDING ACCESS TO AND THE QUALITY OF EDUCATION

The College continued to increase access to experiential learning opportunities for our students. GPRC successfully continued operation of the work-integrated learning course as part of the Business Administration Diploma Program.

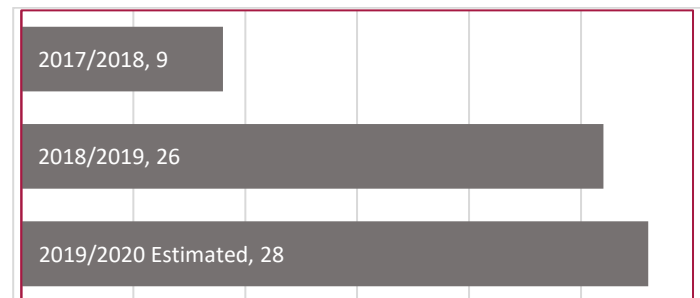
GPRC partnered with the University of Calgary to offer the Bachelor of Social Work degree completion opportunity in the West Yellowhead Region, beginning in September 2019, supporting GPRC's commitment to accessibility across the stewardship region.

A Memorandum of Agreement between Grande Prairie Regional College and the University of Northern British Columbia is being developed to offer the first cohort of a General Masters of Business Administration on campus in Grande Prairie in the fall of 2020. The program is designed to accommodate working professionals in various fields including health, engineering, and government. The program will be a blend of face-to-face and virtual delivery to the GPRC students in direct connection with the other two UNBC student cohorts in Prince George and Langara College in Vancouver.

The first cohort of the Bachelor of Business Administration, Accounting major brokered from SAIT has seen its first graduating class. Nine students from the Accounting major graduated from the program in

May 2019. There is a strong need for accounting degree graduates in the community and region. This program will continue to grow and help students to access degree opportunities locally. The Bachelor of Business Administration, Management major brokered from SAIT began in September 2018. There were only two students registered and were accommodated within the Management major. Active recruitment with current students and recent diploma graduates is well underway to help increase student enrolment in both majors moving forward.

### SAIT COLLABORATIVE BUSINESS ADMINISTRATION HEADCOUNT



Industry demand for trained graduates resulted in the expansion of the ThinkBIG Service Technician program to 24 students in each cohort. Lab renovations included removing the theory classrooms installing an additional overhead door providing additional shop space for students to train. Finning Canada Inc. was instrumental

in supporting the program expansion in facilitating access to training aids, tools and equipment. Additional classroom space was configured to meet the demand for increase class student numbers.

Inclusion Alberta and GPRC partnered again to host 6 students on campus. Students with developmental disabilities attended as non-credit students in Education, Kinesiology, Early Learning and Childcare, English, History, and Fine Arts.

Dual Credit partnerships provided opportunities for high school students to take college level classes in Nutrition, Medical Terminology, Psychology, Welding, and our Harley Davidson program in Fairview.

With a successfully approved three-year grant submission to the Ministry of Children Services, the Children's Preschool Demonstration Centre transitioned to a \$25 per day Daycare Centre in August 2017. In March 2020, the three-year grant could conceivably end. A transition plan is in place if the provincial funding is no longer available. The Daycare Centre accommodates the children of older adults, single parents, community members and students in various GPRC programs. As an integral part of the Early Learning and Child Care Department, students observe, complete assignments, and borrow material throughout their journey in the program, as part of their practicum experience. The Daycare Centre supports student recruitment and retention at the College, and it improves accessibility to post-secondary education for learners. There are currently 30 children, age 19 months to 5 years old, attending the Centre with a waitlist of over 200 children.

## **INCREASING COLLABORATIONS AND ENGAGING COMMUNITIES**

Allied Health Memorandum of Understandings (MOU) were completed for the Occupational Therapy Assistant/Physiotherapy Assistant Diploma Program brokered from Medicine Hat College and the Pharmacy Technician Diploma Program brokered from Bow Valley College. These program offerings are to align with the opening of the new Grande Prairie Hospital, with Occupational Therapy Assistant/Physiotherapy Assistant Diploma Program offered initially, and the Pharmacy Technician Diploma Program offered the year after. Costing for both programs has been completed for capital, equipment, supplies, faculty and staff.

In December 2018 GPRC gave 20 high school students the opportunity to get hands-on experiences with forestry-related trades in Hinton at a Forestry Trades

Camp. This partnership with CAREERS: The Next Generation, local businesses and the Government of Alberta provided a unique experience at the Hinton Training Centre for students. The goal of the camp was to give high school students the opportunity to explore forestry-related trades and trades in general. Trades are an integral component of the West Yellowhead and Hinton region. Creating this opportunity is just one of the ways GPRC works with local educators, industry and government to increase awareness of trades and the education opportunities available in the region.

In the Science Department, the Math group once again hosted the Canadian Kangaroo Math Contest (Grades 1-12) in March 2019. The contest's main purpose is to promote mathematical thinking and stimulate interest in mathematics. Last year saw 20 students from local K-12 schools participate in the contest.

GPRC has partnered with PACE to offer the Crisis-Response Management certificate. The certificate provides training designed for community members, professionals, students, first responders and frontline workers in our region. The certificate involves a range of topics such as, Crisis Intervention and Communication Skills, Cross Cultural Awareness, First Responders to Sexual Assault & Sexual Abuse, Applied Suicide Intervention Skills (ASIST), Children and Trauma, Grief and Loss and Mental Health First Aid. The very successful training program received 394 registrations in the 2018-2019 fiscal year, with five students receiving their Certificate of Completion.

## **INSTITUTIONAL REALITIES AND CHALLENGES**

In spring of 2018 a roofing project resulted in a fire in the B-wing of the Cardinal Building, the main building on the Grande Prairie Campus. While the fire was small the water and smoke damage to the building was extensive. A substantial repair was required, however the project was completed in time for the start of the fall semester.

The most significant changes within the College's institutional environment that diverted GPRC from priority initiatives outlined in the 2018-2021 Comprehensive Institutional Plan (CIP) include the announcement of the College's ability to pursue degree-granting status, and turnover at the executive level which resulted in a change in culture and thus institutional priorities. The following section may indicate that an initiative has been suspended as a result of the shifts outlined above, and review of the most recent CIP would



reveal that those initiatives that no longer align with the institution's direction have been removed from the three year plan. However, the majority of initiatives were completed or on track and this shift only strengthens the institution's commitment to its mandate and the Principles of the Adult Learning System.

Enterprise Risk Management (ERM) is integral to GPRC's physical and financial stability. In 2018-2019 the ERM unit supported the above initiatives through the following undertakings:

- ▶ Provided Non-Violent Crisis Intervention training to GPRC students.
- ▶ Hosted a reception center on campus directed by Emergency Social Services for evacuees displaced by wildfires (Summer 2019).
- ▶ Provided campus tours to external emergency responders to create awareness of the properties.
- ▶ Worked with local municipal emergency preparedness, and safety organizations on improving shared knowledge and response processes.
- ▶ Participated in GP Crime Prevention meetings about responsible hospitality.
- ▶ Hosted influenza immunization clinics open to the GPRC Community and members of the public.
- ▶ Hosted a mock workplace scenario for hazard identification as part of the Safety Skills portion of the Regional Skills Canada Competition.
- ▶ Provided Level 1 Violence Threat Risk Assessment training, resulting in 20 certified GPRC employees.



## GOALS, PRIORITY INITIATIVES, EXPECTED OUTCOMES AND PERFORMANCE MEASURES

In accordance with the stated goals and priority initiatives in the 2018-2021 Comprehensive Institutional Plan, the following initiatives and the progress made in the last twelve months are presented.

### THE STUDENT EXPERIENCE THROUGH QUALITY PROGRAMMING AND SUPPORT SERVICES

PRIORITY INITIATIVES	STATUS	EXPECTED COMPLETION	PROGRESS MADE IN THE LAST 12 MONTHS
Power Engineering – Boiler Time accreditation from Alberta Boilers’ Safety Association	Completed	Winter 2019	<ul style="list-style-type: none"> <li>The curriculum changes are approved and in place to recognize the Boiler Time which resulted in reduction of the work practicum component of the 4<sup>th</sup> class program.</li> </ul>
Launch Occupational /Physical Therapy Assistant Diploma program	In progress	Fall 2021	<ul style="list-style-type: none"> <li>Memorandum of Understanding completed to broker the diploma program from Medicine Hat College. Memorandum of Agreement to be fully completed. Program offering is to align with the opening of the new Grande Prairie hospital.</li> </ul>
Develop the Oil and Gas Process Operator program	On hold	Spring 2020	<ul style="list-style-type: none"> <li>Needs assessment indicates a low graduate demand until such time increased activity in the oil and gas industry is experienced. Will continue to monitor industry demand and complete curriculum development including the approval process of the program.</li> </ul>
Launch Culinary Arts Program in Jasper NOTE: Pending Advanced Education program approval	In progress	Fall 2020	<ul style="list-style-type: none"> <li>Stakeholder engagement – Jasper Chamber of Commerce as well as key community and Industry stakeholders are working to form a society to act as a steering/advisory committee.</li> <li>Proposed Memorandum of Understanding with the Jasper Chamber of Commerce for transition to a not-for-profit society to provide complimentary Continuing Education tourism based culinary classes in Jasper.</li> </ul>
Launch the French Immersion Teachers’ Program	Suspended		
Reinstate the Drama Program	In progress	Fall 2020	<ul style="list-style-type: none"> <li>Full slate of drama courses offered in 2018/2019.</li> <li>Successful production of the play Clue, directed by Misha Albert (Fine Arts Drama instructor). Presented by the Drama 1200 Performance students of GPRC, March 7,8,9,14,15, 2019 (sold out)</li> </ul>
Develop a student communication policy and plan	In progress	Spring 2020	<ul style="list-style-type: none"> <li>A draft Communication Policy is currently under review. The policy is expected to be complete by spring 2020.</li> </ul>



PRIORITY INITIATIVES	STATUS	EXPECTED COMPLETION	PROGRESS MADE IN THE LAST 12 MONTHS
Revise the current recruitment and retention strategic plan to support goals in departmental strategic plans	Completed	Fall 2018	<ul style="list-style-type: none"> <li>▶ A revised recruitment and retention strategic plan is in place.</li> </ul>

## ACCESSIBLE EDUCATIONAL OPPORTUNITIES AND RESOURCES FOR ALL LEARNERS

PRIORITY INITIATIVES	STATUS	EXPECTED COMPLETION	PROGRESS MADE IN THE LAST 12 MONTHS
Launch Cooperative Trades Orientation (CTO) in the West Yellowhead region	In progress	Ongoing	<ul style="list-style-type: none"> <li>▶ The program was offered at the Fairview and GP campuses and with demand and funding in place. It will be offered in West Yellowhead.</li> <li>▶ Interest expressed from Aseniwuche Winewak Nation (AWN) to have a customized delivery in Grande Cache Spring 2019 was delayed due to funding.</li> </ul>
Expand Continuing Education service to further support Fairview campus	In progress	Ongoing	<p>The following programs have been recently implemented/delivered at the Fairview Campus:</p> <ul style="list-style-type: none"> <li>▶ Safety training (first aid, forklift and H<sub>2</sub>S)</li> <li>▶ Ready to Ride Motorcycle training (2 offerings)</li> <li>▶ New permaculture courses (11 courses total)</li> <li>▶ Intro to Metal Art (Art welding)</li> <li>▶ Welding Camp for Teens</li> <li>▶ Recreational Welding</li> <li>▶ Cupcake Decorating</li> <li>▶ Horse Roping Clinics</li> <li>▶ Blue Seal Certificate (with customized presentations to graduating students and Instructors)</li> </ul>
Apply, be awarded, and sustain provincial, federal and external stakeholder funding resources in Continuing Education department	In Progress	Ongoing	<ul style="list-style-type: none"> <li>▶ A number of private business donations have been secured including a tractor/trailer training aid for the Class 1 Driver Training program.</li> </ul>

PRIORITY INITIATIVES	STATUS	EXPECTED COMPLETION	PROGRESS MADE IN THE LAST 12 MONTHS
<p>Establish new programming and/or courses that meet the needs of the community in Continuing Education department</p>	<p>Completed</p>	<p>Fall 2019</p>	<p>The following programs were recently developed and introduced:</p> <ul style="list-style-type: none"> <li>▶ Entrepreneurship Certificate</li> <li>▶ Blue Seal Certificate</li> <li>▶ Researching and Writing Grants</li> <li>▶ Cannabis awareness courses</li> <li>▶ General interest courses</li> <li>▶ Summer camps in full region</li> <li>▶ Orientation training-power engineering instructors offered to new employees at International Paper</li> <li>▶ Crisis Response Management Certificate (PACE)</li> <li>▶ Youth programming (Home Alone, Babysitting, Adventures in WISDOM, Personality Dimensions)</li> <li>▶ Organizing your photo life</li> <li>▶ Intro to Meditation</li> <li>▶ Class 1 Mandatory Entry Level Driver Training</li> </ul>
<p>Partner with Indigenous communities and organizations in Continuing Education (CE) department</p>	<p>In progress</p>	<p>On going</p>	<ul style="list-style-type: none"> <li>▶ Introduction to the Health Careers training program was delivered and developed in Fall 2018 as an 8-week CE delivery and 4 week practicum with Alberta Health Services (AHS). The program was so successful that it will be operated on an annual basis, with the next delivery to take place January 2020, and will be extended by 4 weeks (total delivery of 12 weeks with CE and a 4 week AHS practicum).</li> <li>▶ Aboriginal Job Shadow program ran successfully during summer 2018 with placements within the Grande Prairie regional industry sector (11th year of delivery).</li> <li>▶ Customized offerings to Horse Lake and AWN for safety training and/or additional CE programming continue to be delivered in the Indigenous communities.</li> </ul>



## RESEARCH AND ENTREPRENEURSHIP OPPORTUNITIES IN ACADEMIC PROGRAMMING AND IN OUR STEWARDSHIP REGION COMMUNITIES

PRIORITY INITIATIVES	STATUS	EXPECTED COMPLETION	PROGRESS MADE IN THE LAST 12 MONTHS
Complete the NBDC-TAC expansion, integration of AAFC partnership, and implementation of the renewed TAC work plan	Completed	Summer 2018	<ul style="list-style-type: none"> <li>▶ The expansion and renewal of the National Bee Diagnostic Centre (NBDC) Technology Access Centre (TAC) work plan are complete.</li> <li>▶ Agriculture and Agri-Food Canada (AAFC) partnership agreements are currently being negotiated.</li> </ul>
	In Progress	Spring 2020	
Pre-commercialize Photo bioreactor (PBR)	Completed	Summer 2018	<ul style="list-style-type: none"> <li>▶ The PBR project life-cycle is complete.</li> <li>▶ Assets from the initiative are being redirected to support emerging opportunities in industry-partnered Clean Technology research.</li> </ul>
	Completed	Fall 2019	
Community Enhancement Research	Completed	March 2019	<ul style="list-style-type: none"> <li>▶ The two-year Police and Crisis Team Evaluation initiative has been successfully completed.</li> <li>▶ Research is mid-way on a two-year major-funded study of Youth Civic Belonging in Northern Communities.</li> </ul>
	In progress	December 2020	
Increase faculty and student engagement in scholarly activities, research and innovation projects	In progress	Fall 2020	<ul style="list-style-type: none"> <li>▶ Independent student research awards have been allocated in 2019.</li> <li>▶ Student co-research positions and other formal learning opportunities are a cornerstone of the Youth Civic Belonging initiative.</li> </ul>
Launch PEAK research and innovation program integration	Completed	Summer 2018	<ul style="list-style-type: none"> <li>▶ Several small faculty-led research projects are now underway.</li> </ul>
Nursing – Palliative Care	In progress	Ongoing	<ul style="list-style-type: none"> <li>▶ Memorandum of Agreement signed with GPRC and the Grande Prairie Palliative Care Society. Collaborative efforts will initially encompass non-credit training opportunities for volunteer staff at the Grande Prairie Palliative Care Society through the College.</li> <li>▶ In discussions with Pallium Canada and AHS to facilitate LEAP Core training (approx. 2-3 times per year) at GPRC Continuing Education.</li> </ul>
Comprehensive marketing of GPRC research and innovation	Completed	Spring 2019	<ul style="list-style-type: none"> <li>▶ A research and innovation communications strategy has been successfully implemented.</li> </ul>
Active community and industry research and innovation partnerships	In progress	Ongoing	<ul style="list-style-type: none"> <li>▶ Ongoing and emerging industry partnerships in the areas of clean energy, oil and gas development and production, smart agriculture, and biotechnology</li> </ul>



PRIORITY INITIATIVES	STATUS	EXPECTED COMPLETION	PROGRESS MADE IN THE LAST 12 MONTHS
Develop faculty and self-identification within a College Scholarship Model	In progress	Fall 2020	<ul style="list-style-type: none"> <li>▶ The GPRC scholarship model has been widely distributed as part of the communications strategy.</li> <li>▶ Adoption rates will be tracked in 2019-2020.</li> </ul>

## COMMUNITY ENGAGEMENT AND PARTNERSHIPS

PRIORITY INITIATIVES	STATUS	EXPECTED COMPLETION	PROGRESS MADE IN THE LAST 12 MONTHS
Increase and improve communication and marketing	Completed	Sept 2018	<ul style="list-style-type: none"> <li>▶ Plan to redevelop department / program website landing pages to support recruitment activities launched.</li> <li>▶ 12 Academic Department or Program website landing pages redeveloped to improve accuracy of information and quality of visual branding elements.</li> <li>▶ 18 social media marketing campaigns ran throughout the year averaging a reach of 10,000.</li> <li>▶ Brand Research project initiated with a March 2020 completion date.</li> <li>▶ Continuing Education - additional planning of course campaigns; increased paid social media content; released internal staff newsletters.</li> </ul>
Improve quality and consistency of GPRC external digital presence.	In progress	Ongoing	<ul style="list-style-type: none"> <li>▶ Consolidation of out-of-date and unmaintained social media accounts continued.</li> <li>▶ A total of 12 unsustainable social media accounts were closed.</li> <li>▶ A total of 39 GPRC social media accounts continue, 11 of which are considered in-active and work continues with the page owners to either developed a content strategy to make sustainable or to discontinue.</li> <li>▶ Reach of GPRC's main social media accounts continue to grow. Between June 2018 and August 2018 GPRC followers on Facebook increased by 1,000, Twitter increased by 75 and 500 on Instagram.</li> <li>▶ Communication and Marketing led a total of 35 student-led social media events.</li> <li>▶ Continuing Education - development of social media content calendar.</li> </ul>
Ensure staff and faculty have access to communicate effectively internally	In Progress	Ongoing	<ul style="list-style-type: none"> <li>▶ Insider Today statistics gathered and reviewed following the internal communication tool's second year of use.</li> <li>▶ Options to refine content posted as well as consistency of its use College-wide are currently underway with potential future implementation.</li> </ul>

PRIORITY INITIATIVES	STATUS	EXPECTED COMPLETION	PROGRESS MADE IN THE LAST 12 MONTHS
Increase and improve Event Services revenue and community reach	In progress	June 2020	<ul style="list-style-type: none"> <li>▶ Event Services continue to facilitate and manage all non-academic event bookings and rentals. The Event Services team provide support and coordination in College academic and non-academic events on and off campus. The team has been successful in supporting major College events and projects such as Convocation, Welcome Week, Circle of Indigenous Students Spirit Seekers, President’s Ball, College Classic and President’s Awards Luncheon, as well as many others.</li> </ul>
Increase revenue and recognition to GPRC through event services	In progress	June 2020	<ul style="list-style-type: none"> <li>▶ The Event Services team has been successful in developing and streamlining internal processes across GPRC departments and continue to identify opportunities for community engagement through event partnerships. Major community events such as Reading University, Bear Creek Folk Fest and Rotartact are among the many community partnership opportunities supported. Event Services ensures costs to GPRC are recovered and recognition to offset revenue is received.</li> </ul>
Secure grants, investments, donations and pledged support	In progress	June 2020	<ul style="list-style-type: none"> <li>▶ Development and Alumni Services underwent significant restructuring and recruitment. The Team continues to support development efforts, while creating a new plan with measurable outcomes.</li> <li>▶ The STEP program was utilized and provided financial support for 10 summer students. This was the fourth year GPRC receive financial support for summer student work.</li> </ul>
Increase Industry Partnerships	In progress	June 2020	<ul style="list-style-type: none"> <li>▶ Industry partnerships continued to be supported through the Vital Campaign. As the Campaign draws to a close, Development and Alumni Services will continue to build positive relationships.</li> </ul>
Increase number of valid Alumni contacts.	In progress	June 2020	<ul style="list-style-type: none"> <li>▶ Valid Alumni contacts have increased through events and engagement. Focusing on alumni engagement provided opportunity to secure valid contact information with GPRC graduates and connect with them on the day of Convocation for the first time ever.</li> </ul>



## STAFF AND FACULTY ENGAGEMENT IN COLLEGE AND COMMUNITY INITIATIVES

PRIORITY INITIATIVES	STATUS	EXPECTED COMPLETION	PROGRESS MADE IN THE LAST 12 MONTHS
Partner with Alberta Health Services and Alberta Infrastructure on building the new hospital	In progress	Ongoing	<ul style="list-style-type: none"> <li>▶ Working through operational agreements with AHS.</li> </ul>
West Yellowhead Regional Stewardship staff to collaborate with area school districts and Chamber of Commerce	In progress	Ongoing	<ul style="list-style-type: none"> <li>▶ Delivering Dual Credit programing at the High school in Edson (Pre-employment Welder)</li> <li>▶ Collaboration with GYPSD Parkland Composite High school in Edson for delivery of customized offering of Pre-employment welder, Jan – June 2019.</li> </ul>
Collaborate with and represent GPRC on the Grande Prairie Regional Innovation Network (GPRIN), and the Police and Crisis Team (PACT)	In progress	Ongoing	<ul style="list-style-type: none"> <li>▶ The first three-year agreement with GPRIN has expired, with a proposal for GPRC to continue a relationship with the RIN for an additional three years.</li> <li>▶ The PACT initiative has been successfully completed, although Knowledge Mobilization activities are ongoing.</li> </ul>
Establish a three-year Human Resources strategic plan that shifts HR activities from a transactional focus to a strategic operating model	Completed	Fall 2018	<ul style="list-style-type: none"> <li>▶ The Department was able to develop, implement and make progress on a number of HR related function. In 2018 – 2021 the department prioritized four major projects – HR Culture, HR Technology, Conflict Resolution and Process, Policy and Compliance. At the conclusion of 2019, the Department assessed 80% completion on the major projects. In addition, the Department successfully implemented a number of one year projects that improved overall effectiveness and efficiency – supervisory training, position control, workflow, training and development to name a few.</li> </ul>
Establish a Student Innovation Lab – Makers Space	Suspended		
Develop faculty self-identification with a College Scholarship Model	In progress	Fall 2020	<ul style="list-style-type: none"> <li>▶ The GPRC scholarship model has been widely distributed as part of the communications strategy.</li> <li>▶ Adoption rates will be tracked in 2019-2020.</li> </ul>
Continue to hold the Employee Recognition Awards	In progress	Ongoing	<ul style="list-style-type: none"> <li>▶ Human Resources continues to lead this initiative and have successfully made improvements over the last several years, to be more inclusive and not only recognize long service awards, but professional achievements.</li> </ul>





## ENTERPRISE RISK MANAGEMENT THROUGH ANTICIPATORY AND RESPONSIVE INITIATIVES

PRIORITY INITIATIVES	STATUS	EXPECTED COMPLETION	PROGRESS MADE IN THE LAST 12 MONTHS
Facility Access Control	In progress	Completed	<ul style="list-style-type: none"> <li>Rekeying of classrooms at the Grande Prairie Campus was completed. The remaining key cylinders are scheduled for installation the week of October 21<sup>st</sup>, 2019.</li> </ul>
		February 2020	<ul style="list-style-type: none"> <li>A draft Facility Access Policy was with departments for collaboration prior to submission through the GPRC Policy Approval Process.</li> </ul>
		Completed	<ul style="list-style-type: none"> <li>Site visits to Fairview Campus took place for the planning of upgrading and installation of new key cylinders.</li> </ul>
		Completed	<ul style="list-style-type: none"> <li>Assessed locations at the Grande Prairie and Fairview campuses for installation of new card reader systems.</li> </ul>
Update Enterprise Risk Management (ERM) Processes	In progress	July 2020	<ul style="list-style-type: none"> <li>New draft ERM Policy was created and will be submitted through the GPRC Policy Approval Process.</li> </ul>
		Completed	<ul style="list-style-type: none"> <li>GPRC joined the Campus Alberta Risk and Assurance - Enterprise Risk Sub-committee.</li> </ul>
		Completed	<ul style="list-style-type: none"> <li>Risk management reports were provided to Executive and the Board of Governors.</li> </ul>
		Completed	<ul style="list-style-type: none"> <li>Risk assessments were completed for employees travelling internationally.</li> </ul>
Updated Emergency Preparedness Program	In progress	September 2020	<ul style="list-style-type: none"> <li>Crisis Communication plan was created with awareness and training to be rolled out next.</li> </ul>
		Completed	<ul style="list-style-type: none"> <li>Emergency response procedures for both Animal Sciences Building and National Bee Diagnostic Centre were updated.</li> </ul>
		Completed	<ul style="list-style-type: none"> <li>GPRC Liquor Licensed Area Premises Management guide created (with response plans).</li> </ul>
		July 2020	<ul style="list-style-type: none"> <li>Updates to evacuation maps to meet fire code requirements is ongoing.</li> </ul>
Ensure compliance with legislation	In progress	December 2020	<ul style="list-style-type: none"> <li>Legislative compliance was assessed quarterly. Six pieces of legislation were brought into compliance. Three non-compliant pieces of legislation remain. New mitigating controls (e.g. policy development and revision) are in place to reduce instances of non-compliance.</li> </ul>
		Completed	<ul style="list-style-type: none"> <li>One on one legislative assessments took place which further built the culture and awareness of regulatory compliance.</li> </ul>



PRIORITY INITIATIVES	STATUS	EXPECTED COMPLETION	PROGRESS MADE IN THE LAST 12 MONTHS
<p>Viable Health, Safety, and Environmental Program</p>	<p>In progress</p>	<p>Completed</p>	<ul style="list-style-type: none"> <li>▶ Joint work site health and safety committees met quarterly.</li> </ul>
		<p>July 2020</p>	<ul style="list-style-type: none"> <li>▶ Draft Health, Safety, and Environmental manual is almost complete with established sections being used by departments.</li> </ul>
		<p>Completed</p>	<ul style="list-style-type: none"> <li>▶ Provided security and safety education, and promoted the GPRC Safety App during education sessions to GPRC committees, departments, and during new employee orientation sessions.</li> </ul>
		<p>Completed</p>	<ul style="list-style-type: none"> <li>▶ Updated safety data sheet locations.</li> </ul>
		<p>Completed</p>	<ul style="list-style-type: none"> <li>▶ Reduced dangerous chemical / waste inventories.</li> </ul>
		<p>Completed</p>	<ul style="list-style-type: none"> <li>▶ Policies were revised or created to support safety and security, and the GPRC ERM unit collaborated on information in policies from other departments including:                             <ul style="list-style-type: none"> <li>▶ Occupational Health and Safety Policy (revised)</li> <li>▶ Parking and Traffic Management Policy (revised)</li> <li>▶ Vehicle Use Policy (revised)</li> <li>▶ Campus Security Policy (revised)</li> <li>▶ Clean Air Policy (revised)</li> <li>▶ Facility Maintenance Policy (new)</li> <li>▶ Food Services Policy (new)</li> <li>▶ Volunteer Policy (new)</li> <li>▶ Smoke Free Policy (new)</li> <li>▶ Safe Disclosure Policy (collaboration)</li> <li>▶ Travel and Related Expenses Policy (collaboration)</li> <li>▶ Fit to Learn Fit to Work (collaboration)</li> </ul> </li> </ul>



## FINANCIAL AND BUDGET INFORMATION

The following information should be read in conjunction with the Grande Prairie Regional College audited consolidated financial statements and accompanying notes for the year ended June 30, 2019.

GPRC's consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards and represent the consolidated financial results of Grande Prairie Regional College and the Grande Prairie Regional College Alumni/Foundation.

The discussion and analysis provides an overview of GPRC's:

- ▶ Financial Results
- ▶ Revenue and Expenses
- ▶ Capital Acquisitions
- ▶ Net Assets
- ▶ Areas of Significant Financial Risk
- ▶ Future Accounting Pronouncements

### FINANCIAL RESULTS

In May 2018, the Board of Governors approved a balanced operational budget for 2018-2019. GPRC ended the year with an annual surplus of \$3,039,792 (an annual deficit of \$410,728 in 2018) contributing to an increase in net assets to \$40.1 million (\$37.2 million in 2018). The annual operating surplus for 2018-2019 was \$3,024,792 (annual operating deficit of \$471,128 in 2018) as a result of endowment contributions received during the year.

### REVENUE AND EXPENSES

Revenue for the 2018-2019 fiscal year totalled \$74.3 million, an increase of \$2.5 million from the prior year and \$0.9 million greater than budgeted. Government of Alberta grants are the most significant source of revenue for GPRC, with \$56.0 million recognized in 2018-2019, an increase of \$2.6 million from the prior year and \$4.2 million greater than budgeted.

Government of Alberta grant revenue was higher than budgeted as a result of increased spending, and thus

revenue recognized, of Infrastructure Maintenance Program (IMP) funding, funding received from Apprenticeship and Industry Training (AIT) as a result of additional seats allocated subsequent to budget approval and funding received from Alberta Association in Higher Education for Information Technology (AAHEIT) to support the implementation of My Trade Secrets (MTS), a consolidated online application web portal for trades students. Unanticipated revenue was also received from the Government of Alberta to support student mental health and additional subsidized daycare placements.

Federal and other government grants were lower than budgeted as a result of the termination of the Pollutants 2 Products (P2) research project and American Foulbrood (AFB) in Canadian Apiaries.

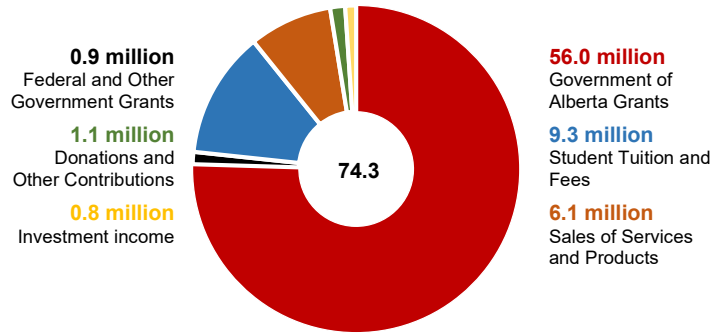
The increase in overall revenue when compared to the prior year is mainly due to the increase in the operating grant and increased spending of IMP. This was offset by a decrease in residence sales and an overall reduction in donations and other contributions

Expenses for the 2018-2019 fiscal year totalled \$71.2 million (\$72.2M in 2018), a decrease of \$1.0 million from the prior year and \$2.1 million less than budgeted.

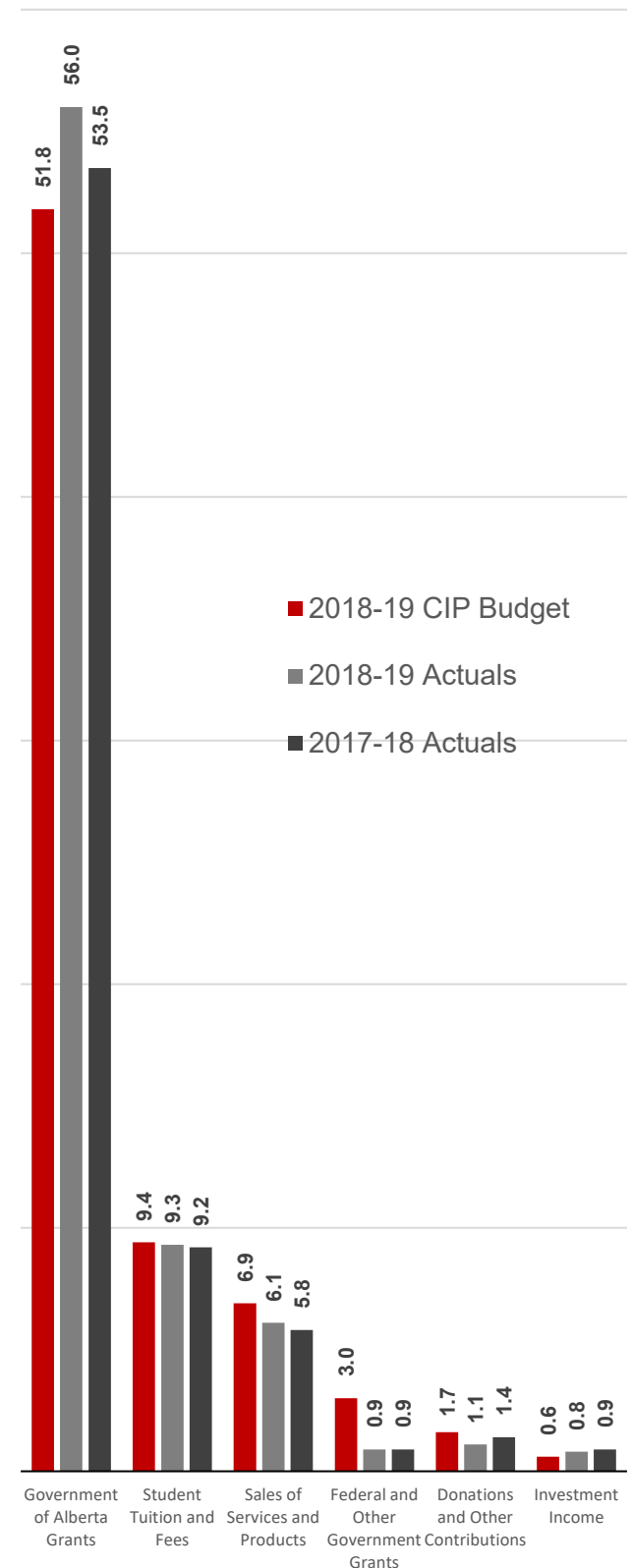
Salaries and benefits were the largest expense at \$46.7 million (\$48.8M in 2018), representing 66% of total expenditures for 2018-2019. This was comparable to budget. Savings of \$4.7 million were realized in the materials, supplies and services budget and can be attributed to the reduction of research projects, delayed implementation of a new Student Management System and overall College savings. Maintenance and repairs expenses were \$2.8 million greater than budgeted due to major upgrades to roofing, electrical, boiler and gas distribution systems.

The most notable decrease from the prior year was in salaries and benefits, due to voluntary retirement and settlements. There was a substantial decrease in materials, supplies and services expenses over the prior year, which is offset by the increase in maintenance and repairs, largely due to IMP projects planned for 2017-2018 being delayed to 2018-2019 due to the fire in the Cardinal building. IMP project expenses were offset by the recognition of IMP grant revenue.

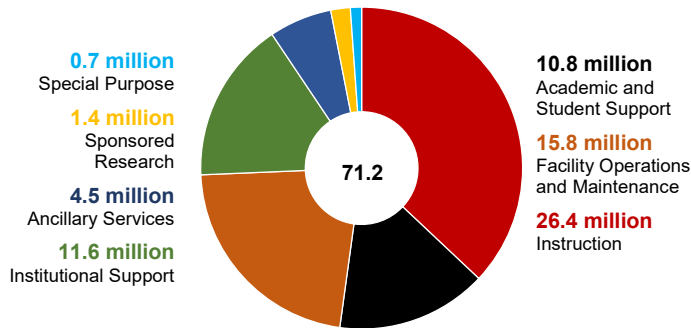
**2018-2019 REVENUE**



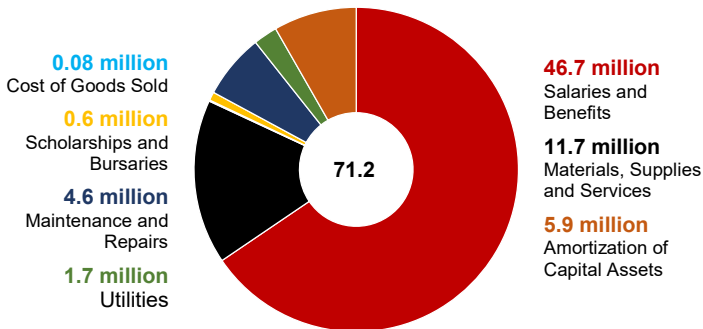
**REVENUE BY SOURCE**  
2017-2018 AND 2018-2019 ACTUALS AND BUDGET  
(IN MILLIONS)



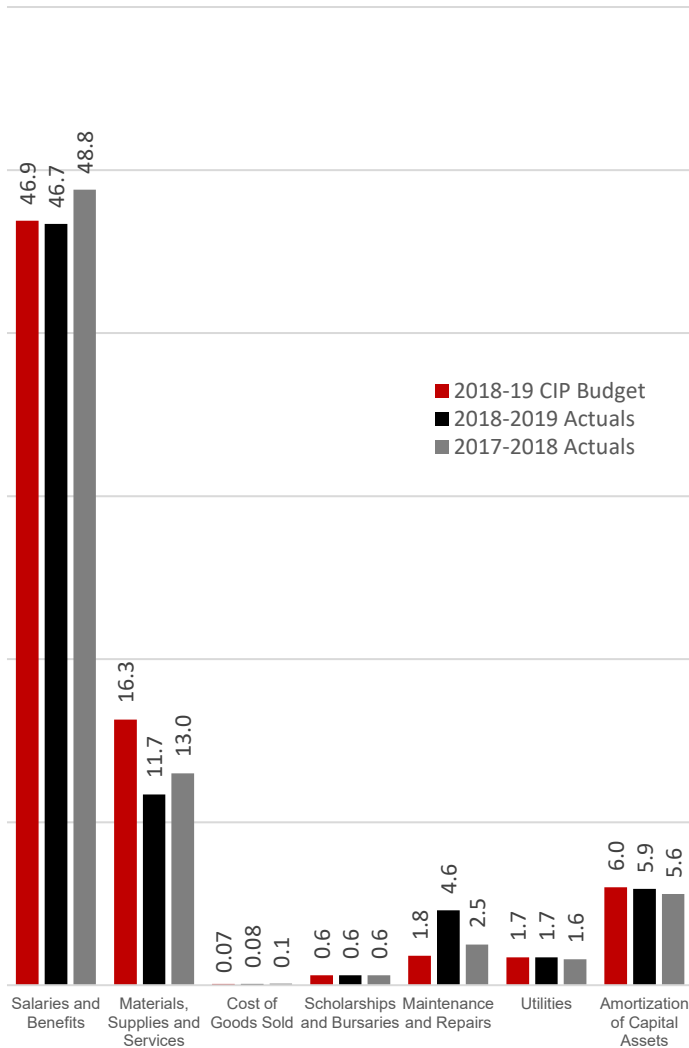
**2018-2019 EXPENSES BY FUNCTION**



**2018-2019 EXPENSES BY OBJECT**



**EXPENSE BY OBJECT**  
**2016-2017 AND 2017-2018 ACTUAL AND BUDGET**  
**(IN MILLIONS)**



**CAPITAL ACQUISITIONS**

During the 2018-2019 fiscal year, acquisitions of tangible capital assets totalled \$4.2 million, of which \$2.5 million was funded internally. The most significant construction projects included the completion of the National Bee Diagnostic Centre expansion, the Testing Centre, and Administrative Offices. Other significant acquisitions included upgrades to classrooms, information technology, purchases of library materials and various instructional equipment.

**NET ASSETS**

The College ended the 2018-2019 fiscal year with a net asset balance of \$40.1 million, an increase from \$37.2 million at the end of 2017-2018. The increase was due to the annual surplus of \$3.0 million. Net assets are comprised of:

Endowments	\$6.2M
Internally restricted surplus	\$0.9M
Investment in tangible capital assets	\$20.4M
Accumulated surplus from operations	\$12.6M
<b>Net assets</b>	<b>\$40.1M</b>

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. During the year, \$15,000 of endowment contributions were received (\$60,400 in 2018).

Internally restricted surplus represents amounts set aside by the College's Board of Governors for specific reasons. During the year, \$0.06 million of operating expenses were funded from internally restricted surplus.

Investment in tangible capital assets represents the amount of the College's accumulated surplus that has been invested in capital assets. During the year, there was \$2.4 million of acquisitions and disposals, \$0.5 million of debt repayment and \$3.1 million of amortization relating to internally funded tangible capital assets.

## AREAS OF SIGNIFICANT FINANCIAL RISK

### BUDGETARY PRESSURE

At the time of this annual report the provincial budget for the 2019-2020 fiscal year has not yet been approved by the Government of Alberta. For 2019-2020 management presented, and the Board of Governors approved, a 3-year balanced budget, incumbent on the assumption of static base funding into 2021-2022. Without future base funding increases along with the anticipation of continuation of frozen or capped tuition, the College will need to work diligently to ensure operational efficiencies and costs savings are achieved as budgeted. The College continues towards degree granting and there is a potential for substantial cost for program and curriculum development and operational funding. As a result, budgetary pressure remains a significant risk for the College.

### FISCAL UNCERTAINTY

The Campus Alberta grant is the primary source of funding for the College's day-to-day operating activities. Government support is under pressure given the economic outlook for the province and the change in political leadership. Grants, tuition and other revenue generating activities are largely under government control, which puts significant pressure on College finances. The impact to College revenue of a 1% change to the Campus Alberta base operating grant is \$468,143.

### DEFERRED MAINTENANCE

The College estimates that deferred maintenance costs are approximately \$19.0 million over the next four years,

including replacement of capital assets nearing the end of their useful life. The Infrastructure Maintenance Program (IMP) funding from the province for 2018-2019 is \$3.4 million. If this program funding remains static over the four-year period, there will be insufficient funds of \$5.3 million for deferred maintenance costs. As a result, the College is focusing on ensuring proper prioritization of deferred maintenance items in order to maximize benefit and minimize negative impact to the College and its students. However, the combination of budgetary pressure as well as insufficient IMP funding could impact the ability for the College to appropriately manage and address deferred maintenance risk.

## FUTURE ACCOUNTING PRONOUNCEMENTS

In August 2018, the Public Sector Accounting Board issued PS3280 Asset retirement obligations. This accounting standard is effective for fiscal years starting on or after April 1, 2021. Asset retirement obligations provides guidance on how to account for and report a liability for retirement of a tangible capital asset.

In November 2018, the Public Sector Accounting Board approved PS 3400 Revenue. This accounting standard is effective for years starting on or after April 1, 2022 and provides guidance on how to account for and report on revenue, specifically addressing revenue arising from exchange transactions and unilateral transactions.

Management is currently assessing the impact of these new standards on the consolidated financial statements.



## ENROLMENT PLAN AND PROGRAM CHANGES

Detailed enrolment data appears in the Full Load Equivalent tables captioned on pages 22 to 24 of this report. Notable enrolment patterns are remarked in overview form below.

The 2018-2019 FLE estimates were similar to the 2018-2019 FLE actuals (1726 compared to 1694.4). This slight decline in enrolment represents a year over year decrease of 32.8 FLE, with both credit and apprenticeship enrolment falling 12.9 FLE and 19.9 FLE, respectively.

Although GPRC did not have a formal recruitment strategy in place for inbound international students, enrolments increased from 43.5 FLE in 2017-2018 to 83.8 FLE in 2018-2019. International enrollment growth is expected to continue into 2019-2020. Business Administration and Early Learning and Childcare proved to be the most heavily subscribed programs for international students. A formal inbound international student enrolment plan will be emplaced for the 2020-2021 year.

The Aboriginal Administration program was cancelled and will decrease to zero in future years.

Finning Canada requested that GPRC increase the THINKBig Service Technician program from 18 seats to 24 seats per cohort for the 2018-2019 year. The THINKBig Service Technician program added 22.4 FLEs more than projected.

Apprenticeship FLEs have decreased four years in a row: from 423.1 in 2015-2016, to 351.5 in 2016-2017, to 287.9 in 2017-2018, to 268.5 in 2018-2019. Although the precise reasons for this trend are not known, it is reasonable to infer that the enrolment decrease reflects a regional and provincial economic downturn.

Preliminary enrolment estimates (included below) for 2019-2020 are exceeding 2018-2019 results and enrolment projections indicate that estimates for 2019-2020 may be exceeded.



**CREDIT PROGRAMS FULL LOAD EQUIVALENT (FLE) ENROLMENT (EXCLUDES APPRENTICESHIP)**

PROGRAM NAME	SPECIALIZATION NAME	2018-2019 PROJECTION	2018-2019 ACTUALS	2019-2020 ESTIMATES
Aboriginal Administration	Aboriginal Administration	2.0	1.400	1.8
Academic Upgrading	Academic Upgrading	119.9	106.818	88
Animal Health Technology	Animal Health Technology	46.7	54.362	57
Business Administration Certificate	Business Administration Certificate	112.2	130.900	146
Business Administration Diploma	Accounting	20.1	15.100	11.5
	Accounting and Investment Management	0.4	0.100	4.5
	Financial Services	5.9	2.500	4.5
	General	5.3	11.200	11
	Management	2.7	5.900	4
	Marketing	1.1	2.500	3
Computer Systems Technology Certificate	Computer Systems Technology Certificate	16.3	15.800	25
Computer Systems Technology Diploma	Computer Systems Technology Diploma	3.8	3.700	3
Co-operative Trades Orientation	Co-operative Trades Orientation	1.6	2.132	1.6
Dental Office Clerk	Dental Office Clerk	3.3	3.230	0
Early Learning and Child Care	General	72.4	82.395	85.9
Early Learning and Child Care	Early Learning and Child Care	18.9	25.164	18.5
Educational Assistant	General	28.3	16.767	17
Harley-Davidson Technician	Harley-Davidson Technician	10.0	7.000	8
Kinesiology	Kinesiology	8.8	15.567	22
Motorcycle Mechanic	Motorcycle Mechanic	16.5	6.577	9.5
Music Diploma	Music Technology	0.0	0.000	0
	Performance	4.5	7.500	8
Office Administration Certificate	Basic Bookkeeping	11.2	11.750	15
	Legal	6.8	4.950	8
	Office Administration	18.9	11.550	16
	Oil & Gas	10.9	8.750	10



<b>PROGRAM NAME</b>	<b>SPECIALIZATION NAME</b>	<b>2018-2019 PROJECTION</b>	<b>2018-2019 ACTUALS</b>	<b>2019-2020 ESTIMATES</b>
Open Studies	Open Studies	176.2	143.426	136
Parts & Materials Technician Certificate	Parts & Materials Technician Certificate	11.4	4.899	8
Perioperative Nursing	Perioperative Nursing	9.8	11.165	7
Personal Trainer	Personal Trainer	21.4	16.100	21.5
Power Engineering	Fourth Class	12.6	16.000	9.6
	Third Class	5.7	0.000	4.3
Pre-Employment	Welding	7.5	5.000	3.5
ThinkBIG Service Technician	ThinkBIG Service Technician	43.7	66.075	76.5
Unit Clerk	Unit Clerk	32.9	25.339	22.5
UT: Bachelor of Arts	UT: Bachelor of Arts	105.6	110.281	96
UT: Bachelor of Commerce	UT: Bachelor of Commerce	31.1	39.334	29.8
UT: Bachelor of Education	UT: Bachelor of Education	135.3	131.074	118
UT: Bachelor of Engineering	UT: Bachelor of Engineering	24.3	18.327	8
UT: Bachelor of Fine Arts	UT: Bachelor of Fine Arts	3.3	4.900	4.1
UT: Bachelor of Kinesiology	UT: Bachelor of Kinesiology	40.7	34.434	43.6
UT: Bachelor of Music	UT: Bachelor of Music	4.7	4.734	8.2
UT: Bachelor of Science	UT: Bachelor of Science	58.2	68.701	74.5
UT: Bachelor of Science in Computing Science	UT: Bachelor of Science in Computing Science	8.3	12.700	15
UT: Bachelor of Science in Nursing	UT: Bachelor of Science in Nursing	138.3	134.586	169
Visual Arts and Design	Visual Arts and Design	22.5	25.200	22
<b>GRAND TOTAL</b>		<b>1,442.0</b>	<b>1425.887</b>	<b>1455.9</b>

## APPRENTICESHIP FULL LOAD EQUIVALENT (FLE) ENROLMENT

SPECIALIZATION	2018-2019 PROJECTION	2018-2019 ACTUALS	2019-2020 ESTIMATES
Automotive Service Technician	24.0	21.894	19.1
Carpenter	12.5	15.219	10.8
Electrician	84.5	79.525	69
Gasfitter			6.8
Heavy Equipment Technician	64.3	70.755	84.6
Instrumentation and Control Technician	1.9	2.136	2
Millwright	23.5	20.559	25.3
Motorcycle Mechanic	16.9	11.941	10.5
Parts Technician	11.8	10.540	12.3
Plumber	9.3	8.544	5
Sheet Metal Worker	1.7	0.999	1
Steamfitter/Pipefitter	13.3	8.277	8
Welder	20.6	18.156	21.2
<b>GRAND TOTAL</b>	<b>284.0</b>	<b>268.545</b>	<b>275.6</b>

## RESEARCH, APPLIED RESEARCH AND SCHOLARLY ACTIVITIES

GPRC Research and Innovation continued to implement strategic initiatives aimed at improving faculty and student awareness of the nature and importance of scholarly work, as well as facilitating major funded faculty-led research initiatives, and developing new industry and community relationships. These activities characterized a transition from a previous research and innovation support model centred on contributing administrative supports to external initiatives, to one focused on College-led initiatives that specifically enable student learning and skills development, and the building of faculty capacity to conduct meaningful and responsible research. GPRC anticipates that this strategic transition will result in improved responsiveness to industry/community innovation and talent retention needs, while advancing the institutional goal of attaining university status.

In summer 2018 construction was completed on GPRC's National Bee Diagnostic Centre (NBDC) laboratory expansion. NBDC was established as a Technology Access Centre (TAC) by the National Sciences and Engineering Research Council (NSERC) to serve Canada's beekeeping industry when it opened its doors in 2013. TAC status is designated by NSERC to College research facilities that serve regional business innovation goals and offer technological assistance and expertise to solve industry problems. The lab boasts

both a level 1 and level 2 lab and expanded the NBDC's floor space from 265 to 865 square metres with additional workstations, diagnostic equipment and office spaces. The expansion was made possible by funds from the federal and provincial governments through the Post-secondary Institutions Strategic Investment Fund. The lab is a critical support to the beekeeping industry in western Canada.

The NBDC was again recognized at the national level when the funding application to the NSERC was approved, granting the research and diagnostic centre a renewal of their TAC status for another five years.

GPRC initiated a new project titled Addressing Civic Belonging within a Northern Resource Economy Context: At-Risk Youth Reconnection in Northwest Alberta which was approved for funding by the Social Sciences and Humanities Research Council of Canada (SSHRC). The proposal was submitted by Project Director Dr. Connie Korpan and Researcher Dawn Moffat McMaster and results in a contribution of more than \$200,000 to the project over a two-year period. The research project addresses social engagement among youth in resource-dependent northern Alberta communities. Lack of engagement is associated with higher instances of poverty and crime, lower levels of education attainment and other poor social outcomes

## COMMUNITY OUTREACH AND UNDERREPRESENTED LEARNERS

### REGIONAL ENGAGEMENT

In 2018/2019, GPRC focused its regional recruitment on visits to high school classrooms, career and post-secondary fairs, as well as several trade show events. The recruitment team engaged with over 4,500 prospective students while attending more than 130 off-campus events including the Provincial Skills competition in Edmonton.

Annual events, such as Grade 7 Day, GPRC Welcomes the North, Science Open House, Fine Arts Student for a Day, EA/ELCC Student for a Day, PEAK Student for a Day, Guidance Counsellors Update, NorthWest Skills Competition and Trades Camp were attended by hundreds of individuals in our stewardship region.

Attending shows like Mommylicious, the Women's Show, the Peace Country Ag show and various others, allowed recruiters to connect with mature prospective students.

Student Ambassadors continue to play a leadership role in recruitment and retention at the college. Students take leadership roles and collected more than 1000 hours volunteering to support others and seeking professional development. They are heavily involved in orientation, recruiting and retention events and student support.

### FOUNDATIONAL LEARNERS

The Department of Academic Upgrading supports students who require education prior to entering post-secondary studies. GPRC provides a selection of pre-high school and high school equivalency courses and General Education Development testing to help adult learners complete pre-requisites in pursuit of academic or career aspirations. Academic Upgrading provides a pathway for learners to gain the academic courses and knowledge to achieve their educational and career goals.

### SERVING UNDERREPRESENTED LEARNERS

#### FINANCIAL SUPPORTS

GPRC is committed to supporting students with financial barriers to achieving their educational goals. In order to improve access to quality education for those with financial barriers GPRC awarded \$577,598 in

scholarships in the 2018-2019 academic year. GPRC has a strong Financial Aid team that provides supports to students in navigating funding their education whether it be through scholarships, awards, bursaries or student loans. Student Experience operates a food bank for students known as the Room of Plenty. The Room of Plenty assisted 87 adults and 98 children during the 2018-2019 academic year.

#### ACADEMIC SUPPORTS

GPRC provides support to students experiencing challenges in achieving their educational goals through tutoring, services, instruction sessions and individual research appointments provided by the library. In 2018-2019 the library provided 98 instruction sessions to 1694 students. 273 students accessed individual research appointments. The library provided 822 Grammar and Writing Tutor appointments, 933 Math and Science Tutor appointments, and had 28 participants in Academic Boot camp. These services and supports are a testament to GPRC's commitment to the academic success of students. The library has worked diligently to increase awareness and participation in academic support services.

#### ACCESSIBILITY AND DISABILITY SUPPORTS

GPRC continues to support the Accessibility and Disability Supports team whose role is to support students with disabilities. During the 2018-2019 academic year the team provided supports to 289 students, an increase of 24% over the 2017-2018 academic year. Supports provided include advising services, note taking, academic and learning strategies, alternate format, tutoring, assistive technology training and services, academic aide, work experience and psychological assessment referrals. The team provided 1360 exam accommodations to 197 students. The increasing number of students disclosing disabilities and accessing services is a trend the College has been experiencing for a number of years and the growth is not anticipated to slow in future years.

#### INDIGENOUS SUPPORTS

GPRC continues to host the first and only of its kind in Canada, an On-Campus Friendship Centre. It is a partnership between GPRC and the Grande Prairie Friendship Centre and was created to "support a smooth transition for students entering our community to become students of the College." It is open to all students and provides a warm, welcoming environment for students to connect with each other, meet faculty and staff or seek out existing College and community support

to help adjust to College life and life in a new city. The On-Campus Friendship Centre offers computers and internet access to assist with research and homework, The Homework Club, free tutoring for all students, telephone and fax access, meeting rooms, a place to visit and relax, potlucks and regular activities.

An Elder In Residence provides students with a consistent and approachable Elder who can help address the struggles of being a student and give guidance on how to incorporate the traditional life with the life of being a student. The Elder in Residence provides teachings about indigenous culture and spirituality, advising faculty and administration and giving class presentations. All students at GPRC benefit from the support and guidance of the Elder in Residence, who has the unique ability to holistically meet the needs of the student, offering support and guidance to the student and his or her family, as well as address spiritual needs through prayer, song and ceremony.

Students will also experience the support of the Indigenous Liaison Coordinator who offers support to students on their educational journey, recognizing and promoting the need to weave together the world of an indigenous person with the life of a College student. The coordinator works with Bands, Councils and Elders to create educational opportunities for students, and will support students in finding and utilizing community resources to meet their needs.

The Circle of Indigenous Students is the indigenous student group that provides support to Indigenous students on campus through cultural and social activities. Although this group has an elected executive that brings forward the collective voice of students, it is led by current students. With the support of the

Indigenous Liaison Coordinator and Campus Friendship Centre Outreach Worker, the cultural needs of students are met through various avenues including weekly meetings, sharing and talking circles, Elder visits, student and family events and annual graduation celebrations. The Circle of Indigenous Students is the indigenous student group that provides support to Indigenous students on campus through cultural and social activities. Although this group has an elected executive that brings forward the collective voice of students, it is led by current students.



## INTERNATIONALIZATION

GPRC has not engaged in targeted international recruitment to date but has experienced substantial growth through 2018-2019. A strategic enrolment plan is in draft stages to ensure management of growth by program area and to set enrolment targets to ensure maintenance of the principles of accessibility and quality. There are few areas where international education has the potential to impact access for Alberta learners, and the College is focused on increasing diversity and international skills and competencies of students, staff and faculty while embracing the opportunity to leverage access for Alberta learners through international student growth. The College's International Student Liaison helps international students to navigate the pathway to becoming a student at GPRC and through their education at GPRC.

In May 2017, two GPRC nursing faculty members went on a two-week study tour to Holmesglen Institute in Melbourne, Australia. The purpose of the study tour was to visit clinical sites, simulation labs, discuss opportunities for joint scholarly activity and compare the Australian health care system with the Alberta provincial system. One Holmesglen faculty member and one staff member visited GPRC and the Grande Prairie area in the spring of 2018. In September 2019, two Holmesglen Institute nursing students spent three weeks at GPRC. Two nursing students from GPRC will be selected in the coming months to spend a minimum of 2 weeks visiting Holmesglen Institute in Melbourne, Australia in May 2020.

In November 2018 Bachelor of Music students and members of the community had the opportunity to travel with the GPRC Concert Choir to New York for a performance at Carnegie Hall. Distinguished Concerts International New York (DCINY) invited the choir led by GPRC Fine Arts instructor Tina Alexander-Luna to participate in a performance of Handel's Messiah. This international opportunity provided a once-in-a-lifetime chance to perform at Carnegie Hall, something that many aspiring singers only ever dream of.

INTERNATIONAL STUDENT ENROLMENT	2017-2018 ACTUALS	2018-2019 ACTUALS	2019-2020 ESTIMATE
Unduplicated Headcount	67	137	200
% of Total GPRC Unduplicated Headcount	1.85%	3.92%	6.1%

## INFORMATION TECHNOLOGY

### INFORMATION TECHNOLOGY ADVANCEMENTS

Almost 40 Information Technology projects were completed in 2018/19, benefiting all departments at GPRC. These initiatives collectively helped to improve the delivery of learning, reduce energy consumption, enable and enhance collaboration, reduce personal effort through automation, and improve the flow of information.

#### 2018-2019 PROJECTS:

The following summarizes some of the major projects undertaken or completed in 2018/19:

#### CLASSROOMS

As part of ongoing classroom upgrades, the GPRC Information Technology and Facilities Maintenance and Operations departments worked together to renovate seven technology rooms which continue into early 2019/20. These renovations were significant due to a focus on the creation of larger classrooms capable of supporting higher student numbers in the future. Information Technology also upgraded the technology in an additional seven rooms, continuing our efforts to have state-of-the-art technology in every GPRC classroom.

#### VIRTUAL DESKTOP INFRASTRUCTURE

GPRC Information Technology's ongoing project to implement virtual desktops continued in 2018/19, and is planned to be in use in multiple computer labs in the 2019/20 academic year. This multi-year project replaces many existing end user devices with thin clients connected to dedicated virtual computers. This project both reduces the IT resource requirement for supporting staff/ student computers, and provides greater flexibility for students accessing GPRC computing resources.

#### INFRASTRUCTURE MAINTENANCE

Continued investment in IT infrastructure is necessary to ensure that infrastructure is current, stable, and capable of meeting the current and future technological requirements of the College. In 2018/19 our maintenance and capital replacement schedule enabled scheduled replacement of UPS, network, servers, storage, security and video conferencing equipment. The schedule is designed to ensure that GPRC IT infrastructure is capable of supporting the future needs of our students and to reduce the administrative overhead required to manage the ongoing replacement cycle.

#### MALWARE MONITORING/PREVENTION

In 2018/2019, IT focused on the implementation of a system to improve our malware monitoring capabilities, and implemented wide-ranging system changes and security enhancements intended to prevent the spread of malware and its impact throughout GPRC systems.

#### MOBILE DEVICE MANAGEMENT

Set to deploy in the summer of 2019, IT implemented a Mobile Device Management (MDM) system to reduce the risks associated with mobile devices used by GPRC staff and faculty. Going forward, MDM will ensure encryption, security, and policy requirements is in place on all mobile devices that contain GPRC data.

#### INNOVATION AND AUTOMATION

Several innovation and automation projects were completed in 2018/19, including enhancements to signing authority delegation and a new version of the GPRC App (set to deploy in the summer of 2019) that brings numerous new features to both students and staff of GPRC.

#### ROOM SCHEDULING

Effective and efficient allocation and scheduling of GPRC's classrooms is a priority for the College. Working with Student Services, phase two of the scheduling project was started in 2017/18, with a goal of increasing the utilization and effectiveness of the system. Work on this project will continue in 2019/20, with an expected launch in April 2020.

#### FINANCE & HR SYSTEM UPGRADE

A new version of our Finance and HR management system was implemented in 2018/19, both adding new functionality and providing the foundation for the implementation of new features in our HR systems. Additionally, this new versions facilitates testing of integrations between our finance systems and our new student management system.

#### STUDENT MANAGEMENT SYSTEM UPGRADE

In 2016/17, GPRC started a new project to migrate our student management software, consolidating all major business applications onto the Unit4 platform. The project, which will include revision and enhancements to student-focused business processes throughout GPRC, is well underway. This project represents a significant investment that will continue into the 2020/21 academic year.

## CAPITAL PLAN

### CAPITAL ACQUISITIONS

During the 2018-2019 fiscal year, acquisition of tangible capital assets totaled \$4.2M. The most significant construction projects included the development of a new testing centre and administrative offices within the Douglas J Cardinal building. The new testing centre meets Pearson Vue testing standards to significantly improve the student experience on campus while operating on a cost recovery model. An interior modernization occurred to house a Dean suite office for the School of Health, Wellness and Career Studies and the School of Arts, Science and Upgrading. Significant capital funding was allocated to replace information technology equipment to further improve the student experience and ensure services remain at a high standard.

### CAPITAL PLAN

GPRC's capital management activities, including facilities, capital planning and projects, continue to maintain the current physical assets of GPRC in support of GPRC's teaching and research mandates, and to plan for future needs, including replacement or refurbishment of current facilities and planning for new facilities required by enrolment growth or new programming.

Capital management in 2018-2019 responded to GPRC needs through significant investment in short-term and longer-term projects and planning. In terms of immediate needs, spending of approximately \$4.2M occurred on the modernization and repurpose of interior spaces as well as acquiring new equipment to enhance programming. \$4.0M of spending was directed towards maintenance needs through our Infrastructure Maintenance Program funding from the Province of Alberta.

On the mid-term horizon, construction continues on 40,000 square feet of learning space being allocated to GPRC in the new Regional Hospital in Grande Prairie. The space will be focused primarily on the delivery of health programming and is scheduled for completion in 2020.

GPRC's master plan highlights a number of key priorities for GPRC moving forward including decanting the Cardinal Building to meet student demand and improve utilization, expanding fitness facilities and improving student housing. These initiatives are supported by extensive research and community stakeholder consultation throughout the master planning process. Academic plans for programming have been factored into the master plan, including the scenario of GPRC expanding degree completion options.

In response to the identification of long-term needs, work has been ongoing to streamline capital planning and the allocation process. An "evergreen" equipment inventory has been developed to enhance budget forecasting and standardize capital asset replacement. The first phase of this project was implemented in 2018-2019 with completion to occur in 2019-2020.

### 2018-2019 PROJECTS: STUDENT TESTING CENTRE

The testing centre provides a new 20 seat testing environment that meets Pearson Vue standards and increases capacity for computerized testing. The renovation included a complete technology and furniture upgrade while positioning the centre to meet increasing demand for testing services. Construction was completed late in the fall of 2018 and service commenced in the winter semester of 2019.

### CLASSROOM RESTORATION

The College is experiencing space constraints in some of its programs due to increased enrollment, increased demand for student support services and the aging of its arts studio facilities. Classroom restoration for this period was determined by a small fire within the B Wing of the Douglas J Cardinal building as classroom spaces within that wing were both reconstructed and reconditioned to their original status.



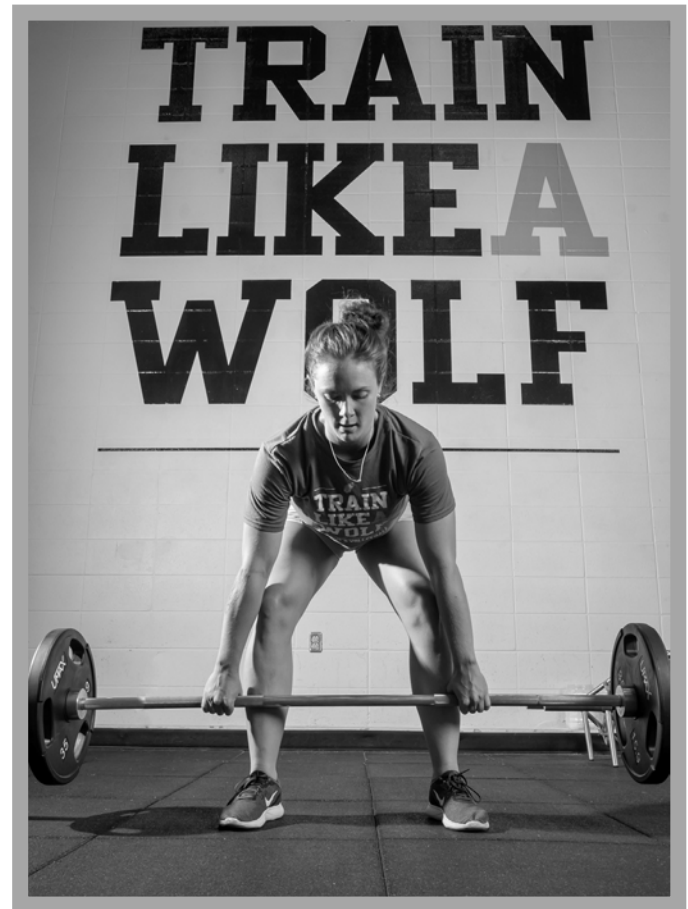


### **DECANT OF CARDINAL BUILDING**

A decant of the Cardinal Building on the Grande Prairie Campus will follow the transfer of the nursing program to the new Grande Prairie Regional Hospital in 2020. The project concept is outlined in more detail within the Campus Master Plan. The renovations are intended to update the Cardinal Building to improve the student experience, such as developing more study space, a redesigned library and student learning centre, barrier free washrooms and other amenities, classroom upgrades, and reconfiguration of departments to improve pedestrian flow. Space utilization will be optimized through room redesign to match classrooms, labs, and trades space to class size, per enrolment projections. Planning for this project has been extended due to the updated hospital construction schedule and ongoing academic programming updates.

### **DEAN SUITE RENOVATION**

The renovation was completed in the summer of 2018 and provides dedicated office and meeting space for the Dean of Arts, Science and Upgrading and the Dean of Health, Wellness and Career Studies. Additional group study areas were constructed within the library in an effort to increase student study space on campus as per our master plan. Library staff were consolidated into a newly constructed open office on the main level to better assist students and increase quiet study space on the second level of the library.



### **ATHLETICS FACILITIES**

Creation of a regional High Performance Athletic Training Centre to support student and community needs, and expansion of the gym accommodate athletic and community needs. A concept for the project is included in the updated Campus Master Plan. Extensive consultations with students, faculty, staff, and members of the community have identified that updates to the College's athletics facilities are a priority. These updates include creation of a regional centre to meet the training needs of elite athletes (the region currently lacks this facility) and expansion of the gym so that the College can properly host Alberta Colleges Athletic Conference events as well as national championships. This project remains in the conceptualization phase pending an update to academic programming and further certainty surrounding project funding.



# **Grande Prairie Regional College**

## **CONSOLIDATED FINANCIAL STATEMENTS**

**June 30, 2019**

# Grande Prairie Regional College

## Consolidated Financial Statements

Year Ended June 30, 2019

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## Independent Auditor's Report

To the Board of Governors of Grande Prairie Regional College

### Report on the Consolidated Financial Statements

#### Opinion

I have audited the consolidated financial statements of Grande Prairie Regional College (the Group), which comprise the consolidated statement of financial position as at June 30, 2019, and the consolidated statements of operations, remeasurement gains and losses, change in net financial assets, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at June 30, 2019, 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.

#### Basis for opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of my report. I am independent of the Group in accordance with the ethical requirements that are relevant to my audit of the consolidated financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Other information

Management is responsible for the other information. The other information comprises the information included in the *Annual Report*, but does not include the consolidated financial statements and my auditor's report thereon. The *Annual Report* is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

**Responsibilities of management and those charged with governance for the consolidated financial statements**

Management is responsible for the preparation and fair presentation of the consolidated 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 the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless an intention exists to liquidate or to cease operations, or there is no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

**Auditor's responsibilities for the audit of the consolidated financial statements**

My objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

[Original signed by W. Doug Wylie FCPA, FCMA, ICD.D]  
Auditor General

August 29, 2019  
Edmonton, Alberta



## Grande Prairie Regional College

Statement of Management Responsibility  
Year Ended June 30, 2019

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The consolidated financial statements of Grande Prairie Regional College have been prepared by management in accordance with Canadian Public Sector Accounting Standards. The consolidated financial statements present fairly the financial position of the College as at June 30, 2019 and the results of its operations, remeasurement gains and losses, changes in net financial assets and cash flows 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 College assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of the consolidated financial statements.

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

The Board of Governors carries out its responsibility for review of the consolidated financial statements principally through its Audit Committee. With the exception of the President, all members of the Audit Committee are not employees of the College. The Audit Committee meets with management and the external auditors to discuss the results of audit examinations and financial reporting matters. The external auditors have full access to the Audit Committee, with and without the presence of management.

These consolidated 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 presentation of the information in the consolidated financial statements.

*Original signed by*  
Don Gnatiuk MBA, ICD.D  
President and CEO

*Original signed by*  
Angela Logan CPA, CA  
Vice-President Administration

## Grande Prairie Regional College

### Consolidated Statement of Financial Position As at June 30, 2019

	2019	2018
<b>Financial assets excluding portfolio investments restricted for endowments</b>		
Cash	\$ 4,018,780	\$ 4,601,391
Portfolio investments - non-endowment (Note 4)	26,955,227	26,393,932
Accounts receivable	1,810,061	1,967,215
Inventories held for sale	235,969	242,633
	<b>33,020,037</b>	33,205,171
<b>Liabilities</b>		
Accounts payable and accrued liabilities	6,915,525	10,321,215
Employee future benefit liabilities (Note 6)	1,763,361	1,748,453
Debt (Note 7)	13,056,336	13,601,553
Deferred revenue (Note 8)	11,645,761	11,570,322
	<b>33,380,983</b>	37,241,543
<b>Net debt excluding portfolio investments restricted for endowments</b>	<b>(360,946)</b>	(4,036,372)
Portfolio investments - restricted for endowments (Note 4)	6,178,290	6,163,290
	<b>5,817,344</b>	2,126,918
<b>Net financial assets</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Note 9)	73,773,815	75,442,932
Inventories of supplies	25,575	24,695
Prepaid expenses	775,757	905,966
	<b>74,575,147</b>	76,373,593
<b>Net assets before spent deferred capital contributions</b>	<b>80,392,491</b>	78,500,511
Spent deferred capital contributions (Note 10)	(40,300,101)	(41,314,916)
	<b>\$ 40,092,390</b>	\$ 37,185,595
<b>Net assets is comprised of:</b>		
Accumulated surplus	\$ 40,141,448	\$ 37,101,656
Accumulated remeasurement (losses) gains	(49,058)	83,939
	<b>\$ 40,092,390</b>	\$ 37,185,595

Contingent assets and contractual rights (Notes 12 and 14)

Contingent liabilities and contractual obligations (Notes 13 and 15)

*Original signed by*

Don Gnatiuk MBA, ICD.D

President and CEO

*Original signed by*

Natalia Reiman, LLB, ICD.D

Chair, GPRC Board of Governors

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



## Grande Prairie Regional College

### Consolidated Statement of Operations Year Ended June 30, 2019

	Budget (Note 21)	2019	2018
<b>Revenues</b>			
Government of Alberta grants (Note 18)	\$ 51,837,485	\$ 56,047,525	\$ 53,464,108
Federal and other government grants (Note 18)	2,998,223	912,885	902,955
Student tuition and fees	9,405,878	9,257,762	9,225,380
Sales of services and products	6,888,955	6,110,010	5,825,731
Donations and other grants	1,651,768	1,098,398	1,404,131
Investment income	599,000	844,248	920,462
	<u>73,381,309</u>	<u>74,270,828</u>	<u>71,742,767</u>
<b>Expenses (Note 19)</b>			
Instruction	29,536,945	26,377,391	28,799,304
Academic and student support	10,307,473	10,836,567	11,049,940
Facility operations and maintenance	13,248,282	15,840,022	12,791,831
Institutional support	12,128,974	11,577,135	12,044,589
Ancillary services	4,215,408	4,489,052	4,432,330
Sponsored research	2,437,327	1,401,851	1,810,109
Special purpose	1,506,900	724,018	1,285,792
	<u>73,381,309</u>	<u>71,246,036</u>	<u>72,213,895</u>
<b>Annual operating surplus (deficit)</b>	-	3,024,792	(471,128)
Endowment contributions (Note 11)	-	15,000	60,400
		<u>3,039,792</u>	<u>(410,728)</u>
<b>Annual surplus (deficit)</b>	-	3,039,792	(410,728)
<b>Accumulated surplus, beginning of year</b>	37,101,656	37,101,656	37,512,384
	<u>\$ 37,101,656</u>	<u>\$ 40,141,448</u>	<u>\$ 37,101,656</u>

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

**Grande Prairie Regional College**  
**Consolidated Statement of Change in Net Financial Assets**  
**Year Ended June 30, 2019**

	Budget (Note 21)	2019	2018
<b>Annual surplus (deficit)</b>	\$ -	\$ 3,039,792	\$ (410,728)
Acquisition of tangible capital assets (Note 9)	(2,500,000)	(4,241,511)	(12,888,415)
Proceeds from sale of tangible capital assets	-	42,714	61,528
Amortization of tangible capital assets (Note 9)	5,990,200	5,903,289	5,581,651
(Gain) loss on disposal of tangible capital assets	-	(35,374)	16,671
Change in inventories of supplies	4,569	(880)	11,970
Change in prepaid expenses	(119,374)	130,209	294,205
Change in spent deferred capital contributions	(1,979,543)	(1,014,816)	4,183,054
Change in accumulated remeasurement (losses) gains	-	(132,997)	(20,731)
<b>Increase (decrease) in net financial assets</b>	1,395,852	3,690,426	(3,170,795)
<b>Net financial assets, beginning of year</b>	2,126,918	2,126,918	5,297,713
<b>Net financial assets, end of year</b>	\$ 3,522,770	\$ 5,817,344	\$ 2,126,918

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

**Grande Prairie Regional College**  
 Consolidated Statement of Remeasurement Gains and Losses  
 Year Ended June 30, 2019

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	2019	2018
<b>Accumulated remeasurement gains, beginning of year</b>	<b>\$ 83,939</b>	<b>\$ 104,670</b>
Unrealized losses attributable to:		
Quoted in active market financial instruments:		
Portfolio investments - non-endowment	(121,997)	(14,679)
Amounts reclassified to consolidated statement of operations:		
Quoted in active market financial instruments:		
Portfolio investments - non-endowment	(11,000)	(6,052)
<b>Accumulated remeasurement (losses) gains, end of year</b>	<b>\$ (49,058)</b>	<b>\$ 83,939</b>

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

## Grande Prairie Regional College

### Consolidated Statement of Cash Flows Year Ended June 30, 2019

	2019	2018
<b>Operating transactions</b>		
Annual surplus (deficit)	\$ 3,039,792	\$ (410,728)
Add (deduct) non-cash items:		
Amortization of tangible capital assets (Note 9)	5,903,289	5,581,651
Gain on sale of portfolio investments	(67,673)	(101,392)
(Gain) loss on disposal of tangible capital assets	(35,374)	16,671
Expended capital recognized as revenue (Note 10)	(2,795,588)	(2,619,509)
Increase (decrease) in employee future benefit liabilities	14,908	(109,268)
Decrease (increase) in accounts receivable	157,154	(167,074)
Decrease in inventories held for sale	6,664	18,901
(Decrease) increase in accounts payable and accrued liabilities	(3,405,691)	3,642,879
Increase (decrease) in deferred revenue	75,439	(2,202,494)
(Increase) decrease in inventories of supplies	(880)	11,970
Decrease in prepaid expenses	130,209	294,205
<b>Cash provided by operating transactions</b>	<b>3,022,249</b>	<b>3,955,812</b>
<b>Investing transactions</b>		
Purchase of portfolio investments	(7,383,281)	(8,762,426)
Proceeds on sale of portfolio investments	6,741,662	8,114,407
<b>Cash applied to investing transactions</b>	<b>(641,619)</b>	<b>(648,019)</b>
<b>Financing transactions</b>		
Debt - repayment	(545,217)	(523,740)
Increase in spent deferred capital contributions, less expended capital recognized as revenue, less in kind donations	1,773,273	6,689,563
<b>Cash provided by financing transactions</b>	<b>1,228,056</b>	<b>6,165,823</b>
<b>Capital transactions</b>		
Acquisition of tangible capital assets, less in-kind donations	(4,234,011)	(12,775,415)
Proceeds on sale of tangible capital assets	42,714	61,528
<b>Cash applied to capital transactions</b>	<b>(4,191,297)</b>	<b>(12,713,887)</b>
<b>Decrease in cash</b>	<b>(582,611)</b>	<b>(3,240,271)</b>
<b>Cash, beginning of year</b>	<b>4,601,391</b>	<b>7,841,662</b>
<b>Cash, end of year</b>	<b>\$ 4,018,780</b>	<b>\$ 4,601,391</b>

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

# Grande Prairie Regional College

## Notes to the Consolidated Financial Statements Year Ended June 30, 2019

### 1. Authority and Purpose

The Board of Governors of Grande Prairie Regional College is a corporation which manages and operates Grande Prairie Regional 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. 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 consolidated 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 consolidated financial statements requires the use of estimates, which may vary from actual results. 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 consolidated financial statements and, together with the following notes, should be considered an integral part of the consolidated financial statements.

#### b. Valuation of Financial Assets and Liabilities

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

<u>Financial Statement Component</u>	<u>Measurement</u>
Cash	Cost
Portfolio investments	Fair value
Inventories held for sale	Lower of cost or net realizable value
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Debt	Amortized cost

Unrealized gains and losses from changes in the fair value of unrestricted financial assets and liabilities are recognized in the consolidated 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 consolidated 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 assets and liabilities 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 portfolio investments are accounted for using trade-date accounting.

The College does not use foreign currency contracts or any other type of derivative financial 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 liabilities. The College does not have any embedded derivatives that require separate measurement in the financial statements.

# Grande Prairie Regional College

## Notes to the Consolidated Financial Statements Year Ended June 30, 2019

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### 2. Summary of Significant Accounting Policies and Reporting Practices (continued)

#### 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.

##### i. Government grants, non-government grants and donations

Government transfers are referred to as government grants.

Restricted grants and donations are recognized as deferred revenue if the terms for the 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. 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 recognized as revenue when the College is eligible to receive the funds. Unrestricted non-government grants and donations are recognized 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 such value can reasonably be determined. Transfers of tangible capital assets from related parties are recognized at the carrying value.

##### ii. Grants and donations related to land

Grants and donations for the purchase of land are recognized as deferred revenue when received, and recognized 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 recognizes such in-kind contributions at nominal value.

##### iii. Endowment donations

Endowment donations are recognized in the consolidated statement of operations in the year in which they are received, and are required by donors to be maintained intact in perpetuity.

##### iv. Investment income

Investment income includes dividends, 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. The endowment spending allocation portion of investment income earned by endowments is recognized as deferred revenue when the terms for the use by the endowment create a liability.

#### d. 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.

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.

#### e. Inventories

Inventories held for sale are valued at the lower of cost and expected net realizable value and are determined using the first-in first-out basis. Inventories of supplies are valued at cost.

# Grande Prairie Regional College

## Notes to the Consolidated Financial Statements Year Ended June 30, 2019

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### 2. Summary of Significant Accounting Policies and Reporting Practices (continued)

#### f. 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 and costs associated with asset retirement obligations. 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 recognized at the present value of the future minimum lease payments at the inception of the lease, excluding executor costs (e.g. insurance, maintenance costs, etc.). The discount rate used to determine the present value of lease payments is the lower of the College's rate for incremental borrowing or the interest rate implicit in the lease.

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:

Buildings and site improvements	25 - 40 years
Furnishings, equipment and systems	5 - 15 years
Learning resources	10 years

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

Intangible assets, works of art, historical treasures and collections are expensed when acquired and not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made.

#### g. Employee Future Benefits

##### i. Pension

The College participates with other employers in the Local Authorities Pension Plan (LAPP). This pension plan is a multi-employer defined benefit pension plan that provides pensions for the College's participating employees based on years of service and earnings.

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

##### ii. Supplementary retirement plans (SRP)

The College provides a non-contributory defined benefit supplementary retirement plan for executive based on years of service and earnings. The expense for this plan is actuarially determined using the projected benefit method prorated on service. Actuarial gains or losses on the accrued benefit obligation are amortized over the expected average remaining service life.

##### iii. Accumulating non-vesting sick leave liability

Sick leave benefits are provided by the College to all employee groups and accumulate with employee service as defined by employment agreements to cover illness related to absences that are outside of long-term disability coverage. The maximum accumulated sick leave is up to 81 days depending on the employee group. The liability for the accumulated non-vested sick pay benefit is actuarially determined using two models: excess utilization model and disability model. The cost of the accumulating non-vesting sick leave benefits are expensed as the benefits are earned.

##### iv. Long-term disability (LTD)

The cost of providing non-vesting and non-accumulating employee future benefits for compensated absences under the College's long-term disability plans is charged to expense in full when the event occurs which obligates the College to provide the benefits. The cost of these benefits is actuarially determined using the accumulated benefit method, a market interest rate and administration's best estimate of the retirement ages of employees, expected health care costs and the period of employee disability. Actuarial gains or losses on the accrued benefit obligation are amortized over the average expected period the benefits will be paid.

# Grande Prairie Regional College

## Notes to the Consolidated Financial Statements Year Ended June 30, 2019

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### 2. Summary of Significant Accounting Policies and Reporting Practices (continued)

#### g. Employee Future Benefits (continued)

##### v. Leave plans

The leave plans allow employees to make contributions of their salary towards a year of leave. In the year of leave, the College makes a one-time contribution of a portion of the employee's salary and continues to pay the employee's benefits. The cost of these benefits is based on actual costs once the leave plan is approved and commences. The employee's contributions and interest are held by the College and recorded as a liability until the leave period when they are paid to the employee, along with the College contributions.

##### vi. Maternity and parental leave

The College offers a Supplemental Employment Insurance Benefits (SEIB) plan to all employee groups. During the leave, the College makes supplemental payments for a portion of the employee's salary and continues to pay the employee's benefits. The cost of these benefits is based on actual costs once the employee's SEIB plan is approved.

#### h. Basis of Consolidation

The consolidated financial statements are prepared on a line by line consolidated basis and include the financial results of the controlled entity: Grande Prairie Regional College Alumni/Foundation (the "Foundation").

The Foundation operates under the *Alberta Companies Act* and is a registered charity for income tax purposes. The Foundation's activities are directed to the support and advancement of the College. All transactions between the College and the Foundation are eliminated upon consolidation.

#### i. 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 or from funds and reserves are an adjustment to the respective fund when approved.

#### j. Expense by Function

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

##### Instruction

Expenses relating to the academic functions of the College both directly and indirectly.

##### Academic and student support

Expenses relating to activities directly supporting the academic functions of the College. This includes items such as libraries and galleries and expenses for Deans. Academic and student support also includes expenses for centralized functions that support individual students or groups of students.

##### Facility operations and maintenance

Expenses relating to maintenance and renewal of facilities that house the teaching, research and administrative activities within the College. These include utilities, facilities administration, building maintenance, custodial services, landscaping and grounds keeping, as well as major repairs and renovations.

##### Institutional support

Expenses for centralized College-wide administration including executive management, public relations, alumni relations and development, corporate insurance premiums, corporate finance, human resources, centralized and core computing and network and data communications.

##### Ancillary services

Expenses relating to services and products provided to the College community and to external individuals and organizations. Services include the College bookstore, parking services, food services and student residences.

##### Sponsored research

Expenses for all sponsored research activities specifically funded by restricted grants and donations.

##### Special purpose

Expenses for fundraising and donations related to the Foundation, and other programs specifically funded by restricted grants and donations.



# Grande Prairie Regional College

## Notes to the Consolidated Financial Statements Year Ended June 30, 2019

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### 2. Summary of Significant Accounting Policies and Reporting Practices (continued)

#### k. Future Accounting Changes

In August 2018, the Public Sector Accounting Board issued PS 3280 Asset retirement obligations. This accounting standard is effective for fiscal years starting on or after April 1, 2021. Asset retirement obligations provides guidance on how to account for and report a liability for retirement of a tangible capital asset.

In November 2018, the Public Sector Accounting Board approved PS 3400 Revenue. This accounting standard is effective for fiscal years starting on or after April 1, 2022 and provides guidance on how to account for and report on revenue, specifically addressing revenue arising from exchange transactions and unilateral transactions.

Management is currently assessing the impact of these new standards on the consolidated financial statements.

### 3. Adoption of New Accounting Standards

The College has prospectively adopted PS 3430 Restructuring transactions. This accounting standard is effective for fiscal years starting on or after April 1, 2018. Restructuring transactions defines and establishes disclosure standards for restructuring transactions. The adoption of this standard did not affect the consolidated financial statements.

## Grande Prairie Regional College

### Notes to the Consolidated Financial Statements Year Ended June 30, 2019

#### 4. Portfolio Investments

	2019	2018
Portfolio investments - non-endowment	\$ 26,955,227	\$ 26,393,932
Portfolio investments - restricted for endowments	6,178,290	6,163,290
	<b>\$ 33,133,517</b>	<b>\$ 32,557,222</b>

The composition of portfolio investments measured at fair value is as follows:

	2019			
	Level 1	Level 2	Level 3	Total
Portfolio investments at fair value				
Fixed income				
Canadian bonds	\$ -	\$ 7,967,285	\$ -	\$ 7,967,285
Preferred shares	1,949,432	-	-	1,949,432
GICs	-	20,724,792	-	20,724,792
Equities				
Canadian equities	1,279,080	-	-	1,279,080
Foreign equities	1,212,928	-	-	1,212,928
Total portfolio investments	<b>\$ 4,441,440</b>	<b>\$ 28,692,077</b>	<b>\$ -</b>	<b>\$ 33,133,517</b>
	<b>13 %</b>	<b>87 %</b>	<b>- %</b>	<b>100 %</b>

	2018			
	Level 1	Level 2	Level 3	Total
Portfolio investments at fair value				
Fixed income				
Canadian bonds	\$ -	\$ 9,508,852	\$ -	\$ 9,508,852
Preferred shares	2,355,914	-	-	2,355,914
GICs	-	18,341,346	-	18,341,346
Equities				
Canadian equities	1,212,608	-	-	1,212,608
Foreign equities	1,138,502	-	-	1,138,502
Total portfolio investments	<b>4,707,024</b>	<b>27,850,198</b>	<b>-</b>	<b>32,557,222</b>
	<b>14 %</b>	<b>86 %</b>	<b>- %</b>	<b>100 %</b>

The fair value measurements are those derived from:

Level 1 – Quoted prices in active markets for identical assets;

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 directly (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).

# Grande Prairie Regional College

## Notes to the Consolidated Financial Statements Year Ended June 30, 2019

### 5. Financial Risk Management

The College is exposed to a variety of financial risks, including market price risk, foreign currency risk, liquidity risk, credit risk, and interest rate risk. To manage investment risks, the College invests in a diversified portfolio of investments that is guided by established investment policies that outline risk and return objectives. The long term objectives of the College's investment policies are to achieve a long term real rate of return in excess of fees and expenses and maintain the real value of the fund. To manage debt risks, the College utilizes fixed-rate agreements.

#### 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 the sensitivity of the shares component in its portfolio to a percentage increase or decrease in the market prices. At June 30, 2019, if the common share component market value increased or decreased by 10% (2018 - 10%) with all other variables held constant, the increase or decrease in market value of the endowment net assets would be a total of \$249,220 (2018 - \$234,816).

In the fixed income asset class, if the preferred share component market value increased or decreased by 10% (2018 - 10%) with all other variables held constant, the increase or decrease in market value of the total portfolio net assets would be \$194,943 (2018 - \$235,591).

The market value of coupons, bonds and guaranteed investment certificates (GICs) fluctuate in direct relationship to interest rates. As such, specifically in the fixed income asset class, the sensitivity of the portfolio to a change in interest rate levels across the yield curve would have the following effect on the value of the total portfolio at June 30, 2019:

- 1% rise in interest rates = 2.35% (2018 - 2.43%) decrease in market value of coupons, bonds and GICs in the portfolio - \$675,017 (2018 - \$676,343)
- 1% drop in interest rates = 2.43% (2018 - 2.51%) increase in market value of coupons, bonds and GICs in the portfolio - \$698,145 (2018 - \$700,064)

#### Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The College is exposed to foreign exchange risk on investments that are denominated in foreign currencies and uses foreign currency investment limits to manage this risk. The College does not use foreign currency forward contracts or any other type of derivative financial instruments for trading or speculative purposes. The College's exposure to foreign exchange risk is very low due to minimal business activities conducted in a foreign currency.

#### Liquidity risk

Liquidity risk is the risk that the College will encounter difficulty in meeting obligations associated with its financial liabilities. The College maintains a portfolio of investments with rolling maturity dates to manage short-term cash requirements.

#### Credit risk

Counterparty credit risk is the risk of loss arising from the failure of a counterparty to fully honour its financial obligations with the College. The College is exposed to credit risk on investments and has established an investment policy with required minimum credit quality standards and issuer limits to manage this risk. The credit risk from accounts receivable is low as the majority of balances are due from government agencies and corporate sponsors.

The credit risks on investments held as bonds are as follows:

Credit Rating	2019		2018	
	\$	%	\$	%
AA	\$ 6,798,457	85.33	\$ 5,919,114	62.25
A	1,168,828	14.67	3,589,738	37.75
	<b>\$ 7,967,285</b>	<b>100.00</b>	<b>\$ 9,508,852</b>	<b>100.00</b>

## Grande Prairie Regional College

### Notes to the Consolidated Financial Statements Year Ended June 30, 2019

#### 5. Financial Risk Management (continued)

##### Interest rate risk

Interest rate risk is the risk to the College's earnings that arise from the fluctuations in interest rates and the degree of volatility of these rates. This risk is managed by investment policies that limit the term to maturity of certain fixed income securities that the College holds. If interest rates increased by 1%, across all points of the yield curve and all other variables are held constant, the potential loss in fair value to the College would be approximately 2.03% of total investments (2018 - 2.07%). Interest risk on the College's debt is managed through fixed-rate agreements with Alberta Capital Finance Authority (Note 7).

The maturity and effective market yield of interest bearing investments are as follows:

	Less than 1 year	1 - 5 years	Greater than 5 years	Average effective market yield
Canadian bonds	\$ 2,009,897	\$ 5,438,951	\$ 518,437	2.03 %
GICs	\$ 5,271,920	\$ 15,452,872	\$ -	2.62 %

#### 6. Employee Future Benefit Liabilities

Employee future benefit liabilities are comprised of the following:

	2019			2018		
	Academic	Support	Total	Academic	Support	Total
	staff	staff		staff	staff	
Long-term disability	\$ 303,285	\$ 456,135	\$ 759,420	\$ 354,711	\$ 272,244	\$ 626,955
Sick leave	-	246,267	246,267	-	244,000	244,000
Supplementary retirement plans	-	377,530	377,530	-	335,045	335,045
Leave plans	310,345	22,372	332,717	535,697	6,756	542,453
Maternity and parental leave	-	47,427	47,427	-	-	-
	<b>\$ 613,630</b>	<b>\$ 1,149,731</b>	<b>\$ 1,763,361</b>	<b>\$ 890,408</b>	<b>\$ 858,045</b>	<b>\$ 1,748,453</b>

##### a. Defined benefit accounted for on a defined benefit basis

###### Long-term disability (LTD)

The College provides non-vesting and non-accumulating employee future benefits for compensated absences under the College's long-term disability plan. An actuarial valuation for these benefits was carried out as at June 30, 2019. Benefits for all employees approved by the group benefits provider for long-term disability include the payment of monthly benefits until approval ceases or the age of 65, and employee and employer Local Authority Pension Plan (LAPP) contributions for a total of five years for members of the Academic Staff Association (ASA).

###### Sick leave

Sick leave benefits are provided by the College to all employee groups and accumulate with employee service, as defined by employment agreements, to cover illness related to absences that are outside of long-term disability coverage. The maximum accumulated sick leave is up to 81 days depending on the employee group. An actuarial valuation of these benefits was carried out as at June 30, 2019.

###### Supplementary retirement plans (SRP)

The College provides non-contributory defined benefit supplementary retirement benefits to executives. An actuarial valuation of these benefits was carried out as at June 30, 2019.

## Grande Prairie Regional College

### Notes to the Consolidated Financial Statements Year Ended June 30, 2019

#### 6. Employee Future Benefit Liabilities (continued)

The expense and financial position of these defined benefit plans are as follows:

	2019				2018			
	LTD <sup>(1)</sup>	Sick leave <sup>(1)</sup>	SRP <sup>(1)</sup>	Total	LTD <sup>(1)</sup>	Sick leave <sup>(1)</sup>	SRP <sup>(1)</sup>	Total
<b>Expense</b>								
Current service cost	\$ 188,125	\$ 30,736	\$ 47,092	\$ 265,953	\$ 163,621	\$ 28,000	\$ 49,899	\$ 241,520
Interest cost	24,124	6,181	12,129	42,434	15,530	7,000	10,703	33,233
Amortization of net actuarial loss (gain)	9,980	(4,000)	1,240	7,220	-	(4,000)	(15,493)	(19,493)
<b>Total expense</b>	<b>222,229</b>	<b>32,917</b>	<b>60,461</b>	<b>315,607</b>	<b>179,151</b>	<b>31,000</b>	<b>45,109</b>	<b>255,260</b>
<b>Financial Position</b>								
Balance, beginning of year	681,847	206,000	343,032	1,230,879	583,204	201,000	274,443	1,058,647
Current service cost	188,125	30,736	47,092	265,953	163,621	28,000	49,899	241,520
Interest cost	24,124	6,181	12,129	42,434	15,530	7,000	10,703	33,233
Benefits paid	(89,764)	(30,650)	(17,976)	(138,390)	(135,400)	(30,000)	-	(165,400)
Actuarial (gain) loss	(207,691)	(21,300)	(919)	(229,910)	54,892	-	7,987	62,879
<b>Balance, end of year</b>	<b>596,641</b>	<b>190,967</b>	<b>383,358</b>	<b>1,170,966</b>	<b>681,847</b>	<b>206,000</b>	<b>343,032</b>	<b>1,230,879</b>
Unamortized net actuarial gain (loss)	162,779	55,300	(5,828)	212,251	(54,892)	38,000	(7,987)	(24,879)
<b>Accrued benefit liability</b>	<b>\$ 759,420</b>	<b>\$ 246,267</b>	<b>\$ 377,530</b>	<b>\$ 1,383,217</b>	<b>\$ 626,955</b>	<b>\$ 244,000</b>	<b>\$ 335,045</b>	<b>\$ 1,206,000</b>

<sup>(1)</sup> The College plans to use its working capital to finance these future obligations.

The significant actuarial assumptions used to measure the accrued benefit obligation are as follows:

	2019			2018		
	LTD	Sick leave	SRP	LTD	Sick leave	SRP
<b>Accrued benefit obligation:</b>						
Discount rate	2.9%	2.7%	3.1%	3.3%	3.0%	3.4%
Long-term average compensation increase <sup>(1)</sup>	N/A	3.0%	3.0%	N/A	3.0%	0.0 - 3.0%
<b>Benefit cost:</b>						
Discount rate	2.9%	2.7%	3.1%	3.3%	3.0%	3.4%
Long-term average compensation increase <sup>(1)</sup>	N/A	3.0%	3.0%	N/A	3.0%	0.0 - 3.0%
Alberta inflation (long-term)	N/A	N/A	2.0%	N/A	N/A	2.0%
Estimated average remaining service life	9.3 years	10 years	6.4 years	5.5 years	10 years	6.4 years

<sup>(1)</sup> Assumptions relating to long-term average compensation increase for SRP has fluctuated due to changes in government legislation and regulation.

# Grande Prairie Regional College

## Notes to the Consolidated Financial Statements Year Ended June 30, 2019

### 6. Employee Future Benefit Liabilities (continued)

#### b. Defined benefit plan accounted for on a defined contribution basis

##### Local Authority Pension Plan (LAPP)

The Local Authority Pension Plan (LAPP) is a multi-employer contributory defined benefit pension plan for support staff members and is accounted for on a defined contribution basis. At December 31, 2018, the LAPP reported an actuarial surplus of \$3,469,347,000 (2017 - surplus of \$4,835,515,000). An actuarial valuation of the LAPP was carried out as at December 31, 2017 and was then extrapolated to December 31, 2018. The pension expense recorded in these financial statements is \$3,296,157 (2018 - \$3,879,231). Other than the requirement to make additional contributions, the College does not bear any direct benefit or risk related to the LAPP surplus or deficit.

#### c. Defined contribution

##### Leave plans

The College provides two leave plans, one for the Academic Staff Association (ASA) employees, and one for the Employee Association (EA) employees.

The ASA Four for Five leave plan allows the employee to make contributions up to 14% of their salary to the plan for 4 years. In the year of leave, the College will make a one-time contribution of 24% of the employee's annual salary and will continue to pay the College's normal premium costs for employee's benefits.

The EA self-initiated leave plan allows the employee to make contributions of their salary to the plan. In the year of leave, the College will make a one-time contribution of 15% of the employee's annual salary and will continue to pay the College's normal premium costs for employee's benefits.

	2019	2018
Employee's contributions held by the College	\$ 320,458	\$ 520,032
Interest held on employee's contributions	12,259	22,421
Balance, end of year	<u>\$ 332,717</u>	<u>\$ 542,453</u>

##### Maternity and parental leave

The College offers a Supplemental Employment Insurance Benefits (SEIB) plan to all employee groups; Academic Staff Association (ASA), Alberta Union of Provincial Employees (AUPE), Employee Association (EA) and Administrative group (Admin).

The SEIB plan offered to the ASA, AUPE and EA groups allows eligible employees to receive a supplemental salary payment from the College during an eight week period for two weeks prior to delivery and six weeks following delivery. The employee will receive 95% of their regular salary during the one-week waiting period for Employment Insurance (EI) benefits. Thereafter, the employee will receive the difference between the EI benefit payments and 95% of their regular salary. The College will continue to pay its portion of benefits premiums during the time the employee is receiving SEIB plan payments.

The SEIB plan offered to the Admin group allows eligible employees to receive a supplemental salary payment from the College during a twenty-seven week period for one week prior to delivery or adoption and twenty-six weeks following delivery or adoption. The employee will receive 100% of their regular salary during the one-week waiting period for EI benefits. Thereafter, the employee will receive the difference between the EI benefit payments and 75% of their regular salary. The College will continue to pay its portion of benefits premiums during the time the employee is receiving SEIB plan payments.

The College's SEIB plan expense was \$69,121 (2018 - \$30,216).

## Grande Prairie Regional College

Notes to the Consolidated Financial Statements  
Year Ended June 30, 2019

### 7. Debt

Debt is measured at amortized cost and is comprised of the following:

	2019		2018	
	Maturity	Interest Rate (%)	Amortized Cost	Amortized Cost
Debentures payable to Alberta Capital Finance Authority:				
Loan #1500775	Nov 2026	6.0	\$ 128,000	\$ 144,000
Loan #1500778	Jul 2027	6.1	180,000	200,000
Loan #3500015	Sep 2030	4.4	1,394,924	1,486,431
Loan #4000180	Dec 2036	4.4	4,246,034	4,403,978
Loan #4000464	Mar 2038	4.7	3,353,349	3,460,748
Loan #4000728	Jun 2038	5.1	3,741,583	3,847,933
			<b>13,043,890</b>	13,543,090
Liability under capital lease			12,446	58,463
			<b>\$ 13,056,336</b>	<b>\$ 13,601,553</b>

Collateral for all loans, excluding the capital lease, is the title to student residence land and buildings. Collateral for the liability under capital lease is title to the related equipment having a net book value of \$47,470 (2018 - \$72,237).

Principal and interest repayments in each of the next five years and thereafter are as follows:

	Principal	Interest	Total
2020	\$ 533,325	\$ 609,029	\$ 1,142,354
2021	543,576	584,110	1,127,686
2022	567,340	558,162	1,125,502
2023	592,219	531,097	1,123,316
2024	618,267	502,865	1,121,132
Thereafter	10,201,609	3,600,860	13,802,469
	<b>\$ 13,056,336</b>	<b>\$ 6,386,123</b>	<b>\$ 19,442,459</b>

Interest expense on debt is \$628,578 (2018 - \$652,379) and is included in the consolidated statement of operations.

## Grande Prairie Regional College

### Notes to the Consolidated Financial Statements Year Ended June 30, 2019

#### 8. Deferred Revenue

Deferred revenues are set aside for specific purposes as required either by legislation, regulation or agreement:

	2019			2018
	Unspent externally restricted contributions	Tuition and other fees	Total	Total
Balance, beginning of year	\$ 10,154,269	\$ 1,416,053	\$ 11,570,322	\$ 13,772,816
Grants, tuition, donations received during the year	9,070,515	1,981,370	11,051,885	13,872,219
Investment income	350,659	-	350,659	285,756
Unrealized losses	(90,222)	-	(90,222)	(41,586)
Transfers to spent deferred capital contributions	(1,780,773)	-	(1,780,773)	(6,802,563)
Recognized as revenue	(8,040,057)	(1,416,053)	(9,456,110)	(9,516,320)
Balance, end of year	<u>\$ 9,664,391</u>	<u>\$ 1,981,370</u>	<u>\$ 11,645,761</u>	<u>\$ 11,570,322</u>

#### 9. Tangible Capital Assets

	2019				2018	
	Land	Buildings and site improvements (a)	Furnishings, equipment and systems (b)	Learning resources (c)	Total	Total
<b>Cost</b>						
Balance, beginning of year	\$ 2,719,233	\$ 160,010,829	\$ 40,410,981	\$ 1,282,651	\$ 204,423,694	\$ 192,468,909
Acquisitions <sup>(d)</sup>	-	2,058,891	2,120,773	61,847	4,241,511	12,888,415
Disposals, including write downs	-	-	(798,107)	-	(798,107)	(933,630)
	<u>2,719,233</u>	<u>162,069,720</u>	<u>41,733,647</u>	<u>1,344,498</u>	<u>207,867,098</u>	<u>204,423,694</u>
<b>Accumulated Amortization</b>						
Balance, beginning of year	\$ -	\$ 96,675,198	\$ 31,347,742	\$ 957,822	\$ 128,980,762	\$ 124,254,542
Amortization expense	-	3,549,809	2,282,402	71,078	5,903,289	5,581,651
Effects on disposals, including write downs	-	-	(790,768)	-	(790,768)	(855,431)
	<u>-</u>	<u>100,225,007</u>	<u>32,839,376</u>	<u>1,028,900</u>	<u>134,093,283</u>	<u>128,980,762</u>
<b>Net book value at June 30, 2019</b>	<u><b>\$ 2,719,233</b></u>	<u><b>\$ 61,844,713</b></u>	<u><b>\$ 8,894,271</b></u>	<u><b>\$ 315,598</b></u>	<u><b>\$ 73,773,815</b></u>	
Net book value at June 30, 2018	<u>\$ 2,719,233</u>	<u>\$ 63,335,631</u>	<u>\$ 9,063,239</u>	<u>\$ 324,829</u>		<u>\$ 75,442,932</u>

(a) Included in buildings and site improvements is \$2,879,225 (2018 - \$10,361,034) recorded as work in progress, which is not amortized as the assets are not in service.

(b) Furnishings, equipment and systems include vehicles, heavy equipment, office equipment, computer and electronic equipment, instruction equipment, furniture and other equipment.

(c) Learning resources consists of library holdings.

(d) Acquisitions include in kind donations in the amount of \$7,500 (2018 - \$113,000).



## Grande Prairie Regional College

### Notes to the Consolidated Financial Statements Year Ended June 30, 2019

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#### 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).

	2019	2018
Balance, beginning of year	\$ 41,314,916	\$ 37,131,862
Transfers from unspent externally restricted grants and donations	1,780,773	6,802,563
Expended capital recognized as revenue	(2,795,588)	(2,619,509)
Balance, end of year	<u>\$ 40,300,101</u>	<u>\$ 41,314,916</u>

## Grande Prairie Regional College

### Notes to the Consolidated Financial Statements Year Ended June 30, 2019

#### 11. Net Assets

The composition of net assets is as follows:

	Accumulated surplus from operations	Investment in tangible capital assets (a)	Internally restricted surplus (b)	Endowments	Total accumulated surplus
<b>Net assets as at June 30, 2017</b>	\$ 13,383,053	\$ 16,957,212	\$ 1,173,899	\$ 6,102,890	\$ 37,617,054
<b>Annual deficit</b>	(410,728)	-	-	-	(410,728)
<b>Endowments</b>					
New donations	(60,400)	-	-	60,400	-
<b>Tangible capital assets</b>					
Amortization of internally funded tangible capital assets	2,962,142	(2,962,142)	-	-	-
Internally funded acquisition of tangible capital assets	(6,085,852)	6,085,852	-	-	-
Debt - repayment	(523,740)	523,740	-	-	-
Net book value of tangible capital asset disposals	78,199	(78,199)	-	-	-
<b>Operating expenses funded from internally restricted surplus</b>	214,782	-	(214,782)	-	-
<b>Change in accumulated remeasurement gains</b>	(20,731)	-	-	-	(20,731)
<b>Net assets as at June 30, 2018</b>	\$ 9,536,725	\$ 20,526,463	\$ 959,117	\$ 6,163,290	\$ 37,185,595
<b>Annual surplus</b>	3,039,792	-	-	-	3,039,792
<b>Endowments</b>					
New donations	(15,000)	-	-	15,000	-
<b>Tangible capital assets</b>					
Amortization of internally funded tangible capital assets	3,107,701	(3,107,701)	-	-	-
Internally funded acquisition of tangible capital assets	(2,460,738)	2,460,738	-	-	-
Debt - repayment	(545,217)	545,217	-	-	-
Net book value of tangible capital asset disposals	7,340	(7,340)	-	-	-
<b>Operating expenses funded from internally restricted surplus</b>	56,943	-	(56,943)	-	-
<b>Change in accumulated remeasurement (losses) gains</b>	(132,997)	-	-	-	(132,997)
<b>Net assets as at June 30, 2019</b>	\$ 12,594,549	\$ 20,417,377	\$ 902,174	\$ 6,178,290	\$ 40,092,390
<b>Net assets are comprised of:</b>					
Accumulated surplus	\$ 12,643,607	\$ 20,417,377	\$ 902,174	\$ 6,178,290	\$ 40,141,448
Accumulated remeasurement losses	(49,058)	-	-	-	(49,058)
	\$ 12,594,549	\$ 20,417,377	\$ 902,174	\$ 6,178,290	\$ 40,092,390

# Grande Prairie Regional College

## Notes to the Consolidated Financial Statements Year Ended June 30, 2019

### 11. Net Assets (continued)

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

(b) Internally restricted surplus represent amounts set aside by the College's Board of Governors for specific purposes. Those amounts are not available for other purposes without the approval of the Board and do not have interest allocated to them. Internally restricted net assets with significant balances include:

	2019	2018
College appropriations for operating activities	\$ 490,539	\$ 535,269
Foundation	411,635	423,848
Total	<u>\$ 902,174</u>	<u>\$ 959,117</u>

### 12. Contingent Assets

The College has an on-going insurance claim in which the outcome may result in assets in the future. The outcome of this claim cannot be reasonably estimated at this time and is not recognized in the consolidated financial statements.

### 13. Contingent Liabilities

The College is a defendant in a number of legal proceedings. While the ultimate outcome and liability of these proceedings cannot be reasonably estimated 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. Management has concluded that none of the claims meet the criteria for recognizing a liability.

The College has identified potential asset retirement obligations 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 capital project will proceed and there is sufficient information to estimate fair value of the obligation.

### 14. Contractual Rights

Contractual rights are rights of the College to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met.

Estimated amounts that will be received or receivable for each of the next four years are as follows:

	Operating Leases	Other Contracts	Total
2020	\$ 82,292	\$ 123,757	\$ 206,049
2021	80,763	50,701	131,464
2022	58,197	48,951	107,148
2023	9,700	12,851	22,551
<b>Total at June 30, 2019</b>	<u>\$ 230,952</u>	<u>\$ 236,260</u>	<u>\$ 467,212</u>
Total at June 30, 2018	\$ 314,209	\$ 61,400	\$ 375,609

## Grande Prairie Regional College

### Notes to the Consolidated Financial Statements Year Ended June 30, 2019

#### 15. Contractual Obligations

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:

	Service Contracts	Capital Projects	Information Systems and Technology	Long-term Leases	Total
2020	\$ 3,918,793	\$ 593,416	\$ 296,031	\$ 219,126	\$ 5,027,366
2021	2,012,165	-	38,158	218,550	2,268,873
2022	32,012	-	19,658	219,200	270,870
2023	20,000	-	12,474	219,851	252,325
2024	-	-	-	41,242	41,242
Thereafter	-	-	-	450,000	450,000
<b>Total at June 30, 2019</b>	<b>\$ 5,982,970</b>	<b>\$ 593,416</b>	<b>\$ 366,321</b>	<b>\$ 1,367,969</b>	<b>\$ 8,310,676</b>
Total at June 30, 2018	\$ 5,771,818	\$ 1,606,737	\$ 1,019,377	\$ 1,680,624	\$ 10,078,556

Included in service contracts is an electricity contract in order to manage the College's exposure to volatility in the utility industry. The College has entered into a contract to fix a portion of its electrical costs at an average of \$ 0.04801 per kilowatt hour. The contract total is \$370,000 (2018 - \$740,000) and expires on July 30, 2020.

#### 16. 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. Accordingly, these funds are not included in the consolidated financial statements.

	2019	2018
Academic Staff Association Professional Growth	\$ 908,402	\$ 944,730
Alberta Union of Public Employees Staff Development	34,097	33,241
Other	117,979	183,763
	<b>\$ 1,060,478</b>	<b>\$ 1,161,734</b>

#### 17. Related Parties

The College is a related party with organizations within the Government of Alberta reporting entity. Key management personnel of the College and their close family members are also considered related parties. The College may enter into arm's length transactions with these entities and individuals.

The College has liabilities with Alberta Capital Finance Authority as described in Note 7.

During the year, the College received the following service at a nominal amount:

a) The College operates its Edson learning center on premises leased from the Alberta Ministry of Infrastructure under a 5 year lease agreement, expiring January 31, 2021.

## Grande Prairie Regional College

Notes to the Consolidated Financial Statements  
Year Ended June 30, 2019

### 18. Government transfers

	2019	2018
<b>Government of Alberta grants</b>		
Advanced Education:		
Operating	\$ 46,814,385	\$ 45,233,549
Apprenticeship	2,508,335	2,406,655
Capital	3,434,804	3,194,552
Advanced Education Special Funds Agreement	349,154	2,220,997
Other	533,532	1,215,839
Total Advanced Education	<u>53,640,210</u>	<u>54,271,592</u>
Other Government of Alberta departments and agencies:		
Children's Services	353,979	277,770
Alberta Sport Connection	125,800	167,343
Economic Development and Trade	75,000	364,208
Other	333,263	328,850
Total other Government of Alberta departments and agencies	<u>888,042</u>	<u>1,138,171</u>
Total contributions received	54,528,252	55,409,763
Restricted expended capital recognized as revenue	2,233,115	2,075,699
Restricted contributions deferred	(713,842)	(4,021,354)
	<u>\$ 56,047,525</u>	<u>\$ 53,464,108</u>
<b>Federal and other government grants</b>		
Natural Sciences and Engineering Research Council	\$ 325,000	\$ 500,000
Social Sciences and Humanities Research Council	118,957	96,446
Other	184,163	84,721
Total contributions received	628,120	681,167
Restricted expended capital recognized as revenue	380,200	382,186
Restricted contributions deferred	(95,435)	(160,398)
	<u>\$ 912,885</u>	<u>\$ 902,955</u>

## Grande Prairie Regional College

### Notes to the Consolidated Financial Statements Year Ended June 30, 2019

#### 19. Expense by Object

The following is a summary of expense by object:

	2019		2018
	Budget	Actual	Actual
Salaries and benefits	\$ 46,925,948	\$ 46,720,144	\$ 48,846,499
Materials, supplies and services	16,439,459	11,733,610	12,979,946
Cost of goods sold	68,370	80,554	123,694
Scholarships and bursaries	500,000	577,598	583,797
Maintenance and repairs	1,782,615	4,557,849	2,479,997
Utilities	1,674,717	1,672,992	1,618,311
Amortization of tangible capital assets	5,990,200	5,903,289	5,581,651
	<u>\$ 73,381,309</u>	<u>\$ 71,246,036</u>	<u>\$ 72,213,895</u>

#### 20. Salary and Employee Benefits

	2019				2018
	Base salary <sup>(a)</sup>	Other cash benefits <sup>(b)</sup>	Other non-cash benefits <sup>(c)</sup>	Total	Total
<b>Governance</b>					
Chair of the Board of Governors	\$ -	\$ 8,068	\$ 175	\$ 8,243	\$ 7,811
Members of the Board of Governors	-	34,893	306	35,199	39,456
<b>Executive</b>					
President <sup>(d)</sup>	358,000	358,000	31,943	747,943	390,687
<b>Vice-Presidents:</b>					
Academics and Research <sup>(e)</sup>	231,768	59,036	37,428	328,232	289,029
Administration	190,182	5,400	46,792	242,374	227,500
External Relations	190,182	5,400	31,943	227,525	228,269
<b>Total</b>	<u>\$ 970,132</u>	<u>\$ 470,797</u>	<u>\$ 148,587</u>	<u>\$ 1,589,516</u>	<u>\$ 1,182,752</u>

(a) Base salary includes pensionable base pay.

(b) Other cash benefits include earnings such as honoraria and automotive allowance, severance and supplementary retirement plan payout.

(c) Other non-cash benefits include the College's share of all employee benefits and contributions or payments made on behalf of employees including pension, group life insurance, employee family assistance program, supplementary health care, long-term disability plans, dental coverage, accidental death and dismemberment, flexible health and wellness spending accounts, professional memberships and tuition.

(d) On January 21, 2019, the President provided notice of his resignation, effective March 31, 2020. In accordance with his contract with the College, one year's salary will be provided as severance. The College expensed it in the 2018-2019 fiscal year but it will be paid in the 2019-2020 fiscal year. The amount expensed and included in other cash benefits is \$358,000.

Automobile provided, no dollar amount included in other non-cash benefits.

(e) This position was occupied by three individuals during the fiscal year. The former Vice-President, Academics and Research retired effective September 13, 2018, the Interim Vice-President, Academics and Research was in the role from July 1, 2018 to February 24, 2019 and the incumbent Vice-President, Academics and Research was appointed on February 25, 2019. Other cash benefits includes a SRP payment of \$17,976 and a vacation payout of \$34,558 paid to the former Vice-President, Academics and Research.

## Grande Prairie Regional College

### Notes to the Consolidated Financial Statements Year Ended June 30, 2019

#### 20. Salary and Employee Benefits (continued)

Under the terms of the supplementary retirement plan (SRP), executive members may receive supplemental retirement payments. Retirement arrangement costs as detailed below are not cash payments in the period but are period expenses for rights to future compensation. Costs shown reflect the total estimated cost to provide annual pension income over an actuarially determined post employment period. The SRP provides future pension benefits to participants based on years of service and earnings. The cost of these benefits is actuarially determined using the projected benefit method pro-rated on services, a market interest rate, and management's best estimate of expected costs and the period of benefit coverage. Net actuarial gains and losses of the benefit obligation are amortized over the average remaining service life of the employee group. Current service cost is the actuarial present value of the benefits earned in the current year. Prior service and other costs include amortization of past service costs on plan initiation, amortization of actuarial gains and losses, and interest accruing on the actuarial liability. The current service cost and accrued obligation for each executive member under the SRP is outlined in the following table.

	Accrued Obligation June 30, 2018	Service cost	Interest cost	Benefit Payments	Actuarial Loss (Gain)	Accrued Obligation June 30, 2019
President	\$ 225,572	\$ 35,289	\$ 8,269	\$ -	\$ 4,059	\$ 273,189
Vice-Presidents:						
Former Academics and Research	84,167	2,194	2,594	(17,976)	(4,256)	66,723
Academics and Research	-	1,705	-	-	-	1,705
Administration	1,817	2,980	112	-	4,412	9,321
External Relations	31,476	4,924	1,154	-	(5,134)	32,420
	<u>\$ 343,032</u>	<u>\$ 47,092</u>	<u>\$ 12,129</u>	<u>\$ (17,976)</u>	<u>\$ (919)</u>	<u>\$ 383,358</u>

The significant actuarial assumptions used to measure the accrued benefit obligation are disclosed in Note 6.

#### 21. Budget Figures

Budgeted figures have been provided for comparison purposes and have been derived from the College's Comprehensive Institutional Plan as approved by the Board of Governors.

#### 22. Approval of Financial Statements

The consolidated financial statements were approved by the Board of Governors of Grande Prairie Regional College.

#### 23. Comparative Figures

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



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