

ANNUAL REPORT



2021
2022

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The College and Lac La Biche County were honoured to co-host the Lieutenant Governor of Alberta Arts Awards on June 10 and 11. Over the course of the weekend, 11 emerging artists and three distinguished artists from across the province were recognized for their contributions to the arts in Alberta. This marked the first time that one community has hosted both the Emerging Artists and Distinguished Artists in the same year.

EXECUTIVE SUMMARY

Portage College is a public, board-governed college operating as a Comprehensive Community Institution under the authority of the *Post-Secondary Learning Act*. The College operated seven campuses in 2021-2022.

2021-2022 was the first year that Portage officially operated under the parameters of Strategy 2025, the College's new strategic plan. The College's mission statement is "connecting people with knowledge, skills and opportunities" while the vision statement is "learners are empowered to transform and make a difference." Portage adheres to the five Adult Learning System Principles of accessibility, affordability, quality, accountability, and coordination.

ACCESSIBILITY

Portage provided continuing education, ad-hoc training, certificate, diploma, and degree opportunities to 2,571 students in 2021-2022; 34% of students in academic programs self-identified as Indigenous. The College continued to provide online and blended instruction and enhanced supports to students during COVID-19 while ensuring our campuses were safe. This included increased mental health supports for students. Through targeted enrolment expansions, the College received \$1.73 million from the Government of Alberta to offer new Computer Sciences programming and expand Community Social Work and Practical Nurse program offerings. Portage also signed a Memorandum of Understanding (MOU) with National Advanced Placement & Prior Learning to provide advanced credit to current and former members of the Canadian Armed Forces. Through College and Institute Canada's Global Skills Opportunity program, 106 students participated in virtual learning experiences with institutions and organizations in Australia, Saint Kitts and Nevis, and the United States. The \$498,000 multi-year grant is intended to help fund program-related international trips but was limited to online opportunities in 2021-2022 due to COVID travel restrictions. The College continued to search for funding to expand the Museum of Aboriginal Peoples' Art and Artifacts (MOAPAA) and to establish a scholarly home of the world-renowned Professional Native Indian Artists Incorporated (PNIAI). MOAPAA is the only place in the world where works of all seven PNIAI artists are on permanent display. The College also continued to explore avenues to expand its IT network capacity. The College continued to partner and consult with industry, municipalities, students, and Indigenous populations to ensure that its programs and services are meeting the needs of the region and the province.

AFFORDABILITY

The College continued to ensure programs were affordable while remaining financially sustainable. In 2021-22, students were able to access \$640,633 in scholarships and bursaries to help support their education.

QUALITY

Reversing a two-year downward trend, enrolment numbers rebounded to a 20-year high of 1,168 full load equivalents. The total was 293 higher than the previous academic year and 256 higher than budget. Student satisfaction increased from the previous academic year, with 89% of students surveyed indicating that they would recommend Portage College to others. Response rates were lower than usual for the year-end survey. Graduates continued to find employment in a challenging economy, with 87% of the Class of 2020-2021 working (81% in training-related jobs). In addition, 91% of employers surveyed believe that Portage graduates are on equal or better footing than graduates from other post-secondary institutions.

ACCOUNTABILITY

For the fiscal year ended June 30, 2022, the College posted an annual surplus of \$2.81 million, due mainly to higher-than-projected enrolment, cost-containment austerity measures and prudent financial management. From an audit of the 2021 financial statements, the Office of the Auditor General (OAG) awarded the College two "green lights" for the timeliness and accuracy of financial statements while also reiterating a recommendation to implement processes for testing and monitoring the effectiveness of internal controls. The project was subsequently completed in June 2022. The College also implemented numerous guidelines and procedures and received four disclosures of wrongdoing under *Public Interest Disclosure (Whistleblower Protection)*. Corrective action was taken in three of the cases. No formal discipline was issued in any of the instances.

COORDINATION

As part of a Memorandum of Agreement with NAIT, the College offered the third and fourth years of NAIT's Bachelor of Business Administration program at Portage College campuses. Portage also partnered with Conestoga College and the Government of Canada to deliver a 32-week, tuition-free Welder Pre-Apprenticeship Program and offered the College's Business Administration program to students from CodeCore College in New Westminster, B.C. The College continued to offer the Colleges and Institutes Canada-funded and tuition-free Supportive Care Assistant Program. Portage partnered with industry to provide opportunities for students in the region, such as collaborating with six Northern Alberta Indigenous communities and Cenovus Energy to offer a 24-week Construction and Trades Readiness program. The College continued to be proactive in creating more opportunities for students to complete university degrees without having to leave their home communities, partnering with Athabasca University (AU) to offer five new degree pathways including Bachelor of Human Resources and Labour Relations. Portage now offers 11 degree pathways through AU. The College also partnered with the University of Calgary for a community-based Bachelor of Education degree and the University of Alberta to offer a fourth iteration of the Aboriginal Teacher Education Program. The College continued to explore options to develop programs and to potentially share an Enterprise Resource Planning (ERP) system in conjunction with other post-secondary institutions (PSIs), although the decision was made to stick with Portage's existing ERP system due to the high costs of cloud-based systems. On the applied research (AR) front, the College continued to collaborate with other PSIs, industry and funding agencies to conduct several AR projects. The College also continued to work to increase the transferability of its courses to other institutions in the province and across the country and maintained and expanded dual credit offerings with school divisions in its service region. Portage currently has formal transfer agreements with 16 post-secondaries in the province and dual credit Memoranda of Understanding with 12 school divisions.



Due to COVID-related restrictions, many Métis Week activities were moved online November 15-21, 2021. A small crowd was able to gather at the College's Lac La Biche campus for a flag-raising ceremony (which was also streamed on YouTube) on November 15.

ACCOUNTABILITY STATEMENT

The Portage College Annual Report for the year ended June 30, 2022 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]

Randolph Benson

Chair, Board of Governors
Portage College

MISSION STATEMENT

Connecting people with knowledge, skills and opportunities.

VISION STATEMENT

Learners are empowered to transform and make a difference.

OUR MANDATE

(Approved by Minister of Advanced Education June 14, 2021)

1. Type of Institution, Sector, and Governance

Portage College is a board-governed Public Post-secondary Institution operating in Alberta as a Comprehensive Community College under the authority of the *Post-Secondary Learning Act*.

2. Outcomes

As a Comprehensive Community College, Portage College stewards its region providing adult education and training in its geographic service region in alignment with the strategic planning initiatives of the Ministry of Advanced Education. Program quality assurance processes ensure that training is relevant to employers and a balance of technical and soft skills is provided. Portage College undertakes in-depth consultation with all of its community stakeholders including community adult learning providers, school districts, current and past students, service and industry employers, Program Content Advisory Committees, and Municipal and Indigenous Community Leaders.

3. Clients/Students

Open to all Albertans, focused in the Northeast of the province, Portage College's mandate is to serve learners typically underrepresented in post-secondary institutions. Portage College students are older, more likely to be married or single parents, and more likely to be Indigenous than the student body at other post-secondary institutions. Many students benefit from learning supports, smaller classes, and local campuses.

4. Geographic Service Area and Type of Delivery

Portage College has campus locations in Lac La Biche, Cold Lake, St. Paul, Frog Lake First Nation, Saddle Lake Cree Nation, Boyle, and Whitefish Lake First Nation #128.

Portage College excels in designing and delivering programs that respond to the learning needs of students and local employers. Portage programs utilize leading-edge learning technologies and are offered in multiple instructional modalities, including traditional face-to-face, online (synchronous and asynchronous), and a blend of online and face to face. The College's blended learning offerings, outreach programming aimed at foundational and integrated learning, and service to small cohorts demonstrate its ability to make both instruction and learning supports readily available to students at times and places convenient to them. The College offers learning assistance counselling and other support services addressing the needs of disadvantaged learners.

As a Comprehensive Community College, Portage College's mandate includes regional stewardship. This is achieved through partnership, in-community customized training and

direct delivery of Community Adult Learning Programs. The College partners with many organizations to support the learner as close to home as possible.

5. Program Mandates and Credentials Offering

Portage College offers foundational learning programs to meet regional needs. In addition, the College offers certificate and diploma programs in diverse areas, including: Natural Resources, Business, Health and Wellness, Human Services, Indigenous Arts and Culture, University Transfer, Power Engineering and Fine Arts. The College also offers trades and technical training delivered as certificates, diplomas, pre-employment or as apprenticeship programs. These include Heavy Equipment Operator, Electrical, Welding, Hair-styling and Culinary Arts.

Portage College expands its program offerings through articulation and transfer agreements, program delivery collaborations, brokering arrangements, and strategic partnerships. The College has a history of collaborating with Northern Lakes College to expand Business program streams and is currently working on Culinary Arts and several Continuing Education Programs. In addition, the College collaborates with the University of Alberta, University of Calgary, and NAIT to deliver degree completion programming and anticipates future collaborations with Red Deer College and Norquest College.

6. Special Program Areas/Areas of Specialization

Areas of specialization include: academic upgrading, pre-employment trades training, and continuing education customized training programs delivered in Indigenous communities in the region. Certificate and diploma programs in Indigenous Arts and Culture are unique to Western Canada and are fully transferable to Alberta University of the Arts.

7. System Collaboration and Partnerships

Portage College works to maximize learning opportunities that support the economic growth and human development needs of diverse communities in northeast Alberta. A focus on community-based learning enables the College to partner with municipalities as well as First Nations and Métis communities. In addition, the College partners with training and support agencies, for example: North East Alberta Apprenticeship Initiative, Trades Winds to Success and Canadian Native Friendship Centres. We have extensive networks with the local school divisions for the provision of access to dual credit learning and other experiential activities. In addition, the College partners with local providers for recreation facilities, counselling, recruitment, and learning commons services.

Portage College uses a collaborative approach with communities, institutions and organizations as well as evidence-based demand analysis to prioritize opportunities. The College is focused on maintaining partnerships with other post-secondary institutions to ensure that students have recognized pathways to continue their studies beyond Portage. The partnerships include robust transfer agreements and shared deliveries to allow Portage College's program mix to include degree completion and additional certificates and diplomas.

8. Research and Scholarly Activities

Portage College encourages applied research focusing on improvement of rural education, and supports scholarly activity strengthening our understanding of rural communities.

Portage College embraces every opportunity to collaborate with communities when conducting research identifying economic development and learning needs.

9. System Mandate

Portage College provides education and employment training programs that instill passion for lifelong learning, promote personal wellness, develop appreciation for cultural diversity, and inspire social engagement. A holistic approach to supporting our students is critical to ensure students are fully confident in their journey. "Portaging Students to Success" is a way we see our supportive role in helping students surmount life's challenges.

10. Other

Portage College's model of bringing learning to the learner has a direct impact on raising the numbers of Indigenous, single parent, first generation, and rural learners in general in a post-secondary system where these non-traditional learners are typically underrepresented.

Additionally, Portage College is unique in its direct operation of several Community Adult Learning programs (CALPs) throughout the region. CALP-funded foundational learning programming is delivered in three rural communities and all seven First Nation communities in the College's stewardship region. The CALPs focus primarily on providing foundational literacy, numeracy, and digital skills to support individual employment or educational goals. These informal programs provide non-traditional learners with responsive, community-based learning that bridges learners into further post-secondary training. Our expertise has been recognized and we have been funded to develop and deliver training for CALP operators.



The College held its third-ever virtual Convocation ceremony on June 3, 2022. While several faculty and staff attended the event in person at the McGrane Theatre at Portage's Lac La Biche campus, graduating students and their families joined online as part of a live broadcast.

MANAGEMENT'S RESPONSIBILITY FOR REPORTING

Portage College'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 Portage College Board of Governors' Finance, Infrastructure and Risk 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 the Province of Alberta, the institution's external auditor appointed under the *Post-Secondary Learning Act*, performs an annual independent audit of the financial statements which are prepared in accordance with Canadian public sector accounting standards.

[Original signed by]

Nancy Broadbent
President and CEO

BOARD OF GOVERNORS' MESSAGE

On behalf of my dedicated colleagues on the Board, it is my privilege to present Portage College's 2021-2022 Annual Report. This is the last time I will be able to write this, as I am beginning my final year as Chair of the Portage College Board of Governors. It has been an honour to serve on the Board for much of the past 18 years. I started on the Board in July 2004 and served as Board Chair from 2008 through 2011. I became Board Chair once again in July 2017 and will complete my final term in June 2023. The economic, political and environmental landscape has changed considerably over the years but what has remained consistent is Portage College's ability to adapt and the determination of our staff, students and communities to succeed and ensure the long-term viability of our institution. We are so grateful for the support of the Government of Alberta, our valued donors and partners, and the continuing dedication of our employees and members of the Board of Governors.

As I begin my last year on the Board, I am overwhelmed with memories. One of my favourites was being able to shake hundreds of hands during Convocation every year as our remarkable students crossed the stage to receive their certificates, diplomas and other credentials. I look forward to being able to do that one more time next June. It's been a wonderful experience to be able to meet and greet our students face to face. I shall miss that privilege very much.

Portage College's 2021-2022 Annual Report captures the many accomplishments of our students, faculty, staff and partners in the past academic year and highlights our institution's continued significant contributions to the region and province that we serve. This past academic year was once again a challenging voyage due to the ongoing pandemic, Campus Alberta grant reductions, supply chain disruptions and rising inflation. Despite this, Portage College continued to thrive, achieve new firsts, and lay the foundation for future success. In the first academic year officially operating under our new strategic plan titled *Strategy 2025 – Connecting People with Knowledge, Skills and Opportunities*, we set a 20-year enrolment high with 1,168 full load equivalents. This was more than 250 higher than originally budgeted for and much higher than the *Strategy 2025* target. This clearly shows that Portage College is on many prospective students' radar as they consider where to pursue their education.

Graduates and employers continued to be impressed with Portage College. Surveyed six months after graduating, 87% of responding graduates indicated they were working, 81% in training-related jobs. These numbers are all the more impressive when you consider that the Class of 2020-2021 entered the workforce during an uncertain economic time marked by the pandemic, fluctuating energy prices and a sometimes tight job market. Furthermore, 89% also indicated that they were satisfied with their overall College experience. 97% of employers surveyed in 2022 indicated that they would recommend our graduates to others

while 91% of them indicated that Portage graduates were equal to or better than graduates from other post-secondary institutions.

I would like to thank my colleagues on the Board – past and present – for their numerous contributions to Portage College and to their communities. I have been privileged for many years to serve alongside a remarkable group of selfless individuals, who have handled every challenge (whether financial, political or pandemic-related) with grace, determination, and understanding. The Board of Governors has always stood for the Portage Service Region as a whole. We have continually striven for accountability, transparency and sound business-decision processes and have successfully shaped a long-term vision for the College. Board members have always worked together for the betterment of our College, our communities and our province, and left personal agendas at the door. We continue to be a financially well-managed institution, submitting balanced budgets while pursuing partnerships to help fund new programs and capital projects. The College received two "green lights" from the Office of the Auditor General (OAG) in February 2022 for the timeliness and accuracy of our 2021 financial statements. The OAG once again reiterated a recommendation that Portage and several other institutions implement processes for testing and monitoring the effectiveness of internal controls. The project was subsequently completed in June 2022, putting the College in full compliance with the OAG's recommendation.

As you peruse the pages of Portage College's 2021-2022 Annual Report, it is my hope that you will see what I see: a first-class institution that puts students first, is closely connected to the communities and province it serves, and is an important economic driver for the region's economy. It has been my absolute privilege to be a part of this wonderful College for so many years. Thank you.

Sincerely yours,

[Original signed by]

Randolph Benson
Chair, Board of Governors



BOARD OF GOVERNORS

July 1, 2021 – June 30, 2022

PUBLIC MEMBERS



Board Chair
Randolph Benson



Public Member
Donna Webster
(Second term began April 6, 2022)



Public Member
Molly Fyten
(First term began April 6, 2022)



Public Member
Ron Young



Public Member
Ruth Isley

PORTAGE MEMBERS



Public Member
Ted Langford



Faculty Member
Geoff Sander



Public Member
Dr. Patricia Makokis
(First term began April 6, 2022)



Staff Member
Doug Furgason



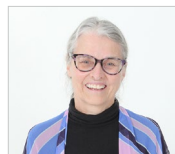
Public Member
Brian Rudyk



Faculty Member
Vicki Schaeffer
(Term ended October 21, 2022)



Public Member
Linda Sallstrom
(First term began April 6, 2022)



Student Member
Peggy Townsend
(First term began February 7, 2022)



Public Member
Floyd Thompson
(Term ended March 31, 2022)



College President and CEO
Nancy Broadbent

PRESIDENT'S MESSAGE



One of Murphy's Laws stipulates that the light at the end of the tunnel is the headlamp of an oncoming train. At times during the past few years, it has felt like we were in a long, dark tunnel with not a lot of hope at the other end. A global pandemic, wildly fluctuating energy prices, and an uncertain economy affected everyone's financial and mental well-being. Portage College was no different. Staff and students had to adjust to remote learning, and the College had to do more with less, dealing with government cutbacks and limited ability to fundraise during COVID-19 shut-downs while at the same time facing an increased demand for services and new programs. And yet, by the end of the 2021-2022 academic year, Portage College emerged from the tunnel stronger than ever, lean and efficient with the highest enrolment in 20 years and more programs and degree pathways than ever before.

2021-2022 marked the first year that Portage College officially operated under the goals and strategic initiatives outlined in *Strategy 2025 – Connecting People with Knowledge, Skills and Opportunities*. The College's strategic plan, developed in part during the height of the pandemic, lays out a challenging but achievable path ahead for the next three years, with strategic goals of improving graduate success, increasing efficiency and increasing partnerships. I'm happy to report that this past year we made

great strides in all three goals. Enrolment reached 1,168 full-load equivalents, 256 higher than originally budgeted. Already a leader in incorporating Indigenous Ways of Knowing in programs and services, we integrated listening circles and other restorative practices into more programs and opened the Waniskah room in Lac La Biche to provide a dedicated space for smudging, training, cultural celebrations and contemplative learning and healing. We reduced non-academic service costs, implemented an internal control framework and finished the year with a \$2.68 million surplus, transferring \$1.75 million to endowments and restricted assets. We also reached – and exceeded – our 2021-2022 Investment Management Agreement target of 65% of Portage programs having a work-integrated learning component. At the end of the year, 75% of programs had a WIL component.

Listing all of the past year's accomplishments would take up too much space in this report. Nonetheless, there are some noteworthy achievements during 2021-2022 that are important to highlight:

- Portage received full approval status for Primary Care Paramedic (six years), Advanced Care Paramedic (six years) and Emergency Medical Responder (three years) from the Alberta College of Paramedics.
- The College and our partner Vivo Team received a silver medal for Best Team Development Program from the 2021 Brandon Hall Group Human Capital Management Awards.
- We joined forces with Community Learning Network to develop on-demand Foundational Learning Instructor Micro-Certifications for CALP staff and volunteers.
- We worked with the University of Alberta to provide another offering of the Aboriginal Teacher Education Program (ATEP) at Portage campuses starting in Fall 2022. This will be the fourth time the program will be offered at Portage College.
- Portage College was one of the post-secondary institutions selected to participate in the Global Skills Opportunity program, funded by the federal government and administered by Colleges and Institutes Canada. The program provides students with the opportunity to study and work overseas. The College received \$498,000 to cover travel expenses and study and work opportunities for students for the next four years. With travel restricted in 2021-2022 due to COVID-19, 106 Portage students took part in virtual learning experiences with institutions and organizations in Australia, Saint Kitts and Nevis, and the United States.
- We partnered with Athabasca University (AU) to offer five new pathways to earn a degree: Bachelor of General Arts, Bachelor of Arts with majors in English, Sociology, Psychology, Bachelor of Human Resources and Labour Relations, Bachelor of General Studies, and Bachelor of Science-General or Bachelor of Science-Major in Human Sciences. Portage now has 11 degree pathways with AU.

- We also worked with the University of Calgary to bring a Bachelor of Education degree to the region. Starting in Fall 2022, the partnership will allow students to undertake their studies in a format that can be completed almost entirely online. They will also take part in a two-week summer residency on-campus at the Werklund School of Education.
- Through targeted enrolment expansions funded by the Government of Alberta, the College received \$1.73 million to offer new Computer Sciences programming (through University Transfer) and expand our Community Social Work and Practical Nurse programs.
- We signed an MOU with National Advanced Placement & Prior Learning to provide advanced credit to current and former members of the Canadian Armed Forces.
- Vice President Student and College Services Bev Moghrabi was one of 10 recipients of the provincial Inspiration Award in June 2022. She was recognized in the Leadership in Sexual Violence category.
- In partnership with Lac La Biche County, we hosted the Lieutenant Governor of Alberta Arts Awards on June 10 and 11, 2022. Eleven emerging artists and three distinguished artists from across the province were recognized during the special weekend, which included two ceremonies, a gala dinner, an arts walk and other events in the community. This was the first time that one community has hosted both the Emerging Artists and Distinguished Artists awards in the same year.

Our students continued to impress as well, scoring highly on provincial exams and achieving provincial and national recognition for their work. They also gave back to their communities in a myriad of ways. A few are particularly worthy of mention:

- 100% of Practical Nurse students who wrote the Canadian Practical Nurse Registration Exam through the College of Licensed Practical Nurses of Alberta passed.
- Culinary Arts students and instructors cooked up more than 300 delicious meals of spaghetti bolognese – free of charge – for all Alberta Health Services workers in St. Paul on October 22, 2021.
- Second-year Community Social Work (CSW) students raised more than \$4,500 for shelters, food banks and humane societies in several communities as part of the community development project section of their program. CSW students also volunteers more than 25 hours to set up signs for the Cold Lake Food Bank’s Ride for Refuge fundraiser event. The annual fundraiser, which includes a five-kilometre walk and a 10-kilometre bike ride, raised more than \$7,300.
- Portage golfers brought home a lot of Alberta College Athletics Association (ACAC) hardware. The women’s team finished second to grab an ACAC silver medal while Delaney Ross was named ACAC Rookie of the Year and an all-conference athlete for finishing third overall. She also qualified for Canadian

College Athletic Association nationals. The Men’s team and the Mixed team also brought home ACAC bronze medals.

- The Portage College Voyageurs Men’s Futsal team qualified for the ACAC Futsal Championships March 26-27, 2022 in Edmonton and just missed being on the podium, losing 5-4 in overtime in the bronze medal game.

It is a tribute to our dedicated Board of Governors, faculty, staff and management as well as our determined students that Portage College has emerged from the pandemic tunnel into the light, stronger than ever. Portage College is, and will continue to be, a beacon of hope for our region, our province and our country. I am confident that the future is bright.

Sincerely yours,

[Original signed by]

Nancy Broadbent
President and CEO

EXECUTIVE COMMITTEE

July 1, 2021 – June 30, 2022

Nancy Broadbent
President and CEO

Dr. Donna Feledichuk
Interim Vice President Academic (Aug. 30, 2021 to Feb. 16, 2022)

Dr. Donna Feledichuk
Vice President Academic and Research (as of Feb. 16, 2022)

Bev Moghrabi
Vice President Student Services

Carrie Froehler
Vice President People, Planning and Public Relations

Cynthia Quintal
Chief Financial Officer



As part of their Community Development course, second-year Community Social Work students raised more than \$4,500 through projects they organized for various human service agencies in the spring. (L-R) Madison Gawryletz, Maya Howse and Kaitlynn Bulas organized a bake sale in support of the Lac La Biche Humane Society.

PUBLIC INTEREST DISCLOSURE (WHISTLEBLOWER PROTECTION) ACT

Under the *Public Interest Disclosure (Whistleblower Protection) Act*, public entities including post-secondary institutions are required to publish in their annual reports the number of disclosures received, acted or not acted upon, investigations started and any corrective actions taken. In 2021-2022, there were four disclosures received. The College acted on all four and conducted three investigations. Corrective actions were taken in three of the disclosures. No formal discipline was issued in any of the instances.

The College is committed to maintaining the highest ethical standard in all of its activities and to acting immediately on any reported wrongdoing. In addition, the College is committed to protecting all complainants for reporting a possible wrongdoing. Portage provides several options for anyone who wishes to report a possible wrongdoing, including a toll-free number, emails through Meyers Norris Penny (MNP), a text line, a fax line and a secure web-portal. Complainants have the option to remain anonymous.

2021-2022 REPORTS	
General Inquiries	0
Disclosures of Wrongdoing	4
Investigations	3
Reports Written	3

OPERATIONAL OVERVIEW

“Our three-year planning model and increasing non-government revenue streams are enabling us to offset the cuts and invest in improving the student experience for the first time in many years. In addition, we are confident that we will remain a key economic driver for the Northeast.”

— Portage College President and CEO Nancy Broadbent, after the February 24, 2022 provincial budget delivered an anticipated 3.5% Campus Alberta Grant reduction

As a small but connected post-secondary institution, Portage College has historically been able to respond relatively quickly to change, to find creative ways to address challenges, and to adapt to meet the programming needs of the students, the communities and the province it serves. From its inception in 1968 to the present day, the College has worked in tandem with communities to educate the workforce, to create more opportunities for disadvantaged learners, to innovate, and to generate economic development, whether those communities be students, businesses, municipalities, non-profit organizations or First Nations. The ongoing global pandemic and the economic offshoots of COVID-19 and world events once again put the College to the test in 2021-2022. Once again, while there were hurdles along the way, the College emerged a more streamlined institution, reaching a 20-year enrolment high and offering programming in more disciplines than ever before.

PANDEMIC POST-SECONDARY EDUCATION

As COVID-19 lingered into a third academic year in 2021-2022, Portage College had to continue to prepare for a variety of scenarios, from 100% online course delivery to face-to-face classes and labs with protocols in place (and being prepared to quickly pivot should health directives change). At the same time, the College had to also ensure necessary supports were in place, regardless of delivery method, and to do more with less, as Portage's Campus Alberta Grant was reduced by 4.2% for 2021-2022.

Despite the challenges, Portage employees and students were resilient. The Students Association and staff continued to arrange online activities and end-of-month socials to connect during a time of isolation, mental fatigue and financial struggles. With many employees working from home at least portions of each week, IT introduced a new phone system without desktop phones, allowing staff to answer calls from anywhere and saving the College more than \$30,000. IT also began working under a new three-year project plan, finalized in 2022. The PortageAlert app, launched a month before the onset of the pandemic, continued to be an invaluable tool for updating students and staff about the pandemic, safety protocols, programming changes and signing in and out of campus. More than 2,000 staff and students

signed on to the app during the past academic year. Coming back to classes for Fall 2022 was identified by some students as a top priority where others appreciated the flexibility of taking classes online. In response, the College began transforming a few select classrooms into HyFlex¹ ones as part of a pilot project.

Program areas also continued to find creative ways to reach more students where they live in a cost-effective manner, forming partnerships with other post-secondary institutions, communities and industry to provide online and training in communities throughout the region. A prime example is College's partnership with Cenovus Energy that for the second year in a row provided home construction and maintenance training opportunities for 17 members of six northeastern Alberta Indigenous communities. At the end of the 24-week Construction Trades and Readiness Program, students from Beaver Lake Cree Nation, Chard, Chipewyan Prairie First Nation, Conklin, Cold Lake First Nations and Heart Lake First Nation completed legacy builds in their respective communities, including gazebos, greenhouses and workshops. The Cenovus-funded program is part of the energy company's Indigenous Housing Initiative.

As was the case the previous two academic years, 2021-2022 concluded on a high note with Portage's third-annual virtual convocation, a live-streamed event attended by more than 350 people. Faculty were able to attend the ceremony in person, wearing convocation gowns for the first time in the College's history. Students attended online and were pre-mailed special gifts along with their caps so they could turn the tassel to officially mark their graduation. The College is planning for a face-to-face convocation ceremony next spring for the first time since 2019.

ECONOMIC RECOVERY AND INFLATION

Two years after being essentially on life support, enduring the triple whammy of an economic recession, a global pandemic and historically low natural resource prices, Alberta's economy recovered nicely in 2021-2022, mostly due to skyrocketing energy prices. Daily Western Canada Select (WCS) prices climbed to levels not seen since August 2008, peaking at \$110.96 USD a barrel on March 8, 2022. The average monthly WCS price climbed steadily throughout most of the academic year, starting at an average

¹ HyFlex is short for “Hybrid-Flexible,” where instructors are able to teach students face-to-face and online at the same time and record their classes for future online viewing.

of \$58.46 USD a barrel in July 2021 (already 82% higher than July 2020), dipping slightly to \$53.10 USD a barrel in December 2021, before finishing the year (June 2022) at \$101.17 USD a barrel. This was 198% higher than the June 2021 monthly price average.² WCS averaged \$93.82 USD per barrel in the second quarter of 2022, an encouraging sign for a sector hit hard by historically-low prices only two years before. However, “while prospects for the sector look good in the short term, there could be challenges in the near future related to labour shortages.”³

For the second consecutive year, as prices increased, so did the number of active drilling rigs, at least when compared to a similar time frame from the previous year. For instance, in the peak-drilling month of February 2022, there were 174 active drilling rigs in the province, up 55% from February 2021. Overall oil production in the province was on par with the previous year, however, peaking at 18,916.9 thousand cubic metres in October 2021 before finishing at 17,050.6 thousand cubic metres in June 2022, down 1% compared to June 2021 production.

Natural gas prices continued a three-year climb, from a low of \$0.55 CDN/GJ at the end of 2018-2019, reaching a high of \$6.53 CDN/GJ in June 2022. This represented a 135% increase from June 2021. Monthly production increased during the course of the academic year, peaking in March 2022 (9,393.5 million cubic metres), with a few declines in early fall 2021 and early winter 2022. June 2022’s production level of 8,954.7 cubic metres represented a 7% increase over June 2021.

Other industries also experienced significant increases in activity as the 2021-2022 academic year progressed and most COVID restrictions were lifted. Wholesale trade continued a two-year rebound from a six-year low of \$5.88 billion in May 2020 to a record high of \$8.94 billion in June 2022. From a 10-year low of \$4.54 billion in April 2020, manufacturing sales continued a meteoric rebound through most of 2021-2022, finishing the academic year 29% higher (\$9.29 billion) than June 2021 and 90% higher than June 2020. Retail trade continued a slow rise year over year, peaking at \$8.07 billion in May 2022. Restaurant sales finally recovered to pre-pandemic levels in March 2022 (\$854.5 million) and slowly increased the rest of the academic year. Labour shortages were an issue, however, with some restaurants not able to reopen at full capacity or on certain days due to lack of staff.⁴

Improving oil prices, the availability of vaccines and booster shots, and the elimination of almost all COVID-related restrictions on March 1, 2022 continued to help put more Albertans back to

work, particularly during the second quarter of 2022. By June 2022, the provincial unemployment rate was 4.9%, the lowest since January 2015 and a far cry from a peak of 15.8% only 24 months earlier. Some sectors of the economy continued to be particularly adversely affected by rising and falling numbers of COVID-19 cases and subsequent government-mandated restrictions during certain times of the year, most notably the accommodation, food and fitness sectors.

The scale of the province’s economic recovery from 2020 low energy prices and the pandemic is reflected in the number of Alberta residents collecting Employment Insurance (EI). In July 2021, there were 184,850 EI recipients. By June 2022, that number had decreased 274% to 49,390. Notably, the figure is closer to the pre-pandemic monthly average.

The surge in energy prices and more Albertans returning to work were a boon for provincial coffers. During a fiscal update in June 2021, the provincial government announced a deficit of \$16.9 billion. Nine months later, at the end of the 2021-2022 financial year, the province posted a \$3.9 billion surplus. “This was largely due to a record \$16.2 billion in resource revenues. As oil prices climbed throughout the year and topped US\$100 a barrel following the February invasion of Ukraine by Russia, Alberta’s royalty revenues surged to an all-time record.”⁵

The news was not all good, however. Just like energy prices, inflation surged in the first half of 2022. The Consumer Price Index (CPI) reached 8.1% nationally and 8.4% provincially by June. This was 4.7% higher than in July 2021. To help alleviate the impact on consumer pocket books, the Government of Alberta announced on April 1, 2022 that it was suspending the collection of the provincial 13 cent-per-litre gas tax as long as the benchmark WTI price remained above \$90 USD a barrel. The government also announced \$150 electricity rebates for families, farms and small businesses, retroactive to the beginning of 2022.

With inflation steadily climbing, the Bank of Canada increased its overnight rate three times in the second quarter of 2022 to try and reign it in. After maintaining a rate of 0.25% for two years, the Bank increased the overnight rate by 25 basis points on March 2, 50 basis points on April 13, and another 50 basis points on June 1. “Almost 70% of CPI categories now show inflation above 3%,” noted the Bank in a June 1, 2022 press release. “The risk of elevated inflation becoming entrenched has risen. The Bank will use its monetary policy tools to return inflation to target and keep inflation expectations well anchored.”⁶

² Most numbers obtained from the Alberta Economic Dashboard – Oil Prices. Other industry figures also gleaned from dashboards on the same site.

³ *Labour Market Bulletin Alberta June 2022*, Labour Market Information (LMI) Directorate, Service Canada, Alberta, p. 5.

⁴ As noted in the *Labour Market Bulletin Alberta August 2021*, the Wood Buffalo-Cold Lake region’s labour market remained tight, so much so “that a recent survey determined about a third of business in Wood Buffalo are struggling to recruit new staff. The highest position vacancy rate was in the food and accommodation services, where nearly one in five positions need to be filled.” (p.6) The picture was similar in the Portage Service Region (part of the WBCL region), where several restaurants and other hospitality businesses never reopened after the loosening of COVID restrictions.

⁵ *Labour Market Bulletin Alberta June 2022*, Labour Market Information (LMI) Directorate, Service Canada, Alberta, p. 1.

⁶ “Bank of Canada increases policy interest rate by 50 basis points, continues quantitative tightening,” Bank of Canada, p. 1.



The College and invited guests officially opened the Waniskah Room at the Lac La Biche campus on March 18, 2022. Waniskah means “arise, wake up and rise.” The name was chosen to reflect the waking up to ways of change and Indigenous Ways of Knowing. The cultural space serves as a concrete and spiritual centerpiece for students, staff and community.

The ongoing issue of getting Alberta crude to market through pipelines remained front and centre in 2021-2022. Throughout the academic year, pipeline projects remained stalled, either because of delayed regulatory approval or because of a lack of corporate investment, hampering the longer-term Alberta economy. In September 2019, the province instigated a constitutional challenge to the federal government’s *Impact Assessment Act* on the grounds that it interfered with matters exclusively within provincial jurisdiction. On May 10, 2022, the Alberta Court of Appeal sided with the province in a 4-1 majority but non-binding decision. The federal government subsequently announced that it had appealed the ruling to the Supreme Court.

The Wood Buffalo-Cold Lake Region (which encompasses much of the Portage Service Region) continued to be particularly impacted by the ebbs and flows of the oil-and-gas-related economy. There are many contractors, suppliers, and service providers in the region whose livelihood is largely dependent on the oil and gas industry. The region’s unemployment rate trend line essentially mirrored the province’s, finishing the academic year (second quarter of the calendar year) at 5.5%, down 1.1% from June 2021 and 6.4% from June 2020. In the Portage Service Region, employment levels dropped for the second consecutive year, with 170 fewer jobs in the region in 2022 compared to 2021 (and 266 fewer than in 2020).⁷ By sector, the largest decrease was in transport and heavy equipment operations and related maintenance occupations (-58) while the largest increase was in professional occupations in law and social, community and government services (+33). Few businesses expanded their operations while several closed their doors or downsized. 41% of businesses who responded to the College’s 2022 Employer Survey indicated that the pandemic had negatively impacted their business, with 10%

indicating that business had decreased by more than 50% compared to pre-pandemic levels.

Despite the challenges of operating during a global pandemic, government cutbacks and rising costs, Portage College had a near-record fiscal year. After two years of decreasing enrolments, the College reversed the trend in a big way, recording 1,168 full-load equivalents in 2021-2022. This was 293 higher than the previous academic year and 256 higher than budgeted. The FLE total was the highest recorded in 20 years. Major contributors to the FLE increase were the Educational Assistant (103% year-over-year increase) and Early Learning & Child Care (63% year-over-year increase) programs. Tuition and fee revenue was \$1,077,000 higher than originally budgeted.

The College provides continuing education, ad-hoc training, dual credit, certificate, diploma, and degree opportunities to approximately 3,000 students per year. Objectives remain to increase program attractiveness, provide small cohort delivery, design multiple entry and exit opportunities to improve long-term program viability and opportunities for part-time learners. As noted in greater detail in the “Regional Stewardship” section of the Annual Report, the College increased the number of opportunities available to students, including signing MOUs with Athabasca University, the University of Alberta and the University of Calgary to offer new degree pathways, and signing more dual credit MOUs with regional schools boards than ever before. Portage continues to keep its programs affordable for students while increasing tuition where permitted. Due to government cutbacks and the unpredictability of energy prices, it is the College’s position to institute the maximum tuition increase permitted by the government to help ensure the long-term financial sustainability

⁷ The numbers are generated using Emsi Analyst, factoring in subdivisions which include the Portage Service Region (which encompasses Lac La Biche County, the M.D. of Bonnyville, the City of Cold Lake, the towns of St. Paul and Bonnyville, the County of St. Paul, the Village of Boyle, and Indigenous communities in northeastern Alberta).

of the institution, while still maintaining tuition rates and fees that are comparable to other post-secondaries in the province and sheltering vulnerable programs.

Graduates continued to find employment, with 87% of the Class of 2020-2021 working six months after convocation (81% in training-related jobs). This is 7% higher than the previous academic year, despite graduates being surveyed during increased pandemic restrictions. Reflecting the increasing importance of academic credentials for many jobs, 35% indicated they were pursuing further education. This is the seventh consecutive survey where the percentage continuing in post-secondary education has exceeded 30.

A business community hit hard by the pandemic continued to make it difficult for Portage to find industry partners, sponsors and individual donors for programs and scholarships. The pandemic in particular had a huge effect on the College's fundraising efforts. Three years ago, Portage posted a record fundraising net profit of \$185,418.56. In 2020-2021, gross fundraising revenues totaled \$990. With a loosening of restrictions during the latter part of the academic year, gross revenues rebounded in 2021-2022 (\$32,372), but were still well below pre-pandemic fundraising totals. This is partly due to the cancellation of the annual Student Scholarship Fundraising Dinner, historically the most significant annual fundraising event on the College calendar.⁸ As a result, Portage changed its fundraising focus in 2020 – and maintained it in 2021-2022 – to supporting programs, particularly honing in on developing experiential learning opportunities for students. An example is a College and Institutes Canada (CICan) program aimed at providing domestic students – particularly those in remote communities – with the opportunity to travel abroad as part of their programs. The College secured a \$498,000 grant through CICan's Global Skills Opportunity program in 2021, which will fund program-related international travels for the next four academic years. Due to COVID-related travel restrictions, Portage students were offered virtual experiences in 2021-2022, which included courses in photography, wildlife chemical capture, international cuisine, marketing, and social work. The College partnered with institutions and organizations in Australia, Saint Kitts and Nevis, and the United States to provide curriculum-related opportunities to 106 students.

FISCAL SITUATION

Despite a 4.2% decrease in the Campus Alberta Grant and the continued challenges presented by an ongoing global pandemic, the College finished the 2021-2022 fiscal year with an operating surplus of \$2.81 million. The surplus was mostly due to significantly higher-than-budgeted enrolment (particularly as highlighted earlier in the Early Learning & Child Care and Educational Assistant programs) and contract revenue, continued cost-containment efforts in supplies and wages, attrition in vacant positions, travel restrictions, and prudent financial management.

Portage employees continued to exercise considerable restraint and understanding during the fiscal year. The measures were necessary due to the 4.2% cut in the Campus Alberta grant with a further 3.5% reduction in 2022-2023. Since 2019-2020 (including 2022-2023), the College's provincial funding has been reduced by 16.0% (\$3,595 million). The introduction of performance metrics tied to funding through Investment Management Agreements further emphasize the importance of austerity measures and focusing on what is essential for student success. For 2021-2022, Government of Alberta grants were \$889,000 less than originally budgeted for but were offset by \$1.077 million more in tuition and \$1,590 million more in contract training and international student revenues. The College has continued to submit balanced budgets despite inflation, recent government cuts, and cumulative funding reductions prior to 2015-2016. As per government directive in 2020, the College also submitted a three-year plan to reduce spending by \$3.3 million. Portage continues to collaborate with other post-secondary institutions, communities, and industries to pool resources and find cost-effective ways to deliver new and quality programming, maintain facilities and update critical IT infrastructure.

Having weathered the year-after-year reductions in grant funding, the College is now in a position to reinvest, especially in one-time costs. It is imperative that the College remain fiscally prudent. Partnerships with industry, high schools, post-secondary institutions, various levels of government, Indigenous communities and municipalities remain critical to the College's success.

With infrastructure dollars at a premium for post-secondary institutions, the College has had to seek government grants and provide matching funds or largely self-fund major projects in order to continue to offer new programs required by employers and communities. In the past the self-funding of significant capital projects led to a dangerously low level of reserve funds. As revenues increased and costs were contained, Portage took the proactive step to move \$1 million of the \$2.146 million 2018-2019 operating surplus to restricted net assets but did not add any funds to the internally restricted surplus for the subsequent two academic years. In 2021-2022, the College was able to add \$850,000, bringing the total to \$3.817 million. It is important to note that this fund covers not only contingency funding, but also funding for potential capital and ERP-related projects.

STUDENT FOUNDATIONAL LEARNING FUNDING

Adult Foundation Learning grant funding remains critical in Portage College's ability to enable access to education for marginalized populations and at-risk learners. After a successful pilot in 2017-2018 of a new delivery structure, the grant was increased in 2018-2019, to allow more access for students. In 2021-2022, the College's Foundational Learner Grant totaled \$776,364, \$396,146 less than the previous academic year. However, \$596,520 was carried

⁸ The dinner is back on the College's calendar for 2022-2023.

forward from 2020-2021, so the College actually had \$1,372,884 available. Of that total, \$653,816 was allocated for Integrated Pathways training in Saddle Lake Cree Nation, Frog Lake First Nation and Cold Lake First Nations. Policy changes from Advanced Education have been very helpful in increasing numbers, including allowing students living on First Nations to apply, permitting students to apply for funding straight out of high school (instead of having to wait a year), increasing the number of months of training from 30 to 50, and including pre-apprenticeship and Pathways to Employment programs in the funding envelope. Portage greatly appreciates Advanced Education's willingness to address issues and concerns and to help streamline the process and increase access for learners by removing barriers.

INFRASTRUCTURE MAINTENANCE CHALLENGES

While developing capital projects are critical for program and community development, it is equally important that Portage College effectively utilize and sustain existing infrastructure. Information technology (IT) maintenance is not part of Infrastructure planning and funding, which presents a challenge for the College. *Building Forward – Alberta's 20-Year Strategic Capital Plan*, released in December 2021, notes the importance of technology and virtual learning in future post-secondary education delivery, particularly for rural and Indigenous communities. "Realizing the benefits of virtual learning, however, will require investments in broadband and connectivity infrastructure. It will be imperative that this type of infrastructure is supported."⁹ The College applauds the assertion and remains hopeful that consideration of the significance of IT is factored into infrastructure planning and funding. The College has a three-year strategic plan which includes a schedule of ITS projects through 2025. Focal areas include the importance of continuing ITS improvement activities, making a decision with regard to the College's ageing ERP system, setting expectations for a dramatically-shifting ITS cost structure, and providing guidance on the nature of collaborative agreements that deliver the most value from an ITS perspective. In 2021-22 the College continued to partner with other post-secondary institutions to identify opportunities for IT collaboration and strategic planning and worked closely with the provincial ShareIT Advisory Committee. The College also set aside some funding in the 2022-2023 budget for its ERP system. A student portal initiative was put on hold until Fall 2023 due to an ongoing review of the system. Regardless of the outcome of the review, it is clear that it is only through collaboration that Portage will be able to pursue a student portal as an independent solution is not feasible nor sustainable.

The College continues to deal with more than \$20 million in deferred maintenance projects but has traditionally received only a fraction of that total, making it difficult to undertake essential upgrades. The situation has been exacerbated by Portage having

to self-fund or find matching grants to fund a number of major capital projects during the past few years. After being suspended in 2019-2020, the restoration of the Infrastructure Maintenance Program (IMP) grant funding was a welcome development in 2020-2021. In 2021-2022, it was increased from \$1.2 million to \$1.495 million. The small increase allowed the College to fund a few small maintenance and upgrading projects during the academic year. The grant will be reduced to \$1.207 million in 2022-2023. The College still needs to address some critical infrastructure deficits, particularly at our ageing Lac La Biche Campus, that IMP grants alone will not help address. Portage continued to work throughout the year to build net asset funds for long-term asset management. It is critical to work with government and community partners to plan, finance, and develop infrastructure effectively and consider how IT fits as part of infrastructure renewal planning.

Another challenge continues to be leased space. To effectively utilize and create cost-effective and sustainable infrastructure solutions, leasing in communities is an option. Portage currently leases space at Frog Lake First Nation. The main issue is a lack of control of basic building services such as cleaning, room temperature, ventilation and lighting maintenance. These are not always timely, when compared to owned facilities. As the College plans its future sustainable infrastructure footprint for community programming, there needs to be some discussion about collaborative space use and lights on money for leased space to address facility operation issues while avoiding long-term deferred maintained on owned space.

INDIGENOUS STUDENTS

Indigenous engagement for the region was recently in decline in most program areas, traceable to federal and provincial funding policy changes. Increases in Adult Foundational Learning grants in the last few years and changes in how they are administered have been encouraging and have helped to slow and, in some cases, stop the decline. However, there is still a need for consistent and reliable funding for such grants. Adequate funding would see another 800-1,000 students return to full-time learning and subsequent employment. This is why the College continues to endorse the Alberta Colleges Economic Recovery Task Force recommendation that colleges "work with Indigenous leaders, the Government of Canada and the new Alberta Indigenous Opportunities Corporation to design a student funding model that increases participation and success."¹⁰

During the past few years, the College has tried to access federal and provincial funding for programming for Indigenous people and in Indigenous communities. In many cases, the grants are the responsibility of several ministries, rendering it difficult and complex to obtain funding and offer programming in the communities we serve. This is particularly true of Continuing Education programming.

⁹ *Building Forward – Alberta's 20-Year Strategic Capital Plan*, Government of Alberta, December 2021, p. 81.

¹⁰ *Alberta Colleges Economic Recovery Task Force – Final Recommendations*, October 2020, p. 5. Portage is a member of the task force.

AUDITOR GENERAL RECOMMENDATION

The Office of the Auditor General (OAG) issued an unqualified opinion for the College's audited financial statements for the year ended June 30, 2022. In addition, the OAG awarded Portage two "green lights"¹¹ citing the College for timeliness and accuracy of financial statements as part of an audit of the 2021 financial statements. The OAG reiterated a recommendation to Portage and several other post-secondaries to implement processes for testing and monitoring "the effectiveness of internal controls to ensure key risks are mitigated"¹² as part of the 2019 audit. The project was subsequently completed in June 2022, putting the College in full compliance with the recommendation.

LEGISLATIVE COMPLIANCE, GUIDELINES, PROCEDURES AND THE INVESTMENT MANAGEMENT AGREEMENT

The College continued to dedicate considerable management, staff and faculty time and resources to develop and maintain a legislative compliance framework and a legislative and enterprise risk registry in 2021-2022, even during an ongoing global pandemic. The College's Strategic Investment Committee, created in 2019 to provide oversight of IT and enterprise-level projects, continued to assess proposed capital and operational projects as well as streamlining processes for project vetting. Committee members also completed project management and governance training. Furthermore, the College also approved, updated, and implemented numerous guidelines and procedures including:

- International Travel
- Fitness to Practice (student placements)
- Employee Training and Development
- Working from Home
- Employee Recognition and Years of Service
- Board of Governors Bylaws
- Records Management Guideline

Delaying the Investment Management Agreement (IMA) between the College and Advanced Education until 2021 and then only requiring only one measure in the 2022 IMA (work-integrated learning) allowed Portage to focus on providing a quality education experience for students and on long-term planning despite the restrictions imposed by the ongoing pandemic. The College appreciates the government's flexibility during challenging times.

GOALS, PRIORITY INITIATIVES, EXPECTED OUTCOMES AND PERFORMANCE MEASURES

In June 2020, the Portage College Board of Governors approved a new mission, vision, set of values and strategic goals, after a year-long review. The process included establishing a strategic review committee, and extensive consultations with staff, students and the communities that the College serves. During the course of the 2020-2021 academic year, the College was able to develop the supporting strategies and performance measures, with the Board of Governors approving *Strategy 2025* at the end of the academic year. 2021-2022 was therefore the first year that Portage was officially operating under the new strategic plan.

STRATEGY 2025 GOALS

1. Improving Graduate Success
2. Increasing Efficiency
3. Increasing Partnerships

The following section outlines the results of the projects and initiatives undertaken to try to meet the strategic goals outlined above.

INVESTMENT MANAGEMENT AGREEMENT

For the 2021-2022 academic year, Portage College signed a one-year Investment Management Agreement (IMA) with the provincial government, tying 5% of its total operating and program support grant to performance. The performance metric was: "the proportion of approved programs at Portage College that have a Work Integrated Learning component." The target was 65%, with a tolerance threshold of 2.5%. The College subsequently signed a new three-year IMA, with 15% tied to at-risk funding. The performance metrics are: work-integrated learning (2022-2023 target of 78% with a tolerance threshold of 2.5%), total domestic enrolments (2022-2023 target of 950 FLE with a tolerance threshold of 48) and graduate outcomes (2022-2023 target of 92% of graduates employed two years after completing their program, with a tolerance threshold of 10%). The transparency metric is Indigenous student enrolment by school year (with a 2022-2023 target of 379).

¹¹ A "green light" indicates that the Auditor General has not "identified significant weaknesses in the institution's control environment." *Report of the Auditor General – March 2021*, p.3.

¹² *Ibid*, p.12.

GOAL: IMPROVING GRADUATE SUCCESS

STRATEGY	PERFORMANCE MEASURE TARGET	PROGRESS MADE IN 2021-2022
Maintaining and improving student satisfaction and retention	90% average satisfaction of graduates	<ul style="list-style-type: none"> 87% of responding Class of 2020-2021 satisfied with their overall experience at Portage College.
	Student portal available for application, marks and credential badging	<ul style="list-style-type: none"> Initiative was placed on hold until Fall 2023 due to ongoing review of the system. While the College is continuing to monitor provincial trends on ERPs and is open to partnering with other post-secondary institutions, the decision was made to stay with Portage's existing on-site ERP for the next two years due to the exorbitant costs of switching to a cloud-based option. Deans Council and Strategic Investment Committee explored possibility of using MyCreds, "recognized as the official platform for document and credential verification."¹³ Senior managers took in demonstration of the product but delayed purchase until it could be determined what other post-secondary institutions were doing and how MyCreds would fit with APAS.
	20% improvement in retention rates	<ul style="list-style-type: none"> 2021-2022 retention rate: 84%, down 1% from previous academic year.
	15% of rooms converted to flexible learning options for students	<ul style="list-style-type: none"> IT setup several rooms in Cold Lake, Lac La Biche and St. Paul as part of a HyFlex classroom pilot project, which was conducted during the 2021-2022 academic year. This included video-conference/HyFlex, MS Teams meetings rooms and three new HyFlex classrooms (one at each campus listed above) enabled for Teams classrooms. Grants to support the transition were used to replace existing equipment, which in some cases was 15 years old. This has limited the College's ability to add more HyFlex classrooms, although one was set up at Goodfish Lake and plans were put in place to transform a classroom in Frog Lake First Nation into HyFlex.

¹³ From MyCreds website (mycreds.ca).

GOAL: IMPROVING GRADUATE SUCCESS (CONT.)

STRATEGY	PERFORMANCE MEASURE TARGET	PROGRESS MADE IN 2021-2022
Increasing experiential learning	80% of credit programs have work-integrated learning	<ul style="list-style-type: none"> In 2021-2022, the following programs had a work-integrated learning component: 3rd and 4th Class Power Engineering, Aboriginal Art, Advanced Care Paramedic, Apprenticeship Electrician, Apprenticeship Welder, Artisan Entrepreneurship, Barber, Community Social Work, Culinary Arts, Early Learning & Child Care, Educational Assistant, Emergency Medical Responder, Hairstyling, Pathways to Employment, Practical Nursing, Pre-Employment Cooking, Primary Care Paramedic, Professional Cooking, Natural Resources Technology, and Office Administration. This represents 75% of credit programs that are factored into Work-Integrated-Learning calculations offered in the academic year.
	15% of students participating in service learning	<ul style="list-style-type: none"> Initiative delayed due to the pandemic. Executive will discuss this further in the coming year and the College will make a concerted effort to promote and increase student awareness of service learning.
Meeting labour market needs in our region	80% employment rate in a related job	<ul style="list-style-type: none"> As per the College's latest graduate survey (conducted between December 8, 2021 and February 28, 2022), 84% of 2020-2021 graduates are working in training-related jobs. The percentage includes all credit programs except Academic Upgrading, University Transfer and Open Studies.
	At least five micro-credentials will be developed and delivered	<ul style="list-style-type: none"> Maintained Micro-credential Working Group Offered four micro-credentials during 2021-2022: Support Care Assistant, Foundational Learning Instructor – Literacy, Foundational Learning Instructor – Numeracy, Autoclaved Aerated Concrete.
	Majority of College programs aimed at areas identified in labour market studies	<ul style="list-style-type: none"> Portage remained a partner in the Council of Post-Secondary Presidents of Alberta Talent Development Task Force, working in conjunction with the Alberta Chambers of Commerce. The task force was established in the spring of 2021. The goals are to enable development of a strong culture of direct engagement, alignment and coordination between Alberta post-secondary institutions and the business community, as well as to expand work-integrated learning opportunities for students. As noted in the Task Force's Key Message Framework, the 10-year vision "is to ensure Alberta's post-secondary system is informed by the most accurate Labour Market Information (LMI) in North America."¹⁴ The task force has secured funding for three years from Prairies Canada, Alberta Labour and Immigration and Mitacs.

¹⁴ ACC-APSN Talent Development Task Force Key Message Framework & Task Force Project Background, p. 1.

GOAL: IMPROVING GRADUATE SUCCESS (CONT.)

STRATEGY	PERFORMANCE MEASURE TARGET	PROGRESS MADE IN 2021-2022
Incorporating Indigenous Ways of Knowing in programs and services	Protocols for engagement completed	<ul style="list-style-type: none"> • Protocols were completed in 2021-22 and were presented to the President’s Indigenous Advisory Committee. • Officially adopted a renewed land recognition statement. • Started offering Ally Training, led by the College’s Cultural and Community Facilitator. Non-Indigenous staff who are open and willing to listen and ask questions are trained on protocols and engagement sensitivities to help bring awareness of Indigenous issues to others. • First started in 2019, the College continued producing traditional tobacco for ceremonies and gifts, instead of buying it. The tobacco is grown, mixed and prayerfully prepared by the College’s Cultural and Community Facilitator following traditional ceremonial methods.
	Quality assurance processes help track progress	<ul style="list-style-type: none"> • Maintained and updated 10-Year Program Quality Assurance Plan, which includes program health check, first year reviews and program audit schedule. In 2021-2022, in conjunction with program areas, the Program Policy and Program Review Committee completed three health checks, one first year review, eight audits, two accreditations and implementation planning for six programs. • Indigenous Ways of Knowing now tracked in health check process and new program design.
	All programs and services incorporate listening circles and other restorative practices	<ul style="list-style-type: none"> • Kairos Blanket Exercise now part of Advanced Care Paramedic, Emergency Medical Responder and Primary Care Paramedic curriculum. • Indigenous ways of teaching and learning have been added as learning objectives to programs such as Early Learning & Child Care, Educational Assistant and Natural Resources Technology. • Introductory Cree Language course (CREE 101) now part of University Transfer course offerings. • Apprenticeship Trades and Business programs will work towards this goal in 2022-2023. This was an area that was specifically identified as an area of growth in the Business programs audit.

GOAL: IMPROVING GRADUATE SUCCESS (CONT.)

STRATEGY	PERFORMANCE MEASURE TARGET	PROGRESS MADE IN 2021-2022
<p>Incorporating Indigenous Ways of Knowing in programs and services (cont.)</p>	<p>Increased ceremony, services and use of traditional languages to raise appreciation for First Nation, Métis and Inuit history and culture</p>	<ul style="list-style-type: none"> • Opened Waniskah Room at the Lac La Biche Campus, providing space for smudging, training, cultural celebrations and contemplative learning and healing. Waniskah means “arise, wake up and rise” in Cree. In addition to a gathering space, the room features original Indigenous art and a tipi. • Hosted a Sunrise Ceremony (live and broadcasted) to mark National Day for Truth and Reconciliation on September 30. The event was streamed live on Portage’s Facebook page. The College also created a webpage with learning resources about Indigenous history in Canada, the ongoing consequences of residential schools and Indigenous cultural practices. • Hosted a series of virtual events as part of annual Métis Week celebrations in November including a flag-raising ceremony, a virtual jamboree, and several live lectures and discussions with elders and scholars. Also provided links to reading and video resources celebrating Métis culture. Staff and students also wore their moccasins and stood together as part of the worldwide “Rock Your Moccs” campaign. • Hosted 18th annual – and 2nd annual virtual version – Round Dance on March 18, 2022. Viewers tuned in from as far away as California on YouTube and Vimeo to partake in the festivities. • Initiated Project of Hope, inviting students, staff and visitors to the College to write down a personal commitment to truth and reconciliation and place it in a locked box, with commitments to be shared 12 months later. • Developed Project of Heart, a hands-on, artistic journey focusing on truth and reconciliation and honouring those lost or harmed. Students will create tiles for commemorative legacy exhibits at Portage College campuses in 2022-2023. The initiative is being funded by Canadian Natural Resources Limited. • Maintained Virtual Elders & Mentorship Facebook page, providing students and staff access to educational support and wisdom of elders and mentors in relational, cultural, and spiritual aspects of learning.

GOAL: IMPROVING GRADUATE SUCCESS (CONT.)

STRATEGY	PERFORMANCE MEASURE TARGET	PROGRESS MADE IN 2021-2022
Incorporating Indigenous Ways of Knowing in programs and services (cont.)	Increased ceremony, services and use of traditional languages to raise appreciation for First Nation, Métis and Inuit history and culture (cont.)	<ul style="list-style-type: none"> Observed National Day of Awareness on May 5, hanging red dresses around Portage campuses to draw attention to missing and murdered Indigenous women and girls. To bring further attention to the issue, staff and students created faceless dolls to create awareness about the faceless victims of crime and painted rocks in memory of victims. Partnered with the Hope Haven Women’s Shelter in Lac La Biche to host a Missing, Murdered Indigenous Women and Girls conference. In conjunction with Lieutenant Governor of Alberta Arts Awards, increased frequency of tours of the Portage College Museum of Aboriginal Peoples’ Art and Artifacts and hosted a blanket ceremony for the distinguished artists.

GOAL: INCREASING EFFICIENCY

STRATEGY	PERFORMANCE MEASURE TARGET	PROGRESS MADE IN 2021-2022
Leveraging shared services	Reduce non-academic service costs by 5%	<ul style="list-style-type: none"> In 2021-2022, non-academic service costs were reduced by \$292,000 or 7%. Institutional support was 11.15% of total spending.
	100% of internal control framework implemented	<ul style="list-style-type: none"> The College continued to work on developing and implementing an internal control framework, as per a Dec. 7, 2019 recommendation from the Office of the Auditor General. The project was not completed by the time the OAG released its February 2022 report on post-secondary institutions. Testing continued throughout the spring, however, and the project was completed in June 2022. The College is now in full compliance with the OAG’s recommendation to implement processes for testing and monitoring the effectiveness of internal controls.
Establishing priorities for capital and project investments	Strategic “friendraising” and fundraising plan in place and operational	<ul style="list-style-type: none"> Continued to work on development plans.
	The College has a balanced budget and contributes 1% per year into reserves	<ul style="list-style-type: none"> The College finished the academic year with a \$2.68 million surplus and transferred \$1.75 million to endowments and restricted assets.

GOAL: INCREASING EFFICIENCY (CONT.)

STRATEGY	PERFORMANCE MEASURE TARGET	PROGRESS MADE IN 2021-2022
Maximizing student enrolment in existing programs	75% fill rate	<ul style="list-style-type: none"> 2021-22 fill rate: 58% (not including Academic Upgrading, Open Studies and University Transfer programming).
	950 credit FLEs	<ul style="list-style-type: none"> 2021-2022 FLE count: 1,168,. This is 293 higher than 2020-2021 and 256 higher than originally budgeted.
	60% Indigenous enrolment	<ul style="list-style-type: none"> 2021-2022 self-identified Indigenous enrolment in for-credit programs: 34%. Actual headcount increased by 42 (508 to 550) from previous academic year. Some of the increase is expected to come from moving the non-credit Pathways and Career Exploration and Job Readiness programs into credit programs. These programs have traditionally been offered in partnership with First Nations in the College's service region.
	15% increase in international enrolment FLE	<ul style="list-style-type: none"> 2020-2021 International Student FLE: 1,784. 2021-2022 International Student FLE: 228,381. This massive increase is due to: <ul style="list-style-type: none"> A partnership with CodeCore College in British Columbia, allowing CodeCore to offer Portage's Business Administration program. Most of CodeCore's students are from outside of Canada. The FLE total is likely to decrease significantly in 2022-2023 as the College will no longer be allowed to factor most CodeCore students in its FLE total. The College putting more resources into international recruitment to ensure it is in control of the messaging to international students.
	New brand platform approved in 2021-2022	<ul style="list-style-type: none"> Conducted extensive research on media usage, marketing position analysis and implemented recommendations from consultant on market and brand positioning. Conducted community, employee and student consultations (mostly online) and established a focus group of employees to finalize brand promise ("It's About You"), brand positioning, brand personality, creative platform, brand pillars and foundation/key differentiators. Brand platform was approved by Executive a few months after target date, in September 2022.
Strategic marketing plan launched in 2023-2024	<ul style="list-style-type: none"> Brand platform was completed in 2021-2022, the first step in helping to shape the strategic marketing strategy and subsequent plan. 	

GOAL: INCREASING EFFICIENCY (CONT.)

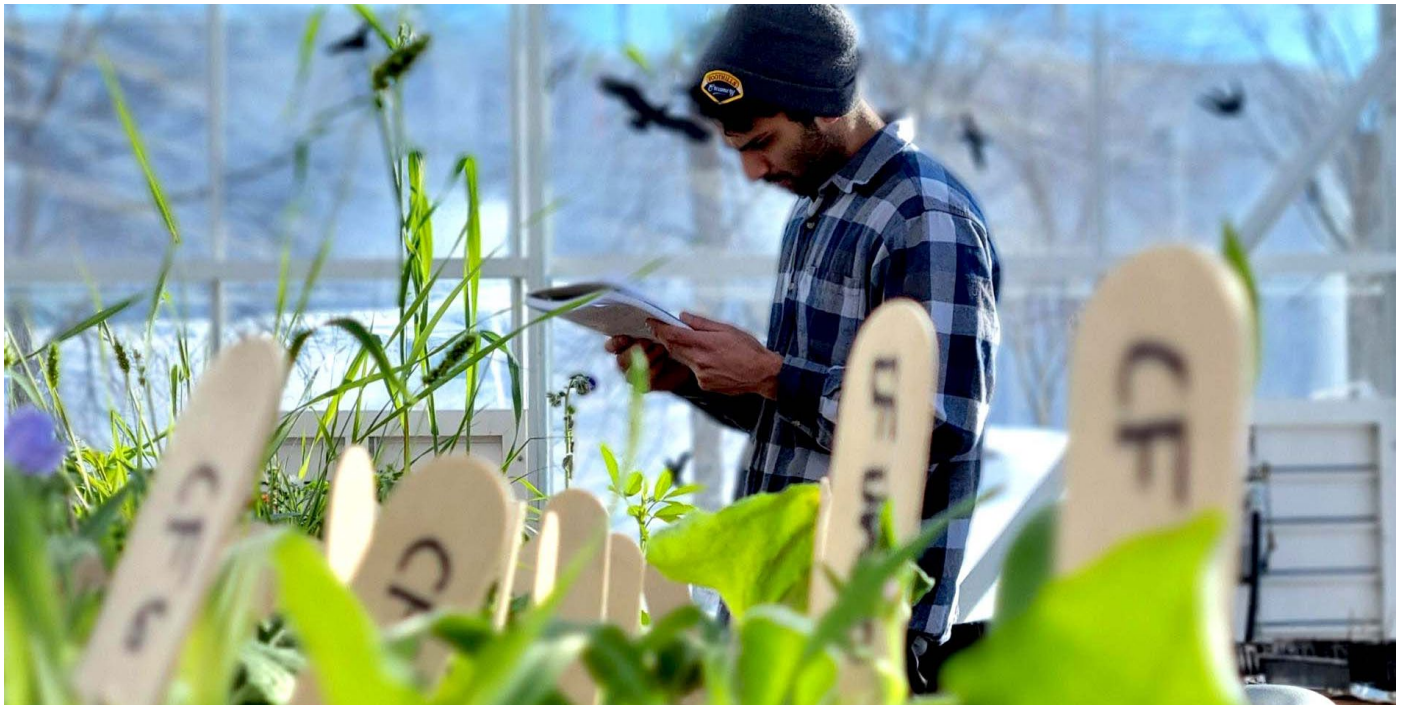
STRATEGY	PERFORMANCE MEASURE TARGET	PROGRESS MADE IN 2021-2022
Automating manual high touch processes	20% improvement in costs when a process is automated	<ul style="list-style-type: none"> Completed Visa Automation process, allowing cardholders to electronically code and access statements on a monthly basis. The new process allowed the Finance department to eliminate a 0.5 FTE position, saving the College \$34,000.
	Continue to have a red tape reduction idea process	<ul style="list-style-type: none"> Maintained SharePoint site for employees to share red-tape reduction ideas throughout the year. Executive continued to meet monthly (minus the president) to review any red tape submissions and plan accordingly.
Increasing earned revenue	10% improvement in earned revenue	<ul style="list-style-type: none"> Earned revenue increased by 33% in 2021-2022 from 2020-2021 levels. Tuition, contract and investment earnings increased by \$3.515 million, due to increased enrolments (particularly international students) and contract training.
	The College has at least one sponsored research program per year <i>(For more details, please refer to the Research, Applied Research, and Scholarly Activities section of the Annual Report)</i>	<ul style="list-style-type: none"> Continuing research projects in 2021-2022: <ul style="list-style-type: none"> Feasibility of terrestrial lichen transplantation and seeding technology for woodland caribou habitat restoration. Working in conjunction with NAIT, the three-year project is funded by the Alberta Regional Caribou Knowledge Partnership. Preliminary findings were shared during a May 2022 webinar. Social Work in health and senior care in rural Alberta. Working in conjunction with Northern Lakes College and the Rural Development Network, the project is being funded by Mitacs and FCSS in Lac La Biche. Projects seeking Natural Sciences and Engineering Research Council (NSERC) funding that were not approved in 2021-2022: <ul style="list-style-type: none"> Effective remediation and reclamation in the Northwest Territories. Partners included post-secondary institutions, Indigenous communities and industry A circular approach to adding value to Kraft Pulp industry by-products. Partners included NAIT and Collège La Cité. Boreal wetland restoration through applied research, community engagement, technology transfer, and student/HQP training. Partners included NAIT, Northwestern Polytechnic and Ducks Unlimited.
Reduce administrative costs	Less than 12% of budget spent on administration	<ul style="list-style-type: none"> 11.15% of 2021-2022 budget spent on administration (institutional support). This is the second consecutive year that the College has reported this percentage.

GOAL: INCREASING PARTNERSHIPS

STRATEGY	PERFORMANCE MEASURE TARGET	PROGRESS MADE IN 2021-2022
<p>Shared program development delivery as a priority choice for all new programs</p>	<p>At least three new shared program development and delivery projects completed</p>	<ul style="list-style-type: none"> • Partnered with Athabasca University to offer five new degree pathways, starting in Spring/Fall 2022: <ul style="list-style-type: none"> – Bachelor of General Arts (3 years) with concentrations in English, Psychology, Sociology – Bachelor of Arts (4 years) with majors in English, Sociology, Psychology – Bachelor of Human Resources and Labour Relations (3 years) – Bachelor of General Studies (3 years) in Arts and Science or Applied Studies designation – Bachelor of Science – General or Bachelor of Science – Major in Human Services (4 years) • Partnered with the University of Calgary to offer four-year Bachelor of Education degree starting in Fall 2022. • Partnered with the University of Alberta to offer the Aboriginal Teacher Education Program, starting Fall 2022. This is the fourth time the program has been offered at Portage College. • Signed a Memorandum of Understanding with National Advanced Placement & Prior Learning to provide advanced credit to current and former members of the Canadian Armed Forces, based on their military training and experience. The program provides current members and Veterans with greater access to fast-track credentials and greater options for mobility across Canada.

GOAL: INCREASING PARTNERSHIPS

STRATEGY	PERFORMANCE MEASURE TARGET	PROGRESS MADE IN 2021-2022
Partner with communities to open doors to our facilities, showcase College expertise and garner support for communities, partners and College initiatives	100% student work-integrated learning activities have an employer partner	<ul style="list-style-type: none"> The College established a work-integrated learning (WIL) office in 2021-2022 to work at securing employer partners for WIL initiatives.
	50% of all work-integrated learning costs covered externally	<ul style="list-style-type: none"> The College's newly-established WIL office will work on this performance measure going forward.
	75% of scholarships and bursaries externally funded	<ul style="list-style-type: none"> 40% of scholarships and bursaries were externally funded in 2021-2022 (\$257,550 of the \$640,633 available). Note to reader: <i>The corrected baseline for 2020-2021 was 58% (\$287,650 of \$493,557), and not 73% as reported in last year's Annual Report.</i> Established externally-funded endowment in memory of Mark Froehler, to award scholarships in environmental studies. More than \$26,000 was contributed by donors.
	50% of Indigenous Service Centre externally funded	<ul style="list-style-type: none"> Officially opened the Waniskah room at the Lac La Biche Campus, a safe and welcoming cultural space where Indigenous and non-Indigenous students and community members can learn and heal. Funding provided by: Government of Canada's Investing in Canada Infrastructure Program (\$32,000) and matching contributions through College funds (\$44,925) and external donations (totalling \$23,075, including \$12,500 from Cenovus Energy). Programming will officially begin in 2022-2023.
	20% increase from 2020-2021 levels in engagement events by the President and Community Relations	<ul style="list-style-type: none"> 2020-2021 benchmark: 34 external/community meetings, four events. 2021-2022 levels: 79 external/community meetings, seven events.
	Every program has at least one YouTube video providing free teaching	<ul style="list-style-type: none"> Training videos currently available for Aboriginal Art, Advanced Care Paramedic, Artisan Entrepreneurship, Culinary Arts, Emergency Medical Responder, Hairstyling, Natural Resources Technology, Practical Nurse and Primary Care Paramedic programs.
	Stakeholder plan is created and updated annually, with key messages and actions	<ul style="list-style-type: none"> Plan was drafted in July 2021. Key messages were subsequently presented at a Portage College Board of Governors' Planning meeting in September 2021. Stakeholder engagements were tracked and reported to the Board in December 2021 and April 2022. Details were shared with the Board Planning, Academic and Student Services sub-committee in May 2022.



First-year Natural Resources Technology (NRT) student Sahil Sood inspects the plants in the College's greenhouse. The diploma program is designed for people who have a love for the outdoors and a strong interest in environmental sustainability and is transferable to several programs at Athabasca University, Lakeland College, the University of Alberta, the University of Prince Edward Island, and Vancouver Island University.

RESEARCH, APPLIED RESEARCH, AND SCHOLARLY ACTIVITIES

Portage College has made significant progress in the past decade – and particularly in the past few years – in establishing an applied research culture at the institution. Whereas 10 years ago the College was not eligible to receive either Natural Sciences and Engineering Research Council of Canada (NSERC) or Social Sciences and Humanities Research Council of Canada (SSHRC) funding, Portage now regularly submits research proposals to both organizations and is often approached by industry, communities and other post-secondary institutions to participate in research projects.

Portage faculty undertook a couple of significant research projects in 2021-2022:

- In partnership with researchers from NAIT, Natural Resources Technology Instructor Michael Schultz continued to examine the feasibility of terrestrial lichen transplantation and seeding technology for woodland caribou habitat restoration. The researchers delivered a webinar in May 2022 highlighting challenges, the restoration project and its aim to “increase the abundance of lichen forage in caribou habitat.” Woodland caribou are a species at risk in Canada that rely heavily on lichens for their diet. The three-year research project is being funded by the Alberta Regional Caribou Knowledge Partnership.

- In conjunction with Northern Lakes College and the Rural Development Network, Dr. Tracy Orr, Jana McKinley and Audrey Cochrane of Portage's Community Social Work department, Practical Nurse Coordinator Amy Warren and Library Services Coordinator Christina Wac began studying social work in health and senior care in rural Alberta. Outcomes of the project will be used to inform the development of delivery models to meet the social/emotional needs of individuals who use health and senior care services in rural and remote Alberta communities and their families. Funding for the research assistant for the project is being provided by Mitacs¹⁵ and FCSS in Lac La Biche.

Portage Natural Resources Technology faculty also continued to work with Canadian Natural Resources Limited (CNRL) and Canada's Oil Sands Innovation Alliance (COSIA) to study the reclamation of borrow pits. CNRL originally approached Portage to lead the study in 2020-2021, with the College submitting a proposed budget and methodology to the company for approval. The proposed scope of the project was subsequently expanded to include COSIA as a partner, although the project is now on hold.

To help foster more of an applied research culture, the College created a research group in 2019, tasked with exploring possible research projects and partnerships. The five-member panel, with

¹⁵ Mitacs is a national, non-profit research organization which works with industry, post-secondary institutions and provincial and federal governments to deliver research and training programs focused on industrial and social innovation.

three PhDs and two Masters graduates, explored several avenues of possible research, including environmental sciences. Portage and research partners filed several NSERC grant applications for various projects in 2021-2022 but were not successful in obtaining funding. Those projects included:

- **Effective remediation and reclamation in the Northwest Territories:** Portage joined several post-secondary, Indigenous community and industry partners in applying for NSERC funding to examine the topic. Researchers were seeking to understand the net ecological benefit, baseline environmental conditions and cumulative impacts of remediation and reclamation including social implications for communities and expectations for stakeholders.
- **Ways to add value to Kraft Pulp industry by-products and reduce the amount sent to landfills:** In conjunction with NAIT and Ottawa-based Collège La Cité, the College applied for NSERC funding to undertake the important topic, given that the forestry industry currently produces approximately 140 million metric tons of Kraft Pulp per year. As the submission was not accepted, the project is currently in a holding pattern.
- **Boreal wetland restoration:** Partnering with NAIT, Northwestern Polytechnic and Ducks Unlimited, the College applied for NSERC funding to study boreal wetland restoration through applied research, community engagement, technology transfer, and student/highly-qualified-personnel training. NRT Instructor Chris Conradie was Portage's representative on the research team.

For the past several years, the College has been focused on building a scholarly home for the Professional Native Indian Artists Incorporated (PNIAI). Expansion plans have been delayed due to the pandemic but there were some promising developments in 2021-2022, including some potential grant funding to expand the College's Museum of Aboriginal Peoples' Art and Artifacts (MOAPAA). Joseph Sanchez and Alex Janvier, the two surviving members of the world-famous PNIAI, both want to ensure that the importance of the group is not forgotten, that scholarly research regarding the group is possible and that their work is accessible to the young Indigenous artists they have sought to support through their Incorporation. Both artists believe that MOAPAA is the appropriate location to be the scholarly home of the group. Sanchez is so committed to the project that he became the museum's curator in 2018.

Portage College believes that this project is of significant cultural importance to both the province and the country. Finding opportunities to honour Indigenous role models is a responsibility of the College and a legitimate response to the Call to Action from the Truth and Reconciliation Commission of Canada and the United Nations Declaration of Rights of Indigenous Peoples.

Efforts continued to set up a researcher-in-residence program at the College but a proposed funding arrangement did not come

to fruition in 2021-2022. Portage believes it is important to do more than to simply clear hurdles for established researchers to work in the region. It is equally if not more important to partner with researchers and allow Portage faculty to work with them. The College has signed partnership agreements with the University of Alberta and Athabasca University in place, and continued to discuss paramedicine research possibilities with Charles Sturt University in Australia. In addition, Portage has a signed MOU with the university for a pathway into a degree program.

Research dollars are not always readily available, particularly for colleges and polytechnics. Dr. Donna Feledichuk, Vice President Academic and Research, continued to represent Portage on a couple of committees trying to remedy this. The Tri-Agency Grants Management Solution Initiative, comprised of the three federal granting agencies,¹⁶ focused on streamlining the grant management lifecycle and to better support applicants. In the past, a disproportionate amount of grant funding was made available to universities, to the detriment of colleges and polytechnics. Portage joined other institutions in pushing for this to change. There is now a new Tri-Agency portal thanks to the efforts of the committee. Feledichuk was also one of 30 international representatives on a committee of the World Federation of Colleges and Polytechnics (WFCP), charged with forging partnerships and forming an international definition of applied research. The committee developed and shared best practices in applied research (AR) and formed a definition of and direction for AR for the WFCP.

The College also remained an active partner in Labour Education Applied Research North (LEARN) in 2021-2022, even after a long-time partner pulled out. Since its inception, the AR group was facilitated by the Northern Alberta Development Council (NADC). However, due to provincial department restructuring and cut-backs, the NADC pulled out of the partnership at the beginning of the 2021-2022 academic year, leaving remaining partners Keyano College, Northern Lakes College, Northwestern Polytechnic and Portage College to decide whether to continue the consortium, create a new association, or discontinue the arrangement altogether. After several meetings, facilitated by Portage, the group decided to continue its mandate and undertake a pilot research project on work-integrated learning with the Rural Development Network (RDN) in 2023. If the project is deemed successful, the intention is to enter in to a more formal arrangement with RDN. The partners believe that the LEARN partnership represents effective management of resources and has been a shining example of post-secondary institutions collaborating with communities and government to find solutions to common challenges. Since 1995, LEARN has funded 128 Northern-Alberta-specific research reports focusing on community and post-secondary topics such as skill shortages, information technology, student recruitment and innovation. The reports were previously available on the NADC's website but are now housed on Portage's site, with all other partner institution websites linking to the College's LEARN homepage.

¹⁶ Canadian Institutes of Health Research (CIHR), Natural Sciences and Engineering Research Council (NSERC), and the Social Sciences and Humanities Research Council (SSHRC).



Partnering with Cenovus Energy Inc., the College once again offered a 24-week Construction and Trades Readiness program in six Indigenous communities in 2021-2022. The program provides home construction and maintenance training opportunities and is part of the company's Indigenous Housing Initiative.

REGIONAL STEWARDSHIP, FOUNDATIONAL LEARNING, UNDERREPRESENTED LEARNERS

Portage College has always been connected to the students and communities it serves. With local campuses, community-based programming, and wrap-around services, the College is uniquely positioned to serve underrepresented Northeastern Alberta learners and to help them overcome the many barriers they face, including financial concerns, mobility issues, and family challenges. This continued in a significant way in 2021-2022 despite limitations on face-to-face interactions due to COVID-19 restrictions during portions of the academic year.

In 2021-2022, Portage continued to proactively seek to partner with community and industry partners, and to provide students with a breadth of learning experiences. Portage thrives from the diversity of its partnerships and initiatives and actively seeks out and welcomes partnering opportunities. The College also continued to grow foundational training opportunities across the region – despite the challenges presented by the ongoing global pandemic – with a focus on Indigenous Communities. Of note, 48% of Portage College learners self-identify as Indigenous and 16% are single parents. Collaborative initiatives included:

1. As a component of Cenovus Energy's five-year Indigenous Housing Initiative, the company and Portage College offered a training program in six Indigenous communities in

Northeastern Alberta for a second consecutive year. During the 24-week program, students received training in academic readiness and trades exposure and also participated in a construction project. In 2022, a total of 17 students from Beaver Lake Cree Nation, Chard, Conklin, Cold Lake First Nations, Chipewyan Prairie First Nation and Heart Lake First Nation participated in the program, originally launched in March 2021. Legacy builds included gazebos, greenhouses and workshops.

2. Frog Lake Partnership/Training – During the past few years, the College has partnered with Frog Lake First Nation to offer a variety of Foundational and Career Programs. In 2021-2022, Portage provided two offerings of Career Exploration and Job Readiness to 33 students through the Continuing Education department as well as Pathways to Employment training to 16 students (starting in May 2022), now an approved credential program. The College also worked to set up Early Learning & Child Care Certificate training in Frog Lake, starting in September 2022.
3. Whitefish Lake Open Campus – The Open Campus is a seamless operation of High School completion, and entry-level career preparation. The focus is on providing

- individualized education and removing barriers to education. The model in Whitefish Lake First Nation #128 has increased student retention and provided strong evidence of student empowerment and success. In 2021-2022, 16 students enrolled in the program.
4. Cold Lake First Nations Partnership/Training – Portage College continued to partner with Cold Lake First Nations in 2021-2022 to offer more in-community programming, including a comprehensive, 52-week Pathways to Employment program, which wrapped up in August 2022. The Pathways program is now an approved credential program for foundational learners.
 5. Portage College also secured funding to offer the Pathways to Employment program at the Buffalo Lake Métis Settlement (with 23 participants), Cold Lake First Nations (with 13 participants) and Saddle Lake Cree Nation (with a total of 28 participants over two program offerings).
 6. The College continued to work with the University of Alberta to offer the Aboriginal Teacher Education Program (ATEP) to the region in 2022 through 2024 as part of a cyclical plan. The College hosted two successful iterations of the program in 2010 and 2014 and offered the 4th year of ATEP to students in Cold Lake, Lac La Biche, and St. Paul in 2019-2020. The partnership responds well to the ongoing need for teachers in Northeastern Alberta, and allows students to maintain their local community supports as they complete their program.
 7. Expanding Portage’s Museum – Portage College is home to the Museum of Aboriginal Peoples’ Art & Artifacts (MOAPAA), a unique museum that has one of the largest collections of Indigenous Art outside of Federal Government holdings. In addition to displaying Indigenous art from across the country, the Museum houses the only permanent exhibit in the world featuring works from all the artists of the Professional Native Indian Artist Incorporated (PNIAI). Today, the works of Alex Janvier, Daphne Odjig, Norwal Morrisseau, Eddy Cobiness, Carl Ray, Jackson Beardy and Joseph Sanchez adorn the hallways of Portage College in Lac La Biche, along with art from other well-known Indigenous painters, sculptors and craftspeople. Janvier and Sanchez, the surviving members of the PNIAI, both believe that MOAPAA is the right place for the scholarly home of the group. In fact, Sanchez is so committed to the project and the College’s Native Arts & Culture program that he became the museum’s chief curator in 2018 and continues to seek opportunities to expand the collection and share his knowledge and expertise with the student artists in the program. Writing for an upcoming Museum publication, Sanchez noted that “working together with Portage College I hope to inspire and encourage the sharing of Canadian Indigenous Art from the three coasts of this land, tearing down all the borders, so that nothing can separate the spirit of Indigenous people of Canada from the wider world.” MOAPAA continues to gain more attention. In 2021-2022, the museum received \$72,000 in donations, a 272% increase over the previous year. Furthermore, in June a private collector donated several pieces of artwork. Provincial and federal government representatives have also expressed enthusiasm for the Museum’s expansion plans.
 8. After a successful pilot through CALPs in Elk Point and Frog Lake First Nation in the spring of 2020, the College offered its Conversational Cree course to 35 faculty and staff from Northern Lights Public Schools in the fall that same year. The interactive, online course, originally funded by a dual credit start-up grant, was so successful that it is now offered for credit through the College’s University Transfer program.
 9. In partnership with the Government of Canada and Conestoga College in Kitchener, ON, Portage began delivering a 32-week, Welder Pre-Apprenticeship Program in May 2021. The tuition-free program provides students with academic upgrading and basic welding orientation as well as Period 1 equivalency training and an eight-week work placement. Twelve students participated in the program, which continued into the 2021-2022 academic year. The success of the program allowed the College to launch Pre-Apprenticeship Carpentry and Pre-Apprenticeship Welding programs, through a partnership with Foundational Learning.
 10. Portage secured funding to develop and deliver four micro-credentials, focusing on regional needs and the College’s areas of specialization. The short-term, competency-based courses that are additional, alternate, complementary or a component of a formal qualification, are becoming increasingly relevant as individuals look to quickly upskill or reskill. The four micro-credentials that the College developed and offered in 2021-2022 were: Autoclaved Aerated Concrete, Foundational Learning Instructor – Literacy, Foundational Learning Instructor – Numeracy, and Support Care Assistant. The College also maintained a micro-credential sub-committee, which continued to work in conjunction with provincial counterparts to create a clear process and guiding principles for micro-credentials, based on credible research and case studies from groups such as College and Institutes Canada, the Higher Education Quality Council of Ontario, and Labour Education Applied Research North.
 11. Working with the Government of Canada, the College, representing Alberta and the Northwest Territories, began mapping a new Skills for Success framework for adult foundational learning.
 12. The College continued to create more opportunities for students in Northeastern Alberta to complete university degrees without having to leave their home communities, partnering with Athabasca University (AU) to offer five new degree pathways (Bachelor of General Arts, Bachelor of Arts, Bachelor of Human Resources and Labour Relations, Bachelor of General Studies in Arts and Science or Applies Studies, and Bachelor of Science – General or Human Services), the University of Calgary (U of C) for a community-based Bachelor of Education, and the University of Alberta (U of A) to offer a fourth iteration of the Aboriginal Teacher Education Program. Portage now offers 11 degree pathways through AU, in

addition to arrangements with the U of A, the U of C and NAIT.

13. In June 2022, the College and National Advanced Placement & Prior Learning (N-APPL) signed a Memorandum of Understanding to provide Advanced Credit to current and former members of the Canadian Armed Forces, based on their military training and experience. The N-APPL is a consortium of Canadian post-secondary institutions that recognizes the transferability of military training and professional development to academic programs. Portage's Business and Community Social Work departments spearheaded the initiative, with other departments making plans to develop and provide new pathways.
14. With most pandemic restrictions lifted in spring 2022, the College started offering General Educational Development (GED) testing once again. The service is now available on demand. The College also offers GED preparation support through its various Community Adult Learning Program (CALP) locations in the region.
15. Due to strong regional demand and a lack of providers in Northeastern Alberta, Portage restarted Mandatory Entry-Level Training (MELT) and Air Brakes Q Endorsement training for Class 1 & 2 truck driver licences in 2021-2022. The College was also able to add Class 3 training thanks to grant funding.

Every year, the College makes scholarships and bursaries specifically available to First Nation, Métis, and Inuit students. In 2021-2022, there were \$183,000 available specifically to Indigenous students. This was in addition to the \$457,633 in scholarships and bursaries available to all Portage students. The College also established the Mark Froehler Environmental Scholarship, to be supported by an endowment funded by donors. In the first year, more than \$26,000 was raised.

While Portage College has a long-standing history of working with Indigenous people, it continues to actively work to ensure it achieves the outcomes reflected in the spirit and facts of the Truth and Reconciliation Commission of Canada: Call to Action. The President's Indigenous Advisory Committee continued to be active in developing a connection with Elders and setting some broad direction for the College as well as overseeing cultural ceremonies and programming.

Using an inclusive campus model, Portage College offers many supports to learners with disabilities. Through Student Learning Services (SLS), students are able to access a wide variety of services including individual learning assessments, instruction in effective learning strategies, reading and writing enhancement programs, individual educational assistance, innovative learning technology and equipment, classroom supports and accommodations, exam accommodations, alternate formatting of materials, reduced course load and assistance for students with English as an additional language. In 2021-2022, SLS helped 111 students, both online and face to face. This was 14 more than the previous year. SLS developed online appointment booking for students during the academic year. They are now able to book directly into staff calendars to access appointment times. The College

also added a new Learning Assistant position to improve service to students at the Cold Lake Campus. SLS continued to offer workshops to all students at Portage College before mid-term examinations each semester. Topics covered included exam anxiety, relaxation strategies, time management, essay writing tips, and other resources for learning. The College also continued to partner with Inclusive Education Alberta to offer a Kitchen Worker non-credit certificate for persons with disabilities at the St. Paul campus. Due to the pandemic, no students were enrolled in the program in 2021-2022, however. The College is grateful that provincial funding for Mental Health counselling at the Lac La Biche and Cold Lake campuses was maintained in 2021-2022, which allowed Portage to continue to increase services in the region.

Portage continued to work to make strides in providing access to post-secondary education to underrepresented learners. Declining Alberta Works funding and changes in eligibility criteria had a negative effect on student enrolment in foundational and career-entry programming from 2001 (801 students) through 2018 (243 students). 2018-2019 was the first year that the trend was reversed, with 307 students enrolling in Academic Upgrading programming. The increase not coincidentally coincided with an increase in the Adult Foundation Learning grant. In 2021-2022, 349 students enrolled in Pathways to Employment and upgrading programming. Policy changes announced by Advanced Education in April 2022 were most welcome, including allowing students living on First Nations to apply, permitting students to apply for funding straight out of high school (instead of having to wait a year), increasing the number of months of training from 30 to 50, and including pre-apprenticeship and Pathways to Employment programs in the funding envelope. As shown by several of the initiatives listed above, the College is cognizant of the fact that outreach, community-based programs are necessary to bring training as close to the learner as possible.

With regards to regional stewardship, College initiatives included:

1. Continued implementation of the College's Community Engagement Plan, structured to ensure stakeholders in the region not only have input into the future strategic directions of the College but also have an ability to design how Portage College interacts with their particular community on operational activities.
2. Contract Training and Continuing Education in Indigenous Communities – The College's Continuing Education Department continued to work more strategically with Indigenous communities with whom Portage has had historically high levels of engagement. The College's Dean structure is geared to ensure all academic departments focus on outreaching programs and services.
3. General interest engagement and access to College facilities – Portage continued to build relationships with community organizations to host general interest and family-oriented events at all College locations but were limited due to COVID-19 restrictions during portions of the academic year. The College continues to create more opportunities for community organizations to use College facilities. A specific

strategy aimed at increasing interest includes making Portage College's Museum of Aboriginal People's Arts and Artifacts a place of engagement and celebration of Indigenous Art and the permanent home of the works of the Professional Native Indian Artists Incorporated (PNIAI).

The College also continued to partner with Dragonfly Counselling and Support Centre, a non-profit organization based in Bonnyville that provides sexual assault services and support to those impacted by sexual violence. Portage provided space at our Lac La Biche campus for Dragonfly to offer outreach services to staff, students and community members, although services were mainly offered online in 2021-2022 due to the ongoing COVID-19 pandemic.

As has been the case for several years, the College once again continued to increase its connection with Community Adult Learning Programs (CALPs), including offering facility space to the CALPs in St Paul and Lac La Biche. Portage partnered on a referral basis students with CALPs – especially ESL and basic-Foundational-level students who achieve success – for Academic Upgrading programs. In addition, in 2021 the College secured three more years of funding to operate CALPs within its service region. In 2021-2022, Portage worked with local communities to offer CALP programming in Bonnyville, Cold Lake First Nations, Elk Point, Frog Lake First Nation, Heart Lake First Nation, Kehewin Cree Nation, Saddle Lake Cree Nation, and St. Paul. Due to COVID restrictions, the College did not offer CALP programming in Beaver Lake Cree Nation or Whitefish Lake First Nation #128 during the academic year. In 2021-2022, Portage-operated CALPs provided 2,508.50 instructional hours to 152 learners, offering support in literacy, numeracy, basic digital skills and English Language Learning.

The Portage College CALP programs work regularly with municipal libraries, Parent Link, Friendship Centres, Franco-accueil, Family and Community Support Services, Alberta Health Services and Alberta Works to provide programming. Furthermore, the College delivers programs at Heritage and Elders' lodges to provide opportunities for families to meet their literacy needs.

In response to Ukrainian refugees settling in the region and looking for help with learning English, the College began offering Conversational English Language Learning (ELL) every Wednesday evening at the Bonnyville Library, in addition to regular Tuesday and Wednesday ELL classes. The initiative was subsequently expanded to Elk Point and St. Paul as well.

Portage also successfully applied for funding through the Canadian Internet Registration Authority (CIRA) to develop a free, open source micro-credential focusing on encouraging the safe adoption of broadband technology and the confident use of the internet in First Nation and Métis communities with new connectivity in Northeastern Alberta. Programming will be offered in 2022-2023.

Portage College's Community Adult Learning Programming continues to be viewed highly across the province, and other community and college programs have reached out to connect and build on Portage's model. The College also chairs the Regional Stewardship Committee.

Portage continued to provide space at the Lac La Biche campus to the Learning Network Educational Services, which offers professional development and training to staff, administrators and parent councils at K-12 schools in northeastern Alberta.

Dual Credit Memoranda of Understanding (MOUs) were signed with the following school divisions: Aspen View Public Schools, Black Gold School Division, East Central Catholic Schools, East Central Francophone, Elk Island School Division, Lakeland Catholic School Division, Northern Lights Public Schools, Northland School Division, Parkland School Division, St. Albert Public Schools, St. Paul School Division and Wetaskiwin Regional Public Schools. This is three more MOUs than the College signed in 2020-2021. These memoranda explain how the College and the school divisions will partner to expand opportunities to high school students including allowing any registered high school student to take one University Transfer course per semester. The College also partnered with schools divisions to offer specific courses, including:

- Elk Island School Division, to offer the Human Development course (ECDE 100) from the Early Learning & Child Care Certificate program to high school students. The course is delivered asynchronously on Moodle and can be shared with other school boards.
- Lakeland Catholic School Division, to offer Class 5 driving training for high school students.
- As part of new Computer Sciences training, developed a robotics course to be offered as a dual credit option to Northern Lights Public Schools.

The College once again updated a catalogue in 2022 titled "Opportunities for High School Students" to promote the variety of courses and camps available to students while they are still enrolled in high school. This catalogue, rolled into program booklets in 2022, includes a variety of training programs covering the range of faculties in the College. Dual Credit options are also highlighted.

Even prior to the pandemic, the College delivered Practical Nurse, Primary Care Paramedic, Advanced Care Paramedic, University Transfer, College Preparation, Educational Assistant, Early Learning Childcare, Third Class Power Engineering and Pre-employment Heavy Equipment Technician programs using a blended format. Depending on the program, the students can take portions or in some cases full training from anywhere.

INTERNATIONALIZATION

2021-2022 was a record-setting year at Portage College. Two years after not accepting any international students due to the pandemic, the College posted its largest-ever international-student full-load equivalent total at 228,381. The largest-ever total was mostly due to ground-breaking partnership with CodeCore College in New Westminster, British Columbia. The first-of-a-kind partnership with a private institution allowed CodeCore to offer Portage's Business Administration program. Given that most of CodeCore's students are from outside of Canada, the partnership represents an opportunity for more international students to take Portage programs and allows the College to meet the priorities identified in the *Alberta 2030* vision. The Government of British Columbia has since decided to no longer allow out-of-province parchment for learners attending institutions in their province, meaning the College will no longer be able to factor many of the FLE counts moving forward.

Portage College has always focused on attracting and serving students from within the Portage service region and within Alberta for specific program clusters, while continuing to explore capstone project opportunities for international students at all campuses and discussing international student recruitment with other post-secondary institutions in Alberta. The College took a major step forward in May 2022, releasing its International Student Strategy (ISS), a multi-year approach towards increasing the number of international students at Portage at a manageable and supportable pace. Developed in conjunction with the Rural Development Network (RDN), the ISS outlines a detailed three-year plan (mapped to the College's *Strategy 2025*) to improve recruiting (including working with Aplicar, a global platform that connects students and recruitment partners to partner schools around the world) but also institutional and community supports for international students when they arrive in small-town Northeastern Alberta. The plan also suggests targeting prospective students from countries where students have applied from in the past, including the Philippines and African countries.

In 2014, Portage College became a Designation Institution with Citizenship and Immigration Canada International Student Program. Since that time, approximately 50-85 international students per year have applied to attend Portage College, although typically fewer than a dozen have actually subsequently enrolled. For the Fall of 2021, the College received applications from 83 international applicants.

Ever since the College was approved to offer Alberta College Athletic Conference (ACAC) men's and women's soccer in late 2017, the College has recruited athletes from across Canada and outside of the country, which has helped to slightly increase the number of international students at Portage. A year after all athletics were suspended due to the pandemic, the ACAC ran a reduced schedule for all sports in 2021-2022, allowing the College to recruit a few more international students than in the previous academic year. Portage has an approved tuition reduction in place for hockey and soccer players (approved in June 2018) which reduces the

triple tuition rate for international students to normal domestic tuition for athletes.

In addition to efforts to bring more international students in, the College also provided domestic students with program-related international travel opportunities. Portage procured a \$498,000, multi-year grant from Colleges and Institutes Canada's (CICan) Global Skills Opportunity program in February 2022, to fund program-related international travel for the next four academic years. Due to COVID-related travels restrictions during the 2021-2022 academic year, the College partnered with post-secondary institutions and other organizations in Australia, Saint Kitts and Nevis, and the United States to offer virtual international experiences for 106 students in several Portage programs. The experiences were embedded directly within their program curriculum. Specifically:

- Marketing students worked directly with marketing students at Clarence Fitzroy Bryant College in Saint Kitts and Nevis on a project.
- Through the Dulwich Centre in Australia, Community Social Work students engaged in learning about social work practice in the leading social-work nation in the world.
- Dr. Mark Johnson, of Global Wildlife Resources, taught a virtual course to Natural Resource Technology students, focused on wildlife chemical capture that could be used globally.
- The International Centre of Photography provided a virtual course and instruction to Fine Arts and Native Cultural Arts students, focused on international photography and techniques.
- Through MasterClass International Cuisine, Culinary Arts students were provided access to virtual courses and instruction on international cuisine.

With pandemic-related travel restrictions eased and in some cases eliminated, the College will be planning actual travel opportunities in 2022-2023, including trips to New York for Fine Arts students and Costa Rica for those in Natural Resources Technology. Community Social Work students are also looking at planning an out-of-country trip.

CAPITAL PLAN

Given limited resources, shifting government priorities and COVID-19, Portage College re-evaluated its capital projects priority list in May 2021 and – with the approval of the Board of Governors – subsequently submitted a revised list to the Government of Alberta’s Building, Land, and Infrastructure Management System (BLIMS). The priority list remained essentially unchanged in 2021-2022 as no specific funding was received for any of the projects listed in the tables below. Learning Space/Classroom Modernization, a process that was underway prior to COVID-19, took on increased importance after the pandemic struck, particularly as the College piloted HyFlex classrooms. Cold Lake Student Space, given the limited area that current students have to gather on campus, became more important and will continue to do so as students come back to campus. The parking lot and sidewalk replacement project at the Lac La Biche campus is increasingly needed, given the state of disrepair much of the lot is in (even including exposed rebar in the crumbling sidewalks).

In 2021-2022, the College’s Finance and Infrastructure & Information Technology departments continued a thorough review of the College’s long-term capital financing needs under the Strategic

Investment Committee and began operating under an approved three-year plan, focusing on strategic needs of the Enterprise and specifically on how to finance future capital and IT projects. The College’s self-funded Capital Budget was \$400,000 in 2021-2022, down \$200,000 from the previous academic year. The austerity measures and strategic planning are critical, given the College’s relatively small capital reserves and Infrastructure Maintenance funding allotment, in order to continue to be able to fund necessary capital projects. With the financial picture looking a little better by the end of the year, the Capital Budget for 2022-2023 was increased to \$500,000.

During the academic year, the College also undertook several self-funded and community- or grant-supported projects, such as door replacement and security upgrading at the Lac La Biche campus, installing new siding on student townhouses in Lac La Biche, and converting classroom technology from video-conferencing to HyFlex at a few classrooms at most campuses. Supply chain issues and increasing costs delayed completion of these projects until at least June 2023.

PRIORITY PROJECTS (LISTED IN DESCENDING ORDER OF PRIORITY)

TYPE	PROJECT DESCRIPTION	TOTAL PROJECT COST	FUNDING SOURCES	FUNDING RECEIVED TO DATE AND SOURCE	REVISED FUNDING SOURCES
Infrastructure & IT	Pan Campus – Learning Space/Classroom Modernization	\$864,025	100% Government of Alberta	Unfunded to date.	No change.
Infrastructure	Cold Lake Student Space	\$814,217	100% Government of Alberta	Unfunded to date.	No change.
Infrastructure	Lac La Biche Campus – Replace Concrete Sidewalk, Curb and Driveways	\$2,500,082	100% Government of Alberta	Unfunded to date.	No change.

OTHER

TYPE	PROJECT DESCRIPTION	TOTAL PROJECT COST	FUNDING SOURCES	FUNDING RECEIVED TO DATE AND SOURCE	REVISED FUNDING SOURCES
New	Lac La Biche Campus – Life, Health, Safety – Site Repairs	\$2,649,009	100% Government of Alberta	Unfunded to date.	No change.
Infrastructure	Lac La Biche Campus, St. Paul & Cold Lake – Cultural Spaces	\$894,520	100% Government of Canada	Unfunded to date.	No change.
Infrastructure	St. Paul Campus – 1956/58 Section Renewal (gymnasium ceiling, washrooms, exterior cladding)	\$1,367,213	100% Government of Alberta	Unfunded to date.	No change.

PROJECT TIMELINES AND STATUS

PROJECT DESCRIPTION	PROJECT TIMELINES	EXPECTED PROJECT START	ESTIMATED PROJECT COMPLETION	PROJECT STATUS	PROGRESS MADE IN LAST 12 MONTHS
Pan Campus – Learning Space/ Classroom Modernization	April 1, 2023 – March 31, 2024 (if funded)	April 1, 2023 (if funded)	March 31, 2024	Project pending funding approval.	Project pending funding approval.
Cold Lake Student Space	April 1, 2023 – March 31, 2024 (if funded)	April 1, 2023 (if funded)	March 31, 2024	Project pending funding approval.	Project pending funding approval.
Lac La Biche Campus – Replace Concrete Sidewalk, Burb and Driveways	April 1, 2023 – March 31, 2024 (if funded)	April 1, 2023 (if funded)	March 31, 2024	Project pending funding approval.	Project pending funding approval.
Lac La Biche Campus – Life, Health, Safety – Site Repairs	April 1, 2023 – March 31, 2024 (if funded)	April 1, 2023 (if funded)	March 31, 2024	Project pending funding approval.	Project pending funding approval.
Lac La Biche Campus, St. Paul & Cold Lake – Cultural Spaces	April 1, 2023 – March 31, 2024 (if funded)	April 1, 2023 (if funded)	March 31, 2024	Project pending funding approval.	Project pending funding approval.
St. Paul Campus – 1956/58 Section Renewal (gymnasium ceiling, washrooms, exterior cladding)	April 1, 2023 – March 31, 2024 (if funded)	April 1, 2023 (if funded)	March 31, 2024	Project pending funding approval.	Project pending funding approval.

OUR VALUED PARTNERS

We are grateful to the following agencies, companies, municipalities, organizations and individuals for their ongoing support of our College. Their support has proven essential to ensuring that the College delivers on its promise to provide exceptional learning experiences for its students.

A

A&T Construction Ltd.
ARC Resources Ltd.
Agrinova, Services agronomiques en milieu industriel
Alaxo Airway Stents
Alberta Aboriginal Women's Society
Alberta Arts Foundation
Alberta Agriculture and Forestry
Alberta Apprenticeship and Industry Training
Alberta Biodiversity Monitoring Institute
Alberta Blue Cross
Alberta Chapter of the Wildlife Society
Alberta College of Paramedics
Alberta College of Social Workers
Alberta Colleges Athletics Conference
Alberta College Economic Recovery Task Force
Alberta Community and Social Services
Alberta Conservation Association
Alberta Construction Safety Association
Alberta Craft Council
Alberta Culture and Tourism
Alberta Employment and Immigration
Alberta Energy Regulator
Alberta Environment and Parks
Alberta Fish and Game Association
Alberta Health Services
Alberta Human Services
Alberta Lakeland Direct Marketing: Lakeland Heritage Partners
Alberta Law Foundation
Alberta Museums Association
Alberta Mycological Society

Alberta Pacific Forest Industries
Alberta Parks
Alberta Safety Council
Alberta Snowmobile Association
Alberta Solicitor General
Alberta Sport, Recreation and Wildlife Foundation
Alberta Sustainable Resource Development
Alberta Transportation
Aspen View Public Schools
ATCO Energy
Athabasca County
Athabasca Oil Corporation
Athabasca University
Aurora Middle School

B

Beaver Lake Cree Nation
Bigstone Health Authority
Bird Studies Canada
Black Gold School Division
Blue Quills Literacy Centre
Booster Juice Lac La Biche
Boreal Centre for Bird Conservation
Britton's Your Independent Grocer
Buffalo Lake Métis Settlement
BuildForce Canada

C

Calnash Trucking
Campbell College
Campus Alberta
Canada Infrastructure Plan

Canada Safety Council
Canadian Forces Base Cold Lake
Canadian Forest Products Ltd.
Canadian Institute of Technology
Canadian Land Reclamation Society
Canadian Medical Association
Canadian Natural Resources Limited
Canadian Red Cross
Canadian Wildlife Service
Cenovus FCCL Ltd.
Charles Sturt University
Chipewyan Prairie Dene First Nation
Choice Environmental Consulting Group
Chwedoruk Trucking
City of Cold Lake
CleanHarbors
CodeCore College
Cold Lake First Nations
Cold Lake Hatchery
Collège Alma, CCTT Agrinova
Collège Le Cité
College of Licensed Practical Nurses of Alberta
Colleges & Institutes Canada (CICan)
Community Adult Learning Councils

- Bonnyville Community Learning Council
- Cold Lake Community Learning Council
- Elk Point & District Further Education
- Lac La Biche Community Learning for Adult Student Society
- Lac La Biche Program for Adult Learning
- Smoky Lake County Community Learning Council
- St. Paul Community Learning Association
- VegMin Learning Society (Vegreville)

Community Futures Lac La Biche
Community Learning Network
Community Programs Branch of Alberta Advanced Education
Conestoga College
ConocoPhillips
Cornerstone Co-op

County of St. Paul
C.S.T. Consultants Inc.

D

Daninject Canada
Department of National Defence
Dragonfly Centre
Ducks Unlimited Canada

E

East Central Catholic Schools
East Central Francophone School Division
East Prairie Métis Settlement
Ecole Plamondon School
Ed Bobocel Lumber
Ed2Go Online Courses
Edcon Power Tongs
Edmonton Oilers Community Foundation
Elizabeth Métis Settlement
Elk Island Public Schools
Energy Safety Canada
Enterprise Paper

F

Fatal Light Awareness Program Canada
Fishing Lake Métis Settlement
Fort McMurray Day Homes
Fort McMurray First Nation
fRI Research
Frog Lake Education Authority
Frog Lake First Nation

G

Game Day Grill Cold Lake
Goodfish Lake Development Corp.
Grande Prairie Regional College
Great West Media

H

Hammerhead Resources Inc.
Harvest Energy
Heart Lake Construction
Heart Lake First Nation
History and Heroes Alberta Foundation

I

Imperial Oil Resources
Integrated Environment
Inter Pipeline Ltd.

J

J.A. Williams High School
JHL Forestry
Joseph Sanchez
Junior Forest Rangers

K

Kehewin Cree Nation
Keyano College
Kihew Asiniy Education Centre
Kikino Métis Settlement

L

Lac La Biche Birding Society
Lac La Biche Canadian Native Friendship Centre
Lac La Biche & District Chamber of Commerce
Lakeland Connect
Lac La Biche County
Lac La Biche IGA
Lac La Biche Kinsmen Club
Lac La Biche Mission
Lac La Biche Pow Wow & Fish Derby Association
Lac La Biche Regional Health Foundation
Lac La Biche Regional Museum
Lac La Biche Region Watershed Stewardship Society
Lac La Biche Transport
Lakeland Catholic School District

Lakeland College
Lakeland Today
Lesser Slave Lake Bird Observatory
Lieutenant Governor of Alberta Arts Awards Foundation
LiftTruck

M

MEG Energy Corp.
Mercer Canada
Métis Crossing
Métis Nation of Alberta
Michael Mucz
Mighty Peace Watershed Alliance
Mikisew Cree First Nation
Municipal District of Bonnyville

N

National Centre for Truth and Reconciliation
National Food Safe
North Star Science & Technology Ltd.
Northern Alberta Development Council
Northern Alberta Institute of Technology (NAIT)
Northern Lakes College
Northern Lights Public Schools
Northland School Division

O

Oil Sands Discovery Centre

P

Parkland School Division
Pembina Pipeline Corporation
Piikani Nation
Portage College Athletics Association
Portage College Faculty Association
Prestosports

R

Randolph Benson Professional Corp
RDK Electric
Resource One Aboriginal Business Association (ROABA)
Royal Alberta Museum
Royal Canadian Legion
Rupertsland Institute
Rural Development Network

S

Saddle Lake Cree Nation
Saddle Lake Employment & Training
Sahtu Renewable Resources Board
Samson Cree Nation
Saskatchewan Polytechnic
Secure Energy Inc.
Seven Lakes – Primco Dene
Shell Canada
Skills Alberta Canada
Smiley's Furniture Appliance Electronics
Smoky Lake Nursery
SMR Diesel Trucks
St. Albert Public Schools
St. Paul Chamber of Commerce
St. Paul Champions for Change Society
St. Paul Education Regional Division
St. Paul Municipal Seed Cleaning Association Ltd.
Stantec Consulting
Stingray Radio
Strathcona Resources Ltd.
STRIX Ecological
Stuart MacPherson Public Library
Students' Association of Portage College
Sysco Canada

T

Tara's Pizza
TD Insurance Meloche Monnex

The Stitchin' Man
Thurber Engineering
Town of Bonnyville
Town of Elk Point
Town of St. Paul
TransCanada Corporation
Tribal Chiefs Employment and Training Services Association

U

University of Alberta
University of Calgary
University nuxelhot'jnethaa?ehots'j nistameyimâkanak Blue Quills

V

Venture Building Supplies (Home Hardware)
Village of Boyle
Vivo Team

W

Waschuk Pipeline
Western Air Rescue
Western Economic Diversification Canada
Wetaskiwin Regional Public Schools
Whitefish Lake First Nation #128
Weyerhaeuser Canada Ltd.
Wild and Pine Canada
Wind Speaker Radio Network
Wolf Midstream
Woodland Trainers Association
Worksite Safety

X

Xerox Canada

Y

Yorkville University

Portage College would also like to acknowledge the tremendous support received from residents of our service region for our annual fundraisers and events, student scholarships and bursaries, and Voyageurs Athletics. Thank you.



Canadian Natural Resources Limited donated \$20,000 in late April towards the College's Project of Heart. The initiative is a hands-on, artistic journey of seeking truth about the history of First Nation, Métis and Inuit People in Canada. Ian Thompson (right), Stakeholder Relations/Indigenous Relations Advisor, presented the cheque to Carrie Froehler, Vice President of People, Planning and Public Relations.

2021-2022 SUPPORTERS AND FRIENDS OF PORTAGE COLLEGE

Portage College greatly values the donations made by individuals, businesses, organizations, and industry. We responsibly steward and allocate all contributions. Please note that the list represents donation revenue earned during the reporting period. Thank you to the following:

\$100,000 - \$499,999

Lac La Biche County

\$50,000 - \$99,999

C.S.T. Consultants Inc.

Michael Mucz

\$10,000 - \$49,999

Canadian Natural Resources

\$5,000 - \$9,999

4454 Source Office Furniture & Systems Ltd.

Access Pipeline Inc. o/a Wolf Midstream

Lac La Biche Kinsmen Club

Portage College Athletics Association

\$1,000 - \$4,999

John & Elaine Belanger

Beryl Froehler

Zaheerali Lakhani

Lieutenant Governor of Alberta Arts Award Foundation

Brandi Mielke

Karen Perry

Royal Canadian Legion

The Benevity Community Impact Fund

\$500 - \$999

Barbara Aylett

Randi & Brandon Beck

Mike & Heather Dempsey

Brad Froehler

Tim & Helene Froehler
Keith McDonald
David Paul
Robbie Richard
Road to Hope Community Support Foundation
Beryl Wylie

\$100 - \$499

2115212 Alberta Limited
Nete Albrecht
Glen & Eleisa Anderson
Darcy Belanger
Gwen Beniuk
Lisa Beniuk
Al Bertschi
Jim Booth
Mike & Nancy Broadbent
Wade & Lindsay Cadieux
Claire Caffrey
Philip Chapman
D. Work & Sons Trucking
Andre & Charissa Delaire
Richard & Laurette Doucet
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Cherly Edwards
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Eric & Tracy Smith
Todd & Debbie Tesolin
Kong & Fong Thammavongsa
Alice Thompson
Marcel Ulliac
Vivo Team
Susan Ward
Rod & Wendy Webb
Collin Williams

\$50 - \$99

Sandra Bishop
Boisvert Consulting
Louise Bourque
Margaret Ewasiuk
Cathy Fisher
Patricia Flatla
Rick Flumian
Merlyn Foo
Carrie Froehler
Ali Ghutmy
Geraldine Hagen
Debra Hamar
Matthew Harnum
Janet & Boyd Harrison
Dave Holmberg
Nancy & Dean Litzenberger
Danielle McArthur
Stewart & Joanne McKay
John McLevin
Garry & Emily Nevill
Phyllis Normandeau
Wayne Pelletier
Virginia Ritson-Bennett
Jean Therou

We have made every effort to ensure all our contributors to our 2021-2022 fiscal year are correctly recognized in the Annual Report. We apologize if an error or an omission has occurred. The timing of your donation can also determine the year in which it is acknowledged. The College also acknowledges \$885.65 in donations of less than \$50.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

(Thousands of dollars)

INTRODUCTION

This Management Discussion and Analysis (MD&A) should be read in conjunction with the Portage College financial statements and accompanying notes. The MD&A and financial statements are reviewed and approved by the Portage College Board of Governors and President/CEO on the recommendation of the Portage College Board Finance, Infrastructure and Risk Committee. The financial statements represent the financial position and results of operations of Portage College. The College's financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards and are expressed in Canadian dollars.

The MD&A is an overview of the financial results Portage College achieved in the fiscal year ended June 30, 2022 and offers a detailed discussion and analysis of the following:

1. Operating Environment
2. Financial Results
3. Net Assets
4. Capital Spending
5. Institutional Self-Generated Revenues
6. Governance on Accounting Estimates
7. Areas of Significant Financial Risk

1. OPERATING ENVIRONMENT

In 2021-22, the provincial government announced a reduction of 4.2% (\$905) to our Campus Alberta Grant funding. Further reductions were experienced in 2020-21 of 7.1% (\$1,667). In fiscal 2021-22, the provincial government introduced Investment Management Agreements for all institutions.

Through these agreements; the province plans to build a stronger connection between education and jobs. These agreements will emphasize bringing costs down and will introduce performance-based funding. A portion of the Campus Alberta grant funding will be awarded based on these performance metrics. The principles and objectives in the Investment Management Agreement are fully supported by Portage College.

Faced with these operational budget challenges, the College evoked spending restrictions on non-essential costs such as travel and hosting in 2019-20. Further cost containment strategies included attrition in vacant positions, and a reduction in supply costs. Because of these cost containment efforts and prudent financial management resulted in a surplus of \$2,810 on June 30, 2022.

The College Staff Association (AUPE) collective agreement expired June 30, 2020. Negotiations are ongoing for fall 2022.

In March 2016, the College received a letter from Advanced Education recommending a two-year freeze to Management and Excluded employee salaries effective April 1, 2016 through to March 31, 2019. GOA has extended the freeze through to June 2022, which the College implemented.

2. FINANCIAL RESULTS

From total revenues of \$35,730 for the fiscal year ended June 30, 2022, the College incurred an annual surplus of \$2,810. The operating surplus is primarily a result of increased contract and tuition revenues, as well as reductions in supplies, and wages from budget. The College has approved transfers of \$1,750 of the current year surplus to increase the endowment fund, and restricted net assets.

Revenues

The College revenues for 2022 were \$35,730, an increase of \$2,609 from prior year. Revenues were higher than budgeted by 5.8% or \$1,964. The main source of revenue for the College are grants from the Government of Alberta which totaled \$24.6M, representing 69% of total revenues. Advanced Education is the primary funder of the College.

	2022 BUDGET	2022 ACTUAL	2021 ACTUAL
Government of Alberta grants	\$25,447	\$24,558	\$25,565
Federal and other government grants	424	489	498
Sales of services and products	3,396	4,986	2,859
Student tuition and fees	3,835	4,912	3,827
Donations and other grants	171	224	114
Investment income	493	561	258
Total	\$33,766	\$35,730	\$33,121

Capital Revenue Earned

Tangible capital assets purchased with externally restricted funds results in an obligation to the external funding agency to use the purchased assets over their useful lives in the provision of services. Under Public Sector Accounting (PSA) standards deferred capital revenue when earned must be attributed to the primary revenue source in the statement of operations. The following schedule depicts operating and deferred capital revenue earned by source for the year ended June 30, 2022.

	ACTUAL JUNE 30, 2022		
	Operating	Capital	Total
Government of Alberta Grants	\$22,591	\$1,967	\$24,558
Federal and other government grants	133	356	489
Sales of services and products	4,986	-	4,986
Student tuition and fees	4,912	-	4,912
Donations and other contributions	200	41	224
Investment income	561	-	561
Total revenue	\$33,383	\$2,347	\$35,730

Government of Alberta Grants

Revenues from the Government of Alberta represent the College's single largest source of income and play a key role in the ability to fund College activities. Government of Alberta grants decreased by \$1,007 over the prior year. Also, GOA grants were \$889 lower than budget. The decrease year over year consisted of various changes in government funding such as: a reduction in Campus Alberta Grant Funding \$840, and capital grant revenue earned \$101, and various other grant funding \$66.

Federal and Other Government Grants

Revenues from federal and other government grants decreased by \$9 over the prior year and were \$65 higher than budget. Conditional grants will have a corresponding equal expenditure offset.

Sales of Services and Products

Revenues from sales of services and products increased by \$2,127 from the prior-year and were \$1,590 higher than budget. The increase from budget was largely due to increased international student revenues and contract training revenues through Continuing Education.

Student Tuition and Fees

Tuition fees are regulated by Advanced Education under Tuition Regulation Policy. Advanced Education has mandated that tuition fees can be raised to a maximum of 7% overall for the College and that no program can have an increase of greater than 10%. The College tuition rates approved for 2021-2022 were within the approved mandate, with a blended increase sheltering vulnerable programs.

Revenues from student tuition and fees were \$1,077 higher than budget. The student full load equivalents (FLE) were 1,168, compared to the budget of 912 FLE. The 2022 FLE's increased by 293 from the prior year of 875.

In the past, the College provided compliance reporting to the department. The tuition policy stipulated that tuition revenue and fees could not exceed 30% of the College's net operating expenditure. Although, this is no longer mandated, the current year rate has been provided for your reference.

TUITION REVENUE AND FEES AS A % OF NET OPERATING EXPENDITURE

	2021-22	2020-21
Tuition and Related fees revenue	\$4,912	\$3,827
Net Operating Expenditure	31,311	30,278
%	15.69%	12.63%

Donations and Other Grants

Donations and other grants were \$53 higher than budget due to an increase in donations, fundraising activities and capital revenue earned.

Investment Income

Revenue from investment income increased by \$303 over prior year, and was \$68 higher than budget due to higher returns in the financial markets due to a larger investment pool.

Expenses by Function

For the year ended June 30, 2022 the College recorded \$33,053 in operating expenses representing an increase of \$1,113 (3%) from the prior year and \$713 (2%) lower than budget.

Instruction

Instruction represents the single largest function at the College, representing teaching for all credit and non-credit programming. This category also includes non-sponsored research and scholarly activity undertaken by faculty and within College departments. Instruction accounted for 36% of total expenditures for the year ended June 30, 2022. With this function representing such a significant component of the College's activity, the \$358 increase in costs over the prior year represents the function's proportionate share of the College's salary and benefits and material, supplies and services.

In comparison to the 2022 budget, Instructional costs were \$1,010 higher than expected.

Academic and Student Support

Academic and student support is the third largest function at the College. This category includes Student Services, Student Recruitment, Student Records and Admissions, Counseling, Social Development, Scholarships and other student related support. Academic and student support accounted for 18% of total expenditures for the year ended June 30, 2022.

Expenses increased by \$271 from the prior year and represent the function's proportionate share of the College's salary and benefits and material, supplies and services. In comparison to budget, academic and student support costs were \$405 lower than expected.

Institutional Support

Institutional Support is the fourth largest function at the College. This category represents activities for Executive and Corporate Management, Public Relations, Corporate Finance, Human Resources and other corporate administrative activities. Institutional support accounted for 11% of total expenditures for the year ended June 30, 2022.

Expenses increased by \$127 from prior year, analysis is provided further in the report under the administrative as a percentage of operating expenditures section. In comparison to the 2022 budget, Institutional support costs were \$1,086 lower than budget. The reduction is due to changes in institutional support to meet the ministry's mandate on operational efficiency.

Information Technology

Information Technology represents activities for Computing Services, Network and Data Communication. Information Technology accounted for 7% of total expenditures for the year ended June 30, 2022.

Expenses increased by \$426 from prior year and were \$413 higher than budget.

Facilities Operations and Maintenance

This function represents all expenditures associated with facility operations and maintenance of buildings, grounds and equipment. Due to our business model of bringing learning closest to the learner it is in fact the second largest expense category. It also includes all utility costs and rent of leased facilities, and capital amortization. This function accounted for 21% of total expenditures for the year ended June 30, 2022.

Expenses decreased by \$180 from the prior year and were \$1,138 lower than budget. The variance consists of decreased infrastructure maintenance grant and costs associated with conditional grants.

Ancillary Services

Ancillary Services represents operating activities that are not

grant funded which support students. It includes the College Bookstore, Cafeteria, Salon, Conference Centre and Student Residences and Housing. Ancillary services accounted for 5% of total expenditures for the year ended June 30, 2022.

Expenses increased by \$80 from prior year and were \$102 higher than budget.

Special Purpose Trust

Special Purpose Trust represents costs for fundraising activities and other programs specifically funded from restricted grants and donations. Special purpose trust accounted for 1% of total expenditures for the year ended June 30, 2022. Expenses increased by \$16 from the prior year and were \$375 higher than budget.

Sponsored Research

Sponsored research represents expenditures for all sponsored research activities specifically funded through restricted grants and donations. Expenses increased by \$15 from the prior year.

Institutional Support Expenditures as a Percentage of Total Operating Expenditures

Advanced Education tracks the efficiency of post-secondary institutions by monitoring an institution's institutional support expenditures as a percentage of total operating expenditures. This percentage was calculated by taking Institutional Support function category expenditures and dividing it by total expenditures (minus ancillary services). The table below shows the College's performance on this measure.

INSTITUTIONAL SUPPORT AS A PERCENTAGE OF TOTAL OPERATING EXPENDITURES LESS ANCILLARY

	2021-22	2020-21
Institutional Support	\$3,687	\$3,560
Total Operating	\$33,053	\$31,940
Less Ancillary Services	(\$1,742)	(\$1,662)
Net Operating Expenditures	\$31,311	\$30,278
Institutional Support/ Net Total Operating	11.78%	11.76%

The institutional support as a percentage of total operating expenditure remains relatively unchanged year over year.

3. NET ASSETS

The College’s net asset balance is an important indicator of the financial health for the institution. It is comprised of Accumulated Surplus and Accumulated Re-measurement Gains and Losses.

Accumulated surplus from operations increased by \$328 over the prior year due to operating surplus of \$2,677 explained above.

Setting aside of surpluses is necessary to partially fund self-funded capital expenditures and replenish net asset reserves. This has resulted in an accumulated surplus from operations of \$7,788 versus \$7,460 in the prior year. Internally restricted funds balance increased by \$850 from 2020-2021 to \$3,817.

ACCUMULATED SURPLUS	ACCUMULATED SURPLUS FROM OPERATIONS	INTERNALLY RESTRICTED SURPLUS	INVESTED IN CAPITAL ASSETS	ENDOWMENTS	TOTAL
Balance as at June 30, 2021	7,460	2,967	7,089	3,827	21,343
Balance as at June 30, 2022	7,788	3,817	6,520	4,743	22,868
Change +/-	328	850	(569)	916	1,525

4. CAPITAL SPENDING

Capital expenditures were \$948 (2021 – \$473). Capital expenditures consisted of \$577 in contributed capital and \$371 in self-funded capital.

Acquisitions were made in the following asset categories:

- Land \$nil (2021 – \$nil)
- Building, trailers and improvements \$751 (2021 – \$210)
- Equipment \$179 (2021 – \$201)
- Computer hardware and software \$18 (2021 – \$62)

PROJECT	CONTRIBUTED	SELF-FUNDED	TOTAL
Security doors	537	0	537
Siding for townhouses	0	182	182
Vehicles and equipment	0	108	108
Program equipment	10	72	82
Smudge room	30	0	30
Classroom conversions	0	9	9
Total	577	371	948

5. INSTITUTIONAL SELF-GENERATED REVENUES

In the face of increasing budgetary pressures, post-secondary institutions are increasingly looking to self-generating revenue enterprises. These enterprises are also known as alternative revenue sources. Such enterprises provide revenues that extend beyond traditional sources like government grants and student tuition and fees. If done appropriately, they can provide an additional stream of revenue to the institution and enhance program quality and accessibility for students. Self-generated revenue enterprises can also enhance an institution's reputation and give it a greater presence in the community.

Institutional self-generated revenue enterprises can be categorized as:

Auxiliary/Ancillary Services: An auxiliary or ancillary enterprise furnishes a service to students, faculty, or staff, and charges a fee at a minimum of cost recovery to ensure the cost is not subsidized by other sources such as government grants. The public may be served incidentally by some auxiliary/ancillary enterprises including bookstores, student residences,

parking lots, salon operations, institutional catering services, and cafeterias.

Academic Enterprises: The activity is deemed to be an integral part of the post-secondary institution's educational, research, public service, and campus support functions, as well as other educational and support activities. Profit is not the primary motivator. Examples are continuing education, culinary school restaurants, agricultural operations, and breweries.

Commercial Enterprises: The activity or enterprise is outside an institution's primary education and research mandate and exists for the purpose of revenue generation. The institution's domestic students, faculty and staff are not directly served by, nor do they derive direct benefit from, the activity or enterprise. Examples are commercial land development, real-estate deals, and overseas campuses.

For fiscal 2021-22, the College had the following self-generating revenue enterprises:

ANCILLARY SERVICES (IN THOUSANDS)

SERVICE	2021-2022			2020-2021
	GROSS REVENUES	EXPENDITURES	NET PROFIT/ (LOSS)	NET PROFIT/ (LOSS)
Student Residences and Housing (three campus locations) ⁽¹⁾	830	908	(78)	(328)
College Bookstore	654	566	88	39
College Cafeteria	62	107	(45)	(105)
St. Paul Market and Catering	65	26	39	(6)
Hairstyling Salon Sales and Service	91	71	20	12
Print Room	-	64	(64)	-
Exam Invigilation	2	-	2	1
St. Paul Incubator and Labs	9	-	9	11
Conferencing	3	-	3	-
Art Sales	2	-	2	-
Total	1,718	1,742	(24)	(376)

⁽¹⁾ Student Residences & Housing were subject to reduced occupancy over the past year due to the ongoing pandemic and restrictions imposed, resulting in losses for 2022 and 2021.

The COVID-19 pandemic is complex and rapidly evolving. It has caused material disruption to business and has resulted in an economic slowdown. The College continues to assess and monitor the impact of COVID-19 on its financial condition, including the likelihood of decreased revenues and increased expenses as a direct result of this crisis. The magnitude and duration of COVID-19

is uncertain and, accordingly, it is difficult to reliably measure the potential future impact on the College's ability to generate higher net returns of self-generating revenues.

The College has no commercial or academic enterprises to report for fiscal 2021-22.

6. GOVERNANCE ON ACCOUNTING ESTIMATES

CAS 540.38 requires the auditor to communicate with those charged with governance (TCWG) regarding the entity's accounting practices and significant deficiencies in internal control including communication regarding accounting estimates. Below is a summary of significant estimates, accounting practice, any deficiencies and estimates in the annual financial statements (current and prior year).

- Capital assets – useful lives, depreciation rates and impairment
- Portfolio investments – market value vs. cost and impairment
- Financial risk management and the related sensitivity analysis
- Spent deferred capital contributions

SIGNIFICANT ESTIMATE	ACCOUNTING PRACTICE	COMMENTS	ESTIMATE AMOUNT (\$000'S)
Capital assets – useful lives, depreciation rates and impairment	<p>Useful lives, depreciation rates:</p> <p>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:</p> <p>Building and site improvements 20 - 40 years</p> <p>Furniture and equipment 5 - 10 years</p> <p>Computer hardware and software 4 - 5 years</p> <p>Learning resources and other assets 2- 10 years</p>	<p>Portage College is consolidated with the Ministry of Advanced Education and consistency with the Province's accounting policies and reporting practices and estimation methods is 'enforced' via the annual consolidation process.</p> <p>Other factors to consider; the estimated useful life (accounting estimate) can be quite different from the actual useful life. For example, a building could be fully amortized, but is still being used quite effectively.</p>	<p>Amortization 2022 \$3,193 2021 \$3,591</p>
Capital assets – impairment	<p>Impairment:</p> <p>All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recognized in the statement of operations.</p>	<p>Management assessed the college's capital assets and deemed no assets were impaired.</p>	<p>Impairment 2022 \$nil 2021 \$nil</p>

SIGNIFICANT ESTIMATE	ACCOUNTING PRACTICE	COMMENTS	ESTIMATE AMOUNT (\$000'S)
Financial Risk	No applicable accounting practice or standard under Public Sector Accounting Standards.	Financial risk management and the related sensitivity analysis is part of the college's risk registry and is assessed quarterly as part of the quarter forecast process and annual budget process. Considerations assessed include: <ul style="list-style-type: none"> • Campus Alberta Grant Funding • Other external grant revenues • Fundraising and donations • Ancillary operations • Continuing education 	Estimate 2022 \$nil 2021 \$nil
Portfolio Investments	Market Value vs. Cost: Market value is the price that could be obtained by selling an asset on a competitive, open market. Cost is considered the original purchase cost, adjusted for any subsequent changes, such as for impairments.	The college records its portfolio investments at fair value (market value).	Market Value 2022 \$14,951 2021 \$14,565 Cost 2022 \$16,269 2021 \$14,043
Portfolio Investments	Impairment: All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recognized in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.	Per the college's investment policy, investments are assessed to determine if any portfolio investments down more than 20% for more than 6 months. This assessment is conducted annually by the college's Portfolio Investment Manager, and reviewed by the college's Finance Manager.	Impairment 2022 \$nil 2021 \$nil
Spent deferred capital contributions	Restricted capital grants and donations are recognized as spent deferred capital contributions (deferred revenue account) and amortized over the useful life of the asset.	The estimate for spent deferred capital contributions is the annual amortization/depreciation of these contributed assets. These assets are subject to the same amortization rates as self-funded assets, and are tracked by each asset.	Amortization 2022 \$2,347 2021 \$2,473

7. AREAS OF SIGNIFICANT FINANCIAL RISK

Net Assets

The College has an accumulated surplus of \$22,868 in net assets, which includes endowment principle of \$4,743 and invested in capital assets of \$6,520.

Accumulated surplus from operations and internally restricted surplus in net assets is \$11,605 or 32.5% of total revenues. College management has taken steps to replenish College reserves in net assets to provide funds to meet capital investment requirements and for future program growth and expansion. The College has increased these reserves by \$1,525 or 7.1% in 2022.

Unfunded Deferred Maintenance

The College directs a significant amount of resources towards renewing existing facilities to ensure that these facilities are updated with relevant technology and operate efficiently. A reduction in provincial funding for Infrastructure Maintenance, an ageing infrastructure and a shortage of skilled facility maintenance workers has created a backlog of unfunded deferred maintenance more than \$20,000.

Budgetary Pressure

Although the College has a balanced budget for 2022-23, the College is facing several risk factors. The College has reduced its operating budget over the past several years from reductions in government funding and declining enrolments.

In the 2022-25 institutional plan the College has projected a decrease in the Campus Alberta Grant funding for 2022-23, and no change in 2023-24, 2024-25. The provincial government has recently approved the Investment Management Agreements (IMA) for fiscal 2022-23.

The provincial government has lifted the mandatory tuition freeze effective 2020-21, permitting Post-Secondary Institutions to increase tuition and mandatory fees up to 7%. The College has increased tuition fees in the 2021-22 and 2022-23 academic year within the permissible limits.

Budgetary pressure is further compounded by limited opportunities to find new revenue sources. The College will continue with prudent financial management, introduce new programming, and seek collaborative opportunities within the post-secondary sector to maintain a sustainable future.

Enterprise Resource Planning System (ERP)

The College operates an Enterprise Resource Planning System that is limited in meeting current demands of a contemporary post-secondary institution. The capital investment required to bring the existing ERP system to a level of acceptable functionality is beyond the financial means of the College. The College is collaborating with other post-secondaries to jointly pursue system enhancements.

APPENDIX: PORTAGE COLLEGE AUDITED FINANCIAL STATEMENTS



Financial Statements
June 30, 2022

Portage College

Financial Statements
Year Ended June 30, 2022

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Portage College

Financial Statements

Statement of Management Responsibility

Year Ended June 30, 2022

The financial statements of Portage College ("the College") have been prepared by management in accordance with Canadian public sector accounting standards as described in note 2 of the financial statements. The financial statements present fairly the financial position of the College as at June 30, 2022, and the results of its operations, changes in net financial assets, remeasurement gains and losses 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 control designed to provide reasonable assurance that the College assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of the financial statements.

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

The Board of Governors carries out its responsibility for review of the financial statements principally through its Finance, Infrastructure and Risk Committee. With the exception of the President, Chief Financial Officer, all members of the Finance, Infrastructure and Risk Committee are not employees of the College. The Finance, Infrastructure and Risk 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 Finance, Infrastructure and Risk Committee, with and without presence of management.

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

[Original signed by Nancy Broadbent
President & CEO

[Original signed by Cynthia Quintal]
Chief Financial Officer

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

Independent Auditor's Report

To the Board of Governors of Portage College

Report on the Financial Statements

Opinion

I have audited the financial statements of Portage College (the College), which comprise the statement of financial position as at June 30, 2022, and the statements of operations, remeasurement gains and losses, change in net financial assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as at June 30, 2022, 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 Financial Statements* section of my report. I am independent of the College in accordance with the ethical requirements that are relevant to my audit of the 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 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 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 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 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 financial statements

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

In preparing the financial statements, management is responsible for assessing the College'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 College's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the 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 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 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 College'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 College'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 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 College to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

October 20, 2022
Edmonton, Alberta

Portage College
Statement of Financial Position
As at June 30, 2022
(thousands of dollars)

	2022	2021
Financial assets excluding portfolio investments restricted for endowments		
Cash (Note 3)	\$ 6,424	\$ 6,476
Portfolio investments - non-endowment (Note 4)	10,162	11,104
Accounts receivable	2,376	504
Inventories held for sale	167	202
	19,129	18,286
Liabilities		
Accounts payable and accrued liabilities	2,532	2,657
Employee future benefits liabilities (Note 6)	122	61
Debt (Note 7)	91	138
Deferred revenue (Note 8)	5,755	5,649
	8,500	8,505
Net financial assets excluding portfolio investments restricted for endowments	\$ 10,629	\$ 9,781
Portfolio investments - restricted for endowments (Note 4)	4,789	3,461
Net financial assets	\$ 15,417	\$ 13,242
Non-financial assets		
Tangible capital assets (Note 9)	42,112	44,450
Inventories of supplies	33	42
Prepaid expenses	832	896
	42,977	45,388
Net assets before spent deferred capital contributions	\$ 58,394	\$ 58,630
Spent deferred capital contributions (Note 10)	35,526	37,288
Net assets (Note 11)	\$ 22,868	\$ 21,343
Net assets is comprised of:		
Accumulated surplus	23,904	21,094
Accumulated remeasurement (losses) gains	(1,036)	249
	\$ 22,868	\$ 21,343
Contractual rights (Note 14)		
Contingent liabilities and contractual obligations (Note 13 and Note 15)		

Approved by the Board of Governors:

[Original signed by Randolph Benson]
Chair, Board of Governors

[Original signed by Nancy Broadbent]
President & CEO

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

Portage College

Statement of Operations
Year Ended June 30, 2022
(thousands of dollars)

	Budget (Note 21)	2022	2021
Revenues			
Government of Alberta grants (Note 19)	\$ 25,447	\$ 24,558	\$ 25,565
Federal and other government grants (Note 19)	424	489	498
Sales of services and products	3,396	4,986	2,859
Student tuition and fees	3,835	4,912	3,827
Donations and other grants	171	224	114
Investment income	493	561	258
	33,766	35,730	33,121
Expenses (Note 16)			
Instruction	10,920	11,930	11,572
Facilities operations and maintenance	8,148	7,010	7,190
Institutional support	4,773	3,687	3,560
Academic and student support	6,414	6,009	5,738
Ancillary services	1,640	1,742	1,662
Information technology	1,834	2,247	1,821
Special purpose and trust	38	413	397
Sponsored research	-	15	-
	33,766	33,053	31,940
Annual operating surplus	-	2,677	1,181
Endowment contributions and capitalized investment income			
Endowment contributions (Note 11)	55	133	10
Endowment capitalized investment income (Note 11)		-	210
Annual surplus	55	2,810	1,401
Accumulated surplus, beginning of year	18,545	21,094	19,693
Accumulated surplus, end of year (Note 11)	\$ 18,600	\$ 23,904	\$ 21,094

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

Portage College

Statement of Change in Net Financial Assets Year Ended June 30, 2022 (thousands of dollars)

	Budget (Note 21)	2022	2021
Annual surplus	\$ 55	\$ 2,810	\$ 1,401
Acquisition of tangible capital assets	(400)	(948)	(473)
Proceeds from sale of tangible capital assets		611	8
Amortization of tangible capital assets	3,250	3,194	3,591
Gain on disposal of tangible capital assets		(518)	(8)
(Increase) decrease in inventories of supplies	(1)	9	15
(Increase) decrease in prepaid expenses	(13)	64	(256)
Decrease in spent deferred capital contributions	(2,345)	(1,762)	(2,463)
(Decrease) increase in accumulated remeasurement (losses) gains		(1,285)	104
Increase in net financial assets		2,175	1,919
Net financial assets, beginning of year		13,242	11,323
Net financial assets, end of year		\$ 15,417	\$ 13,242

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

Portage College

Statement of Remeasurement Gains and Losses

Year Ended June 30, 2022

(thousands of dollars)

	<u>2022</u>	<u>2021</u>
Accumulated remeasurement gains, beginning of year	\$ 249	\$ 145
Unrealized (losses) gains attributable to:		
Quoted in active market financial instruments		
Portfolio investments - non-endowment	(1,201)	121
Amounts reclassified to the statement of operations:		
Quoted in active market financial instruments		
Portfolio investments - non-endowment	(84)	(17)
Change in accumulated remeasurement (losses) gains	(1,285)	104
Accumulated remeasurement (losses) gains, end of year	\$ (1,036)	\$ 249

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

Portage College

Statement of Cash Flows Year Ended June 30, 2022 (thousands of dollars)

	2022	2021
OPERATING TRANSACTIONS		
Annual surplus	\$ 2,810	\$ 1,401
Add (deduct) non-cash items:		
Amortization of tangible capital assets	3,194	3,591
Gain on sale of portfolio investments	(84)	(161)
Gain on disposal of tangible capital assets	(518)	(8)
Expended capital contributions recognized as revenue	(2,347)	(2,463)
Increase (decrease) in employee future benefit liabilities	61	(124)
Change in non-cash items	3,116	2,236
Increase in accounts receivable	(1,871)	(107)
Decrease in inventories held for sale	35	45
(Decrease) increase in accounts payable and accrued liabilities	(125)	458
Increase in deferred revenue	544	1,316
Decrease in inventory for supplies	9	15
Decrease (increase) in prepaid expenses	64	(256)
Cash provided by operating transactions	1,772	3,707
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(948)	(473)
Proceeds on sale of tangible capital assets	611	8
Cash applied to capital transactions	(337)	(465)
INVESTING TRANSACTIONS		
Purchase of portfolio investments	(7,855)	(15,180)
Proceeds on sale of portfolio investments	5,830	5,684
Cash applied to investing transactions	(2,025)	(9,496)
FINANCING TRANSACTIONS		
Debt - repayment	(47)	(47)
Increase (decrease) in spent deferred capital contributions, less expended capital recognized as revenue	585	-
Cash applied to financing transactions	538	(47)
Decrease in cash	(52)	(6,301)
Cash at beginning of year	6,476	12,777
Cash end of year	\$ 6,424	\$ 6,476

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

Portage College

Notes to the Financial Statements

Year Ended June 30, 2022

(thousands of dollars)

1. Authority and Purpose

The Board of Governors of Portage College is a corporation that manages and operates Portage 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*, the College is a comprehensive community institution offering diploma and certificate programs as well as a full range of continuing education programs and activities. The College is a registered charity, and under section 149 of the *Income Tax Act* (Canada) is exempt from the payment of income tax.

2. Summary of Significant Accounting Policies and Reporting Practices

a. General - Canadian Public Sector Accounting Standards (PSAS) and Use of Estimates

These financial statements have been prepared in accordance with Canadian public sector accounting standards (PSAS).

The measurement of certain assets, liabilities, revenues and expenses is contingent upon future events; therefore, the preparation of these financial statements requires the use of estimates, which may vary from actual results. The College's management uses judgement to determine such estimates. Employee future benefit liabilities, amortization of tangible capital assets and the revenue recognition for expended capital are the most significant items based on estimates. In management's opinion, the resulting estimates are within reasonable limits of materiality and are in accordance with the significant accounting policies summarized below. These significant accounting policies are presented to assist the reader in evaluating these financial statements, and together with the following notes, should be considered an integral part of the financial statements.

b. Valuation of Financial Assets and Liabilities

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

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

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

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recognized in the statement of operations. A write-down of a portfolio investment to reflect a loss in value that is other than temporary 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 cash and 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.

Portage College

Notes to the Financial Statements Year Ended June 30, 2022 (thousands of dollars)

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 contributions

Endowment contributions are recognized as revenue in the 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 and interest earned on deposit accounts. 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. Realized investment income allocated to endowment balances for the preservation of endowment capital purchasing power is recognized in the statement of operations.

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 and reinvesting unexpended income.

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

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

The spending allocation is funded from the cumulative investment income and spending will not exceed the amount available.

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 method. Inventories of supplies are valued at cost.

Portage College

Notes to the Financial Statements

Year Ended June 30, 2022

(thousands of dollars)

2. Summary of Significant Accounting Policies and Reporting Practices continued

f. Tangible Capital Assets

Tangible capital assets are recognized 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. Assets or disposal groups that are classified as held-for-sale are measured at the lower of carrying amount and fair value less costs to sell.

Leases of tangible capital assets which transfer substantially all the benefits and risks of ownership are accounted for as leased tangible capital assets. Capital lease liabilities 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 the lease payments is the lower of the College's rate for incremental borrowing or the interest rate implicit in the lease. Note 7 provides a schedule of repayments and amount of interest on the leases.

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, trailers & site improvements ⁽¹⁾	20 - 40 years
Equipment	5 - 10 years
Computer hardware & software	4 - 5 years
Learning resources & other assets	2 - 10 years

⁽¹⁾ Leasehold improvements are amortized on a straight-line basis over the life of the lease.

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 expense.

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. Foreign Currency Translation

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

In the period of settlement, foreign exchange gains and losses are reclassified to the statement of operations, and the cumulative amount of remeasurement gains and losses is reversed in the statement of remeasurement gains and losses. The College does not have any unrealized foreign exchange gains and losses.

h. Employee Future Benefits

i. Pension

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

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

ii. Long-term disability

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 estimated 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. Any changes to the estimates that affect the accrued benefit obligation are amortized over the expected period the benefits will be paid for each employee.

Portage College

Notes to the Financial Statements Year Ended June 30, 2022 (thousands of dollars)

2. Summary of Significant Accounting Policies and Reporting Practices continued

h. Employee Future Benefits continued

iii. Professional leave

Under the collective agreements, the College may approve unpaid administrative, professional or faculty leave which is fully funded by the employee. As a result, the College incurs no liability and therefore, no actuarial valuations are required.

i. Liability for Contaminated Sites

Contaminated sites are a result of contamination of a chemical, organic or radioactive material or live organism that exceeds an environmental standard, being introduced into soil, water or sediment. It does not include airborne contaminants. The College recognizes a liability for remediation of contaminated sites when the following criteria have been met:

- an environmental standard exists:
- there is evidence that contaminaton exceeds an environmental standard:
- the College is directly responsible or accepts responsibility for the contamination:
- it is expected that future economic benefits will be given up: and
- a reasonable estimate of the amount can be made.

A liability for contaminated site may arise from operations that are either considered in productive use or no longer in productive use when environmental standards are exceeded. It will also arise when an unexpected event occurs resulting in contamination that exceeds an environmental standard.

In these situations the College reviews the information to determine if a contaminated site liability exists or if an environmental liability exist and if it does it will record the liability. In cases where the College's responsibility is not determinable or a reasonable estimate cannot be made, a contingent liability may be disclosed.

Where an environmental standard does not exist or contamination does not exceed an environmental standard, a liability for remediation of a site is recognized by the College when the following criteria have been met:

- the College has a duty or responsibility to others, leaving little or no discretion to avoid the obligation;
- the duty or responsibility to others entails settlement by future transfer or use of assets, or a provision of services at a specified or determinable date, or on demand; and
- the transaction or events obligating the College have already occurred.

The liabilities reflect the College's best estimate, as of June 30, of the amount required to remediate the sites to the current minimum standard of use prior to contamination. Where possible, provisions for remediation are based on environment assessments completed on a site; for those sites where an assessment has not been completed, estimates of the remediation are completed using information available for the site and by extrapolating from the cost to clean up similar sites.

As of June 30, 2022, the College had no environmental liabilities to report (2021 - \$nil).

j. Expense by Function

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

Instruction

Expenses related to the support for 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 program deans, student services, student recruitment, student records and admissions, counselling, social development, scholarships and non-sponsored research activities.

Facilities 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. Also includes amortization expense.

Portage College

Notes to the Financial Statements Year Ended June 30, 2022 (thousands of dollars)

2. Summary of Significant Accounting Policies and Reporting Practices continued

j. Expense by Function continued

Institutional support

Includes expenses for centralized College-wide administration including executive management, corporate relations, marketing, corporate finance and human resources.

Ancillary services

Expenses relating to the College's business enterprises that provide services and products to the College community and to external individuals and organizations. Services include bookstore, student residences, food services, hair salon and conferencing.

Special purpose and trust

Expenses for fundraising activities, public and alumni relations and other programs specifically funded by restricted grants and donations.

Information Technology

Expenses relating to activities for computing services, network and data communication.

Research

Research expenses relate primarily to activity funded by externally sponsored research funds intended for specific research purposes as well as internal funds designated for research spending.

k. Funds and Reserves

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

l. Future Changes in Accounting Standards

In August 2018, the Public Sector Accounting Board (PSAB) issued PS 3280 Asset retirement obligations. This accounting standard has been deferred by PSAB, and is effective for fiscal years starting on or after April 1, 2022. Asset retirement obligations provides guidance on how to account for and report a liability for retirement of a tangible capital asset.

In November 2018, PSAB issued PS 3400 Revenue. This accounting standard has been deferred by PSAB, and is effective for fiscal years starting on or after April 1, 2023. Revenue provides guidance on how to account for and report on revenue, specifically addressing revenue arising from exchange transactions and unilateral transactions.

In November 2020, PSAB issued PSG-8 Purchased intangibles. This accounting guideline is effective for fiscal years starting on or after April 1, 2023. Purchased intangibles provides guidance on how to recognize intangibles as non-financial assets.

The College has not yet adopted these standards. Management is currently assessing the impact of these standards on the financial statements.

3. Cash

	2022	2021
Cash ⁽¹⁾	<u>\$ 6,424</u>	<u>\$ 6,476</u>

Cash also includes deposits in the Consolidated Cash Investment Trust Fund (CCITF).

⁽¹⁾ Cash includes restricted capital funds of \$2,769 (2021 - \$1,241).

4. Portfolio Investments

	2022	2021
Portfolio investments - non-endowment	<u>\$ 10,162</u>	<u>\$ 11,104</u>
Portfolio investments - restricted for endowments	<u>4,789</u>	<u>3,461</u>
	<u>\$ 14,951</u>	<u>\$ 14,565</u>

Portage College

Notes to the Financial Statements

Year Ended June 30, 2022

(thousands of dollars)

4. Portfolio Investments continued

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

	2022			
	Level 1	Level 2	Level 3	Total
Portfolio investments at fair value				
Bonds				
Canadian Bonds	\$ 9,118	\$ -	\$ -	\$ 9,118
Equities				
Canadian Equities	2,046	-	-	2,046
Foreign Equities	2,800	-	-	2,800
Other				
Money market, short-term notes and treasury bills ⁽¹⁾	987	-	-	987
Total portfolio investments	\$ 14,951	\$ -	\$ -	\$ 14,951
	100 %	0 %	0 %	100 %
	2021			
	Level 1	Level 2	Level 3	Total
Portfolio investments at fair value				
Bonds				
Canadian Bonds	\$ 9,120	\$ -	\$ -	\$ 9,120
Equities				
Canadian Equities	1,987	-	-	1,987
Foreign Equities	2,805	-	-	2,805
Other				
Money market, short-term notes and treasury bills ⁽¹⁾	653	-	-	653
Total portfolio investments	\$ 14,565	\$ -	\$ -	\$ 14,565
	100 %	0 %	0 %	100 %

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 within 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).

⁽¹⁾ All mature in three months or greater from date of acquisition.

Portage College

Notes to the Financial Statements Year Ended June 30, 2022 (thousands of dollars)

5. Financial Risk Management

The College is exposed to the following risks:

Market price risk

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

The College assesses its portfolio sensitivity to a percentage increase or decrease in market prices. The sensitivity rate is determined using the historical annualized standard deviation for portfolio investments over ten years, as determined by the College's investment fund manager's reports.

At June 30, 2022, the impact of a change in return on portfolio investments would be as follows:

Endowment Portfolio

A one standard deviation change in bonds would result in an increase (decrease) in bonds of \$101 (2021 - \$61).

A one standard deviation change in equities would result in an increase (decrease) in equities of \$194 (2021 - \$163).

Non Endowment Portfolio

A one standard deviation change in bonds would result in an increase (decrease) in bonds of \$342 (2021 - \$256).

A one standard deviation change in equities would result in an increase (decrease) in equities of \$303 (2021 - \$301).

The standard deviations of the bond and equity segments at June 30, 2022 were; bonds 4.83% (2021 - 3.47%), and equities 10.23% (2021 - 9.67%).

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. Credit risk from tuition receivables is managed through restricted enrolment activities and managed collection procedures for students with delinquent accounts.

The credit risks on investments held are as follows:

	2022	2021
Money market funds		
R-1 (high)	100.0 %	100.0 %
Bonds		
AAA	35.2 %	34.3 %
AA	35.7 %	32.0 %
A	15.6 %	18.4 %
BBB	13.5 %	15.3 %
	100.0 %	100.0 %

Portage College

Notes to the Financial Statements

Year Ended June 30, 2022

(thousands of dollars)

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. A 1% change in interest rates on bonds would result in a \$91 increase or decrease (2021 - \$91) in interest income.

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

	< 1 year	1 - 5 years	> 5 years	Average effective market yield
Money market, short-term notes and treasury bills	100.00 %	- %	- %	2.77 %
Canadian government and corporate bonds	- %	31.88 %	68.12 %	4.10 %

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 portfolio investments that are denominated in foreign currencies, specifically U.S. dollars. The College does not hedge its foreign currency exposure with currency forward contracts or any other type of derivative financial instruments. 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 risk is managed by maintaining excess funds in the College's operating bank account which earns interest at a rate comparable to a short-term redeemable investment product, as well as a revolving 6-month guaranteed investment certificate.

6. Employee Future Benefit Liabilities

Pension

The College participates in multi-employer pensions plans and has insufficient information to follow the standards for defined benefit accounting, and therefore, follows the standards for defined contribution accounting. No employee future benefit liability is reported.

The expense for these plans is \$1,671 (2021 - \$1,798).

At December 31, 2021 the MEPP reported a surplus of \$1,348,160 (2020 - surplus of \$809,850). Also, at December 31, 2021 the PSPP reported a surplus of \$4,588,479 (2020 - surplus of \$2,223,582).

Long-term disability

The College's employment benefit plan includes the contribution of extended health care, dental, health spending account and pension contributions for employees on long-term disability (LTD).

The employees future benefit liability for employer paid contributions for staff on LTD was \$122 (2021 - \$61). The amortization of the employee future benefit liability was \$104 (2021 - \$88). An actuarial valuation report was prepared as of June 30, 2015. An updated accrued benefit obligation was prepared as of June 30, 2017 by an external actuarial service. An updated accrued benefit obligation was prepared as of June 30, 2022 by the College.

Portage College

Notes to the Financial Statements Year Ended June 30, 2022 (thousands of dollars)

7. Debt

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

		2022	2022	2021	
Collateral ⁽¹⁾	Maturity	Fixed Interest Rate %	Amortized Cost	Amortized Cost	
Liabilities under capital leases					
Lease 527-261-200	1	Apr 17, 2024	2.765 \$	91 \$	138

⁽¹⁾Collateral – leased Xerox equipment.

In November 2018, leased capital assets were exchanged for new equipment under a new agreement. Interest expense on debt is \$3 (2021 - \$5) and is included in the statement of operations.

Principal and interest repayments are as follows:

	Principal	Interest	Total
2023	\$ 49	\$ 2	\$ 51
2024	42	-	42
	\$ 91	\$ 2	\$ 93

8. Deferred Revenue

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

	2022		2021	
	Unspent externally restricted grants and donations	Tuition and other fees	Total	Total
Balance, beginning of year	\$ 4,495	\$ 1,154	\$ 5,649	\$ 4,255
Grants, tuition, and donations	4,529	1,422	5,951	5,248
Investment income	19	-	19	182
Unrealized (losses) gains	(438)	-	(438)	79
Transfers to spent deferred capital contributions	(585)	-	(585)	(10)
Recognized as revenue	(3,546)	(1,294)	(4,841)	(4,105)
Balance, end of year	\$ 4,474	\$ 1,282	\$ 5,755	\$ 5,649

Portage College

Notes to the Financial Statements Year Ended June 30, 2022 (thousands of dollars)

9. Tangible capital assets

The composition of tangible capital assets are as follows:

	2022				2021	
	Land	Buildings, trailers & site improvements	Equipment ⁽¹⁾	Computer hardware & software	Total	Total
Cost						
Balance, beginning of year	\$ 1,883	\$ 75,051	\$ 11,094	\$ 14,239	\$ 102,267	\$ 102,884
Acquisitions	-	751	180	17	948	473
Disposals, including write-downs	-	(57)	(1,427)	(187)	(1,671)	(1,090)
	<u>1,883</u>	<u>75,745</u>	<u>9,847</u>	<u>14,069</u>	<u>101,544</u>	<u>102,267</u>
Accumulated Amortization						
Balance, beginning of year	\$ -	\$ 34,277	\$ 9,718	\$ 13,822	\$ 57,817	\$ 55,316
Amortization expense	-	2,455	471	267	3,194	3,591
Effects on disposals, including write-downs	-	(57)	(1,334)	(187)	(1,578)	(1,090)
	<u>-</u>	<u>36,675</u>	<u>8,855</u>	<u>13,902</u>	<u>59,433</u>	<u>57,817</u>
Net book value at June 30, 2022	<u>\$ 1,883</u>	<u>\$ 39,070</u>	<u>\$ 992</u>	<u>\$ 167</u>	<u>\$ 42,112</u>	
Net book value at June 30, 2021	\$ 1,883	\$ 40,774	\$ 1,376	\$ 417		\$ 44,450

No interest was capitalized by the College in 2022 (2021 - \$nil).

Historic cost includes work-in-progress at June 30, 2022 totaling \$538 (2021 - \$212) comprised of buildings \$538 (2021 - \$133), equipment \$nil (2021 - \$24) and computer hardware and software \$nil (2021 - \$55).

(1) Equipment includes vehicles, heavy equipment, office equipment and furniture and other equipment.

The College holds library permanent collections and other permanent collections which include works of art, museum specimens, archival material and maps. These collections are not included in tangible capital assets.

10. Spent Deferred Capital Contributions

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

	2022	2021
Spent deferred capital contributions, beginning of year	\$ 37,288	\$ 39,751
Transfers from unspent externally restricted grants and donations	585	10
Expended capital contributions recognized as revenue	(2,347)	(2,473)
Spent deferred capital contributions, end of year	<u>\$ 35,526</u>	<u>\$ 37,288</u>

Portage College

Notes to the Financial Statements

Year Ended June 30, 2022

(thousands of dollars)

11. Net Assets

	Accumulated surplus from operations	Investment in tangible capital assets ⁽¹⁾	Internally restricted surplus	Endowments	Total
Net assets, as at June 30, 2020	\$ 6,245	\$ 7,744	\$ 2,967	\$ 2,882	\$ 19,838
Annual operating surplus	1,181	-	-	-	1,181
Endowments					
New donations	-	-	-	10	10
Capitalized investment income	-	-	-	210	210
Transfer to endowments	(725)	-	-	725	-
Tangible capital assets					
Amortization of tangible capital assets	1,118	(1,118)	-	-	-
Acquisition of tangible capital assets	(463)	463	-	-	-
Change in accumulated remeasurement gains	104	-	-	-	104
Net assets, beginning of year	7,460	7,089	2,967	3,827	21,343
Annual operating surplus	2,677	-	-	-	2,677
Endowments					
New donations	-	-	-	133	133
Transfer from endowments	117	-	-	(117)	-
Transfer to endowments	(900)	-	-	900	-
Tangible capital assets					
Amortization of tangible capital assets	846	(846)	-	-	-
Acquisition of tangible capital assets	(371)	371	-	-	-
Net book value of tangible capital asset disposals	94	(94)	-	-	-
Net Board appropriation to internally restricted surplus	(850)	-	850	-	-
Change in accumulated remeasurement losses	(1,285)	-	-	-	(1,285)
Net assets, end of year	\$ 7,788	\$ 6,520	\$ 3,817	\$ 4,743	\$ 22,868

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

Net assets is comprised of:

Accumulated surplus	\$ 8,824	\$ 6,520	\$ 3,817	\$ 4,743	\$ 23,904
Accumulated remeasurement losses	(1,036)	-	-	-	(1,036)
	\$ 7,788	\$ 6,520	\$ 3,817	\$ 4,743	\$ 22,868

Portage College

Notes to the Financial Statements Year Ended June 30, 2022 (thousands of dollars)

12. Internally Restricted Surplus

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 of Governors and do not have interest allocated to them.

The composition of internally restricted surplus is as follows:

	Balance at beginning of year	Appropriations	Distributions	Balance at end of year
Appropriations for Capital Activities				
Campus development fund	\$ 117	\$ -	\$ -	\$ 117
Housing development fund	250	-	-	250
Furnishings, equipment and renovations	272	-	-	272
Facility development fund	512	-	-	512
Capital equipment replacement fund - HEO	7	-	-	7
Program capital fund	-	450	-	450
ERP capital fund	-	400	-	400
	<u>1,158</u>	<u>850</u>	<u>-</u>	<u>2,008</u>
Appropriations for Operating Activities				
E-learning technology	150	-	-	150
Program development	193	-	-	193
Student scholarship and bursary investment fund	350	-	-	350
Program enhancement fund	87	-	-	87
Professional services - transition fund	334	-	-	334
Financially assisted educational leave	63	-	-	63
Emergency facility repair	78	-	-	78
Operating contingency	521	-	-	521
College rebranding initiatives	33	-	-	33
	<u>1,809</u>	<u>-</u>	<u>-</u>	<u>1,809</u>
Total	<u>\$ 2,967</u>	<u>\$ 850</u>	<u>\$ -</u>	<u>\$ 3,817</u>

13. Contingent Liabilities

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 has not been estimated. Once the public sector accounting standard for asset retirement obligations comes into effect (see Note 2(l)), retirement obligations related to asbestos removal will be recorded at that time.

Portage College

Notes to the Financial Statements

Year Ended June 30, 2022

(thousands of dollars)

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. Contracts are mainly for sponsorship agreements and sales contracts.

	Contracts
2023	\$ 438
2024	102
2025	2
	<hr/>
Total at June 30, 2022	\$ 542
	<hr/>
Total at June 30, 2021	\$ 631
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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	Information Systems and Technology	Long-term Leases	Total
2023	\$ 621	\$ 36	\$ 199	\$ 856
2024	301	36	-	337
2025	217	-	-	217
2026	124	-	-	124
2027	5	-	-	5
Thereafter	1	-	-	1
	<hr/>	<hr/>	<hr/>	<hr/>
Total at June 30, 2022	\$ 1,269	\$ 72	\$ 199	\$ 1,540
	<hr/>	<hr/>	<hr/>	<hr/>
Total at June 30, 2021	\$ 1,625	\$ -	\$ 361	\$ 1,986
	<hr/>	<hr/>	<hr/>	<hr/>

Portage College

Notes to the Financial Statements Year Ended June 30, 2022 (thousands of dollars)

16. Expense by Object

The following is a summary of expense by object:

	2022		2021	
	Budget		Actual	
	(Note 21)	Actual		Actual
Salaries and benefits	\$ 20,539	\$ 20,875	\$	20,998
Materials, supplies and services	6,083	6,004		4,851
Amortization of tangible capital assets	3,250	3,194		3,591
Maintenance and repairs	2,376	1,455		1,277
Utilities	891	885		730
Scholarships and bursaries	627	640		493
	<u>\$ 33,766</u>	<u>\$ 33,053</u>	<u>\$</u>	<u>31,940</u>

17. Funds Held on Behalf of Others

The College holds the following funds on behalf of others over which the Board of Governors has no power of appropriation. Accordingly, these funds are not included in the financial statements.

	2022		2021	
Faculty Association	\$	101	\$	100
Other funds held		172		172
Security deposits held		17		21
	<u>\$</u>	<u>290</u>	<u>\$</u>	<u>293</u>

18. 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. All transactions with related parties were recorded at arm's length and at fair market value.

The College has an accounts receivable with the Ministry of Advanced Education in the amount of \$1,206 as of June 30, 2022.

Portage College

Notes to the Financial Statements

Year Ended June 30, 2022

(thousands of dollars)

19. Government Transfers

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

	2022	2021
Grants from Government of Alberta		
Advanced Education:		
Operating	\$ 20,924	\$ 21,762
Capital	1	-
Other	2,906	2,257
Total Advanced Education	<u>\$ 23,831</u>	<u>\$ 24,019</u>
Other Government of Alberta departments and agencies		
Culture and Status of Women	7	-
Total other Government of Alberta departments and agencies	<u>7</u>	<u>-</u>
Total contributions received	<u>23,838</u>	24,019
Expended capital contributions recognized as revenue	1,967	2,068
Transfers to deferred revenue	<u>(1,247)</u>	<u>(522)</u>
	<u>\$ 24,558</u>	<u>\$ 25,565</u>
Federal and other government grants		
Contributions received	604	617
Transfers to deferred revenue	<u>\$ (115)</u>	<u>(119)</u>
	<u>\$ 489</u>	<u>\$ 498</u>

Portage College

Notes to the Financial Statements

Year Ended June 30, 2022

(thousands of dollars)

20. Salary and Employee Benefits

	2022			2021	
	Base salary ⁽²⁾	Other cash benefits ⁽³⁾	Other non-cash benefits ⁽⁴⁾	Total	Total
Governance⁽¹⁾					
Chair of the Board of Governors	\$ -	\$ 6	\$ -	\$ 6	6
Members of the Board of Governors	-	12	-	12	10
Executive					
President and CEO	204	-	31	235	234
Vice-President Academic ⁽⁵⁾	166	2	29	197	217
Vice-President, Student & College Services	162	1	31	194	192
Vice-President, People, Planning & Public Relations	162	-	29	191	192
Manager, Finance ⁽⁶⁾	-	-	-	-	156
Chief Financial Officer ⁽⁶⁾	132	-	26	158	-

(1) The Chair and Members of the Board of Governors receive no remuneration for participation on the Board other than honoraria for participation in board meetings.

(2) Base salary include pensionable base pay.

(3) Other cash benefits include earnings such as flex cash, employee long service recognition and administrative honorarium. No bonuses were paid out.

(4) 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, health care, health and wellness spending account, short and long term disability plans, vision coverage, dental plan, accidental disability and dismemberment insurance and out of country medical insurance.

(5) The position was occupied by two individuals at different times during the year. September 2021 VPA retired and was replaced with an interim to February 2022 when the interim was appointed to the position.

(6) Effective June 2021 the position of Manager, Finance was appointed to Chief Financial Officer and the Manager, Finance position was eliminated.

21. Budget Figures

The College's 2021-22 budget was approved by the Board of Governors and submitted to the Minister of Advanced Education.

22. Approval of Financial Statements

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

OUR VALUES



Collaboration



Inclusion



Success



Accountability

At Portage College, we are committed to promoting diversity, equity and inclusion in our workplace, classrooms, services and research.

Portage College works to maximize local learning opportunities that support economic growth and human development. We influence student success and bring opportunities to our region that would not otherwise exist in rural Alberta. We provide community-based outreach programs to many other communities in our region.

Portage College offers programming at multiple campus locations across northeast Alberta: Cold Lake, Frog Lake First Nation, Lac La Biche, Saddle Lake Cree Nation, St. Paul and Whitefish Lake First Nation #128.



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