



GRANT MACEWAN UNIVERSITY **ANNUAL REPORT** 2008/09

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## About Grant MacEwan University

In less than 40 years, MacEwan has evolved from a fledgling community college, to Alberta's largest university transfer institution, to an undergraduate university offering a broad complement of programs. Our name may have changed, but our commitment to teaching and learning continues.

MacEwan's 3,000 full- and part-time faculty and staff serves in excess of 40,000 learners annually in more than 60 bachelor degree, applied degree, university transfer, diploma and certificate programs.

MacEwan is internationally respected for its programs in the arts, communications, sciences, humanities, business, health care and human services, and produces graduates who work in a full continuum of careers. Our commitment to providing access to quality post-secondary education extends from full- and part-time programming on four Edmonton campuses to distance courses with students from across the globe.

## Accountability Statement

The Grant MacEwan University Annual Report for the year ended June 30, 2009, was prepared under the Board of Governors' direction in accordance with the Government Accountability Act and ministerial guidelines established pursuant to the Government Accountability Act. All material economic, environmental, or fiscal implications of which we are aware have been considered in the preparation of this report.

A handwritten signature in black ink, appearing to read "Eric Young". The signature is stylized with a large initial "E" and a long, sweeping tail.

Eric Young, QC  
Chair, Board of Governors

## Message from the President

In the lead up to our official name change, 2008/09 was a year marked by the continued growth and maturity of MacEwan.

The academic year started off with the announcement of a new MacEwan degree and ended with the first batch of graduates from another. In the fall, we began accepting applications for our fifth degree – the Bachelor of Science. And in the spring, we congratulated the first degree holders from our Bachelor of Commerce program at convocation.

With the increase in degrees, we recognized the need to establish a Graduate School Liaison Office, to help students apply to, prepare for and transition to graduate studies. The office also works to build relationships with graduate schools in order to raise the profile of MacEwan.

Another big organizational change brought on by our degree programming involved the establishment of a new academic governance model. The Board of Governors unanimously passed a motion to establish a new Academic Governance Council, which held its inaugural meeting in January 2009.

It was a record-making year for MacEwan Athletics. The men's volleyball team made Griffin history in March, winning the national championship – the first national title for a MacEwan men's team in the history of the institution. On top of that, four other MacEwan varsity teams competed at the national championships in their respective sports.

After a year of unprecedented achievements and successes, MacEwan realized another major milestone when in May, the Board of Governors approved recommending a name change from Grant MacEwan College to Grant MacEwan University.

We are excited about the opportunity this name change offers our students, faculty, staff — and the organization as a whole — but remain grounded in the fact that it does not change MacEwan's roots. We are just as committed to our mission and role in Alberta's post-secondary system as ever.



A handwritten signature in black ink, appearing to read 'P. Byrne', enclosed within a large, stylized circular flourish.

Paul J. Byrne, PhD  
President and CEO



# Mission Statement

Grant MacEwan University is a vibrant, innovative educational institution focused on student learning. MacEwan fosters student success and student contributions within local, national and international communities. Teaching and learning are central to the academic endeavour, which is informed and enriched by research and scholarly pursuits of highly engaged faculty and staff. MacEwan strives to exemplify the values of respect, integrity, citizenship and environmental stewardship through teaching, learning, scholarship, research and service.

Approved by the Grant MacEwan University Board of Governors,  
June 12, 2008 (Motion 03-6-12-2007/08)

In the 2007/2008 academic year, the MacEwan community engaged in an extensive consultation process involving faculty, staff, students and advisory committee members, to review and update the mission statement. This review was necessary to ensure that the mission accurately reflects MacEwan's expanded degree mandate and role in research and scholarly activity, and that it addresses the requirements of external accrediting bodies. The revised statement was approved by the Board of Governors in June 2008.

## **Rationale:**

The content and order of each sentence was considered carefully to capture the following elements, and with an eye to brevity and plain language:

- The first sentence provides an overall description of the university from three key perspectives: the energy and vibrancy that we have sometimes called “the MacEwan spirit;” our innovative nature; and our student-centred ethos.
- The second sentence focuses on students and student success, and emphasizes the contributions our graduates make to their communities, whether locally or internationally.
- The third sentence focuses on MacEwan's faculty and staff, and on the centrality of the teaching/learning function, enriched by research and scholarly activity.
- The last sentence outlines the values we exemplify and practice, which are very much the values associated with our namesake, Dr. J.W. Grant MacEwan (1902-2000).



# Mandate

On September 24, 2009, the Government of Alberta made an historic announcement when it granted our institution the authority to be named Grant MacEwan University. This change necessitates an update to this mandate statement, which requires Ministerial approval. An application for revision to MacEwan's mandate will be submitted to the Minister of Advanced Education and Technology in the near future.

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Grant MacEwan College is a board-governed public College operating under the authority of The Post-Secondary Learning Act.

## **The college focuses on three primary types of programming:**

- Undergraduate degrees and university transfer programs that prepare learners for employment and for graduate studies.
- Certificate, diploma and applied degree programs that prepare learners for entry to careers and employment.
- College and university entrance programming that prepares learners for success in further post-secondary studies.

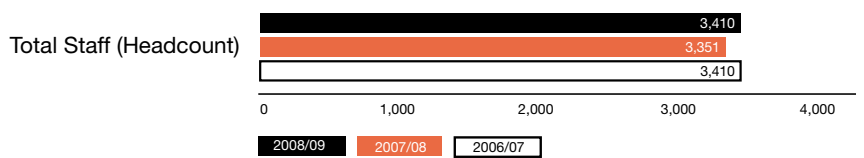
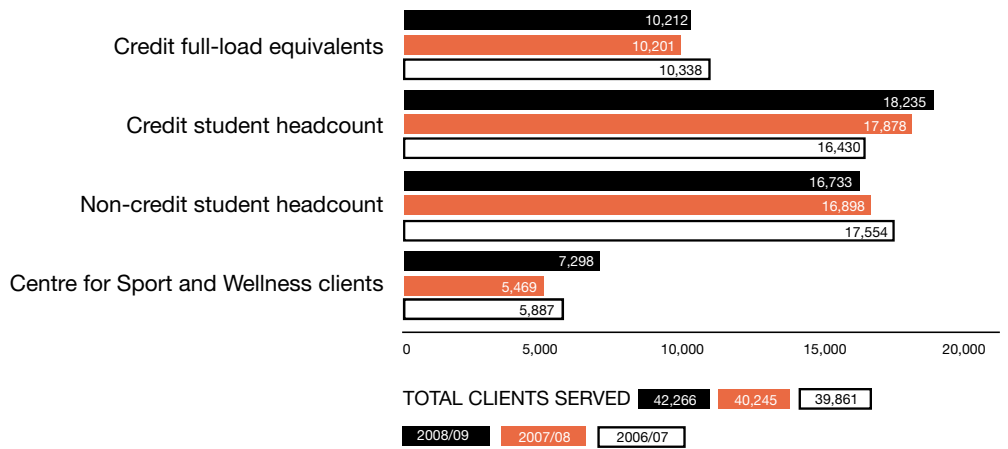
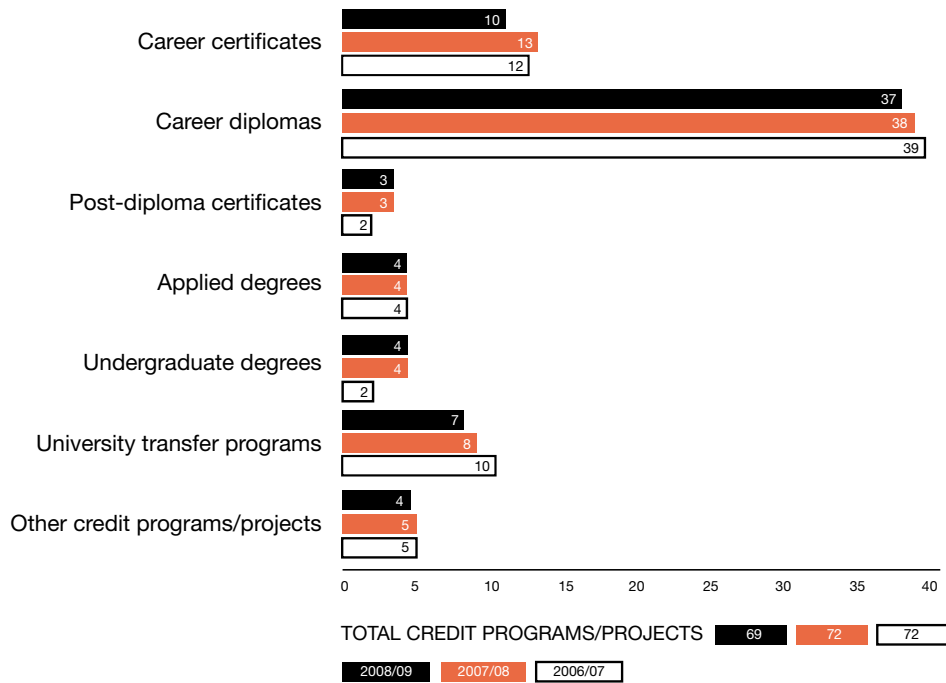
Grant MacEwan College serves a diverse range of learners in the following major areas of study: liberal arts, business/commerce, communications, education, engineering, health and human services, performing and visual arts, physical education, and science. The college's innovative approaches to program delivery are designed to maximize graduates' opportunities to advance their careers and further their education.

Grant MacEwan College emphasizes a learner-centred approach to the provision of its programs and services. The college encourages scholarly activity including applied research as contributors to teaching excellence and quality programming. As a learner-centred institution, Grant MacEwan College emphasizes small classes, high quality instruction and student support. By incorporating a global focus in its programming, serving a diverse range of Canadian and international students, and providing opportunities for study abroad, the college aims to provide all learners with opportunities to develop the skills and attitudes to function successfully in an interconnected world economy and society.

Grant MacEwan College serves primarily the greater Edmonton region through programming aimed at building a strong economy, and by providing a variety of resources to its communities. The college also offers courses and programs throughout Alberta, across Canada and internationally through eCampusAlberta and other distance delivery and brokerage arrangements. Grant MacEwan College offers credit and noncredit continuing education to meet learners' needs, and creates customized learning opportunities to address the needs of business, industry and government.

(Revised Edition approved by Board of Governors: August 30, 2004. Approved by the Minister of Learning: October 13, 2004.)

# MACEWAN AT-A-GLANCE







106th  
Street  
Building

## Summary of key activities

### **BACHELOR OF SCIENCE OPEN TO APPLICATIONS**

In October 2008, MacEwan began accepting applications into its new Bachelor of Science (B.Sc.) program. The B.Sc. degree at MacEwan offers six majors: biological sciences, computer science, mathematics, mathematical sciences, physical sciences, and psychology. Students graduating with a focus in any of these areas are positioned to pursue careers that both the federal and provincial governments have projected to have the highest growth in the coming years. These programs benefit both students and the community.

MacEwan's full roster of baccalaureate degrees also includes a Bachelor of Arts, Bachelor of Child and Youth Care, Bachelor of Commerce, and Bachelor of Science in Nursing. A Bachelor of Music in Jazz and Contemporary Popular Music has been approved and will be delivered for fall 2011. The Bachelor of Communication Studies was approved internally through the MacEwan Curriculum Committee, Academic Governance Council and Board of Governors, and submitted to Advanced Education and Technology for review.

### **NAME CHANGE – AMENDMENT TO THE POST-SECONDARY LEARNING ACT**

MacEwan has been exploring the potential of a name change. Bill 4 proposed to amend the Post-Secondary Learning Act to allow Alberta's post-secondary institutions within the Baccalaureate and Applied Studies sector — MacEwan and Mount Royal College — the opportunity to request a formal change to incorporate the term "university" in their name. Through this opportunity, the Board of Governors approved recommending a name change from Grant MacEwan College to Grant MacEwan University at their May meeting. On September 24, 2009, MacEwan was granted the authority to change its name by the Government of Alberta.

### **NEW ALUMNI ADVISORY COUNCIL CREATED**

An Alumni Advisory Council (AAC) was created to provide regular advice and support to Alumni Relations and Services, and MacEwan. The council's focus will be in creating and enhancing services and opportunities for alumni. Members of the AAC represent the interests of MacEwan alumni, and act as advocates and a sounding board for new initiatives. The AAC will play a vital role in developing our alumni community and strengthening their ongoing affiliation with MacEwan. AAC members will serve terms up to three years in length and will meet at least three times per year.

### **CAMPUS CONSOLIDATION PLANS**

In March 2009, the Board approved a new plan for campus consolidation with an eventual target of consolidating all four existing campuses onto City Centre Campus over the next 10 to 15 years. This move will enable MacEwan to realize efficiencies and eliminate duplication of services, provide more equitable learning conditions for all students, facilitate horizontal credential building, and prepare for future development as a major transportation hub with the City of Edmonton's planned light rail transit station. While this shift in direction modifies the existing two-campus consolidation plan, MacEwan's long-range plans continue to include the eventual establishment of a second location to meet the increased demand for access to post-secondary education.



## **EDMONTONIANS SHOW THEIR SUPPORT FOR MacEWAN STUDENTS**

The 24th Annual Mad Hatter's Gala, held on April 25 at the Shaw Conference Centre, raised more than \$1.2 million toward student awards, bursaries and scholarships for MacEwan students. Funds raised at the gala got a boost from a generous donor from the Edmonton Community Foundation and the Province of Alberta Access to the Future Fund. MacEwan is grateful for the continued community involvement and support that makes this event such a success.

## **ACCESS TO EDUCATION – APPLYALBERTA**

MacEwan was selected as one of the lead institutions for pilot testing of the Alberta Post- Secondary Application System (APAS). The system was successfully tested using two small groups of applicants and is expected to go live in January 2010. A team from MacEwan has been working on preparing for the implementation of APAS for several months ensuring it will be seamlessly integrated into MacEwan's systems with minimal impact on admissions processes.

## **ACADEMIC GOVERNANCE COUNCIL**

An important milestone was reached when the Board of Governors unanimously passed a motion to dissolve the Academic Council and establish a new Academic Governance Council (AGC) – the final step in MacEwan's new shared governance structure. The AGC held its inaugural meeting in January 2009 and subsequently met four times before the end of the academic year. Faculty, student and staff members were elected in the fall and an Academic Governance Officer was hired to lead the development of the AGC Secretariat. This bicameral body is responsible for academic matters at MacEwan, including programs of study, standards and policies for admissions, academic, student services and research plans, and all academic credentials awarded by the institution.

## **GRADUATE SCHOOL LIAISON OFFICE ESTABLISHED**

Now that MacEwan grants four-year baccalaureate degrees, many students and alumni are looking into continuing their studies at a graduate level. To help meet this demand, MacEwan created a Graduate School Liaison Office to maintain information and resources around applying for graduate studies while establishing connections with graduate schools on behalf of MacEwan.





## MACEWAN GRIFFINS WIN NATIONAL VOLLEYBALL TITLE

The MacEwan Griffins set a new standard of excellence in 2008/09, sending five teams to national championships in one season. Leading the way to excellence was the men's volleyball team, making history as the first MacEwan men's volleyball team to become CCAA (Canadian Colleges Athletic Association) National Champions. MacEwan will host the 2010 championships March 11–13. While the men battled in Fort McMurray in March, the women's volleyball team travelled to Ontario seeking their second national championship in three years and came away with a silver medal.

The Griffin women's basketball squad flew to Quebec City after earning a wildcard spot in the CCAA National Championships. Although they did not receive a medal at the event, they were awarded with the Fair Play Award – the third MacEwan team to get that recognition at the national level, joining the men's volleyball team and the women's soccer team. The women's soccer squad and the men's cross country running team also represented MacEwan at national competitions.

## NEW ENTERPRISE RESOURCE PLANNING SYSTEM GETS THE GREEN LIGHT

MacEwan completed a comprehensive evaluation and selection process that concluded with the acquisition of the PeopleSoft integrated Enterprise Resource Planning System solution. Working with the implementation contractor, MacEwan has started a series of projects to review and enhance business processes, implement applications to support Human Resources, Finance and Student Services, and build interfaces to ancillary systems. This project will continue into late 2011.











# Progress Report on Achievement of Strategic Directions and Supporting Objectives, 2008/09 to 2012/13

## STRATEGIC DIRECTION:

Develop and implement high quality undergraduate degree programs to enhance Albertans' access to and participation in degree-level education.

### **Develop and implement baccalaureate programs in accordance with funding commitments and MacEwan's five-year program plan**

- Both a Bachelor of Communication Studies with two majors and an accounting major in the Bachelor of Commerce were approved internally through the MacEwan Curriculum Committee, Academic Council and Board of Governors, and submitted to Advanced Education and Technology for systems coordination review.
- The Bachelor of Science with six majors was approved for implementation in September 2009 with initial delivery of first- and second-year courses.
- The Bachelor of Commerce program implemented the Supply Chain Management Co-op major.
- Ten new courses and four additional option courses were offered to fourth year Bachelor of Commerce students. Alternate delivery was made available to students in 2008/09 through both online and evening courses.
- The Bachelor of Science in Nursing continued its implementation schedule by adding Year 3 delivery.
- The Bachelor of Arts and Bachelor of Child and Youth Care continued implementation of all four years of delivery. Student recruitment efforts for Bachelor of Child and Youth Care in Ontario have proven successful.

### **Achieve enrolment targets for degree programs through effective student recruitment and retention strategies**

- Nearly 4,900 students (3,327 FLE) were enrolled in the four degree programs (an increase of 20 per cent from 2007/08) and 97 per cent of the total enrolment target for these programs was achieved.

### **Develop core digital, print and audiovisual collections and expand information literacy programming to support degree programs and meet accreditation requirements**

- In 2008/09, more than 15,500 books were added to MacEwan's Library print collection and access to electronic resources was expanded with the addition of more than 5,700 electronic books and 18 research databases.
- Considerable progress was made toward integrating MacEwan's library into the Networking Edmonton's Online Systems (NEOS) Library Consortium's integrated library system. By merging its catalogue records with the NEOS shared catalogue, MacEwan students and staff will be able to seamlessly search a single catalogue interface to gain access to more than 5.5 million collection items available in the 18 member libraries.

- The MacEwan Library has joined Online Computer Library Centre (OCLC), a worldwide resource sharing consortium. The library has also begun contributing catalogue records to WorldCat, the largest and most comprehensive catalogue, which will facilitate inter-library lending, shared cataloguing and other resource-sharing activities.

### **Increase scholarship and bursary support for all students through an enhanced annual campaign Target: Increase annual awards to \$1.8 million by 2010/11**

- The target for 2010/11 was achieved two years early, with \$1.82 million in awards given out in 2008/09. Increasing access to education by increasing student scholarships, bursaries and awards remains a priority of the Fund Development office.

### **Develop frameworks and infrastructure to support faculty professional development and scholarship, and to promote teaching improvement**

- An Academic Policies Forum was conducted May 12, 2009 as a strategy to orient and support faculty implement policy effectively.
- An improved Faculty Orientation model was introduced. In addition to the traditional two day orientation in August, monthly sessions were also conducted on relevant topics including educational technology, academic integrity, and research.

- In addition to preparing resource materials and consulting with faculty in a variety of teaching topics, the Faculty Commons offered a seminar on program articulation, developed two pilot education technology projects, and conducted a Best Practices in Articulation workshop.

- Academic Staff Appointment Committee (ASAC) guidelines were revised to reflect changes in the collective agreement and to assist faculty members prepare for ASACs (either as probationary members or as peer reviewers).

- The Research Council developed a conference fund to support faculty members who are presenting research/scholarship at academic conferences and organized an internal research showcase to share developments in teaching, research, and scholarly activity at MacEwan. Support was also provided to all faculties and schools who hosted visiting scholars, distinguished visiting academics and researchers.

- Faculty Commons provided support for the following conference initiatives:

- Humanities Undergraduate conference (winter 2009)
- Department of Psychology conference sponsored with Corrections Service Canada
- Department of English sponsored the 'Poetry of Numerousness' conference (May 2009) and hosted the NorthWest Society for Eighteenth Century Studies conference (November 2009)

**Develop and implement a new academic governance model that embodies the shared academic governance philosophy appropriate to a degree-granting institution**

- The AGC Secretariat was established in September 2008 with Dr. Peter Geller hired as the AGC officer. During the summer and fall of 2008, a nomination and election process was successful for faculty, student and staff representatives. An orientation was held for all new members.

- On January 20, 2009, the AGC held its inaugural meeting, and met four times before the end of the academic year. This bicameral body comprises a majority faculty membership, in addition to student and administration membership, and has approved bylaws which outline its key responsibilities including approval of programs of study, approval of standards and policies for admissions, approval of academic, student services and research plans, and approval of all academic credentials awarded by the institution.



## STRATEGIC DIRECTION:

Develop flexible curriculum frameworks to provide access, transferability and alternative delivery options for learners.

### Develop curriculum laddering models

- The program of study for two diploma programs in the School of Business were reviewed and strengthened, and an accelerated Insurance and Risk Management certificate was implemented for students who have at least one year prior post-secondary education.
- Additional block transfer articulations from internal and external diploma programs to the Bachelor of Commerce were developed as well as a transfer agreement between MacEwan's Fine Art program and the Alberta College of Art and Design.

### Develop an overall strategy for online/distance delivery and support this strategy with the necessary operating and capital investment

- In 2008/09, MacEwan completed an e-Learning Strategic Plan that was approved by the deans and presented to the AGC. The plan included 47 recommendations that were grouped into 17 key areas and will be used to develop an overall strategy for online/distance learning and support. Using the strategic plan as a base and under the direction of the deans and provost, the Chief Information Officer (CIO) began the work of establishing a 'community of practice' model to support distributed education at MacEwan.
- The development of a 'community of practice' for distributed education at MacEwan is a key element in an overall strategy. During 2008/09, this process resulted in a governance structure for distributed education and learning management systems, and defined roles for each area of the university involved in the delivery and support of online offerings. MacEwan will now establish quality standards for online courses and for support services, and will ensure that plans for development of online courses and credentials are consistent with the strategic direction of the university. The community of practice will result in a more coordinated approach to learner and faculty supports, and will move planning for the development of online courses and credentials to the institutional level. A project management approach was also established in 2008/09 to guide development and leverage resources and capacity to guarantee a basic level of quality while being as efficient as possible.

## Resource and develop full credentials for online delivery

- In 2008/09, MacEwan continued work on a variety of online course and credentials with the intention of expanding the eCampusAlberta inventory. The university's Instructional Media and Design team completed 12 projects extended from the previous development cycle and worked on 16 new development and maintenance projects. The Faculty of Health and Community Studies developed 15 new courses and completed various levels of revisions on approximately 20 courses.
- In addition to development for Arts and Science undergraduate courses, Instructional Media and Design team projects involved the development and maintenance of courses within several credentials, including:
  - Arts and Cultural Management certificate (eCampusAlberta)
  - Human Resources Management certificate (eCampusAlberta)
  - Management Studies certificate (eCampusAlberta)
  - Accounting Technology certificate (eCampusAlberta)
  - Bachelor of Applied Communications in Professional Writing (eCampusAlberta)
  - Bachelor of Child and Youth Care

## STRATEGIC DIRECTION:

Enhance student and university services, based on benchmarked standards of excellence, to enhance students' total experience at MacEwan and ensure sustainable operation.

### Implement systems to benchmark MacEwan performance against appropriate comparators

- Key indicators for benchmarking purposes were identified and benchmark institutions selected. Benchmark data for 2008/09 was requested from these institutions in fall 2009.

### Develop student services and systems to meet the needs of part-time and distance students

- MacEwan continued to work on meeting the needs of our part-time and distance students, and in 2008/09, developed enhanced online registration options for part-time and distance learners, and explored options and selected an online career assessment system (Type Focus).

- The university participated in eCampusAlberta funded research identifying needs of learners with disabilities and best practices in provision of disability related supports.

- MacEwan successfully adapted our services to students with disabilities for 10 distance learners with disabilities.

### **Identify sources for leadership succession and develop leadership candidates to ensure strategic organizational continuity**

- In 2008/09, positions for associate vice-presidents of Student Services and University Services were created and filled to ensure leadership succession. The university now has three associate vice-president positions in place.

- The Board Human Resources Committee reviewed and updated its responsibility and accountability for presidential search and selection, and subsequently developed a draft policy (President and CEO Search and Selection, Evaluation and Compensation) which outlines the oversight responsibility of the Board of Governors as it applies to the President and CEO. This policy was approved in September 2009.

### **Develop and implement program-specific and university-wide initiatives to support student success**

- Planned and implemented the Get to Work Career Fair which established relationships with employers/recruiters while also raising awareness of career development and career services available to students.

- The Elders-in-Residence program expanded in 2008/09 and provided an opportunity for First Nation, Métis and Inuit students to pursue their program of studies at MacEwan while retaining or gaining cultural knowledge. Aboriginal community leaders were invited to the Aboriginal Education Centre to discuss issues that impact Aboriginal peoples. These educational sessions occurred throughout the academic year.

- The Aboriginal Education Centre at Centre for the Arts and Communications and Alberta College Campus held stew/bannock events, meet and greet events, and had Aboriginal Student Advisors on-site periodically throughout the year.

- The School of Business hosted a number of events including the Student Business Conference, case and marketing competitions, guest lecturers, visiting academics, and the Allard Chair and CN lectures series.

- In addition, the School of Business supported student success by providing funding for students to attend and present at academic conferences, and helped establish a student-led Commerce Club with more than 400 members – now the largest student club on campus.

- In 2008/09, the Faculty of Arts of Science implemented a student retention project, mathematics and chemistry support centres, and worked to enhance discipline and program advising.

### **Develop and implement admission systems, processes and policy that support and encourage retention of prospective students and applicants from inquiry through registration**

- Researched and prepared a best practices report and action plan for advising services.

- Focused on new business processes with the implementation of the new enterprise resource planning system.

- Early adopter for implementation of ApplyAlberta (APAS).

### **Improve ERP systems to enhance functionality, analytical and reporting tools**

- In 2008/09, MacEwan completed a comprehensive evaluation and selection process that concluded with the acquisition of the PeopleSoft integrated Enterprise Planning System solution. Working with the implementation contractor, MacEwan has started a series of projects to review and enhance business processes, implements applications to support Human Resources, Finance and Student Services, and build interfaces to ancillary systems. This project will continue into late 2011.

### **Enhance financial management systems, processes and structures to add value through improved decision support and efficiency/effectiveness of financial services**

- An ERP vendor and consultants were selected, and the Finance module implementation entered the design stage. The PeopleSoft ERP implementation methodology incorporates a best practice approach which ensures MacEwan reviews and changes, where necessary, its processes.

- Posted a new position for Associate Vice-President, University Services with a focus to develop efficiencies within Financial Services, Procurement and Sustainability (subsequently filled).

**Implement enhanced web applications and portal technology, in support of university business process changes, that enable access for students, faculty and staff to online services and information**

- Significant progress was made during 2008/09 in enhancing student portal access to key functions in support of learning at MacEwan. These functions include secure login-based access to email, student records, customized library information, and the university's learning management system.
- MacEwan added the following new functions to the portal:
  - a student copying/printing mechanism that allows students to add value to their account through the portal, replacing the need to use a printer value card or coins to print and copy,
  - access to ePay so students can complete online financial transactions in a secure environment and pay for (1) printing/copying, (2) locker rental, and (3) parking, and
  - self-service password management that allows students to protect the security of their password.

**Develop and implement systems, operations, processes and procedures in support of Sustainability and Environmental principles**

- Through endorsement of the Talloires Declaration, MacEwan has pledged to support environmental citizenship at all levels on campus, endeavoring to advance global environmental literacy and sustainable development.
- From February 9 to 13, 2009, MacEwan hosted its first annual "Sustainability Week" showcasing various projects, strategies and events relating to sustainability.
- Recruitment for a Sustainability Officer commenced, with the position filled in fall 2009.



**STRATEGIC DIRECTION:**

**Consolidate MacEwan operations onto two major campuses by 2017 to provide high quality facilities for programs and services.**

**Acquire property and begin infrastructure development for a new south campus**

- MacEwan continued to review options for its long-range master plan strategy that projected two major campuses: the current 29-acre City Centre Campus location and a proposed Greenfield location in south Edmonton, near the Anthony Henday. During 2008/09, the university began developing a new campus plan that focuses on a single, consolidated campus on the City Centre Campus site.

**Develop and implement plans for transition of Centre for the Arts and Communications programming to the City Centre Campus, and disposition of the Centre for the Arts and Communications campus**

- Planning and schematic design commenced for the consolidation of the Centre for the Arts and Communications onto the City Centre Campus site. A business case was prepared for campus consolidation, including disposition of the Centre for the Arts and Communications campus.

**Conduct capital campaigns to support major campus development projects**

- Some major gift program planning and donor prospecting and stewardship took place in 2008/09; however no major gift solicitation took place pending decisions by the Board on future directions for campus development.

**Consolidate teaching/learning activity onto three campuses (City Centre Campus, South Campus and Centre for the Arts and Communications) as an interim step towards a two-campus model**

- Plans were developed to consolidate teaching and learning activities from South Campus and the Centre for the Arts and Communications onto City Centre Campus in a phased sequence. These plans are being revised based on the new planning focus on a single, consolidated campus on the City Centre Campus site.

## Performance Measures

MacEwan's Strategic Plan and Budget Strategies for 2008/09 – 2012/13 identified a number of performance measures. The table below provides information on those measures for which data were available for the 2008/09 reporting year. As required, three years of performance data are provided, but it should be noted that most MacEwan surveys, such as the Graduate Survey, are conducted bi-annually, and that the three data years are not necessarily the last three calendar years.

## Performance History

Measure	Year 1	Year 2	Year 3	Target	Comments
<b>Student Focus</b>					
Student Satisfaction with Overall Quality of Educational Experience	95% (2006/07 Satisfaction Survey)	99% (2007/08 Satisfaction Surveys)	97% (2008/09 Satisfaction Surveys)	95% fully/somewhat satisfied	Most recent satisfaction surveys show that MacEwan continues to meet or exceed its goal of 95% overall student satisfaction.
Graduate Employment Rate (total employment)	93% (2004/05 Graduate Survey))	97% (2006/07 Graduate Survey)	95% (2008/09 Graduate Survey)	95%	Most recent Graduate Survey shows that MacEwan met its graduate employment target in 2008/09, despite the impact of the recession.
Tuition fees relative to comparable Alberta institutions	2006/07 \$3,074 (lowest of 7)	2007/08 \$3,705 (2nd lowest of 7)	2008/09 \$4,272 (2nd lowest of 7)	Target under consideration	Tuition fees are compared with other public degree-granting institutions in Alberta
Scholarships/bursaries awarded/FLE (\$)	Total \$1.225M \$119/FLE	Total \$1.899M \$186/FLE	Total \$1.822M \$178/FLE	Target under consideration	Overall 2010/11 goal of \$1.8 million in awards was reached in 2008/09.
<b>Program &amp; Service Quality</b>					
Access/Enrolment	2006/07 10,338 FLE 95% of plan)	2007/08 10,201 FLE (96% of plan)	2008/09 10,212 FLE (100% of plan)	100% of planned FLE	MacEwan's enrolment slightly exceeded its target of 10,172 FLE (100.4%).
Student Satisfaction with Quality of Instruction	95% (2006/07 Satisfaction Survey)	98% (2007/08 Satisfaction Surveys)	96% (2008/09 Satisfaction Surveys)	95% fully/somewhat satisfied	Most recent satisfaction surveys show that MacEwan continues to meet or exceed its goal of 95% satisfaction with the quality of instruction.
<b>Resource Acquisition &amp; Utilization</b>					
Achievement of fundraising targets	\$6.9 million (Yr. 1)	\$15 million (Yr. 2)	\$25.9 million (Yr. 3)	\$40 million target within 5 yrs.	Three years into a five-year campaign, 65% of target has been reached. The campaign is on track to meet or exceed its goal.
% expenditure on administration*	2005/06 8.4%	2006/07 9.3%	2007/08 8.6%	8.0%	MacEwan continues to pursue efficiencies to optimize its proportionate administrative expenditures.

\*using Ministry KPI/FIRS definition







# Grant MacEwan University Consolidated Financial Statements

June 30, 2009

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# Auditor's Report

To the Board of Governors of  
Grant MacEwan College



I have audited the consolidated statement of financial position of Grant MacEwan College as at June 30, 2009 and the consolidated statements of revenue and expense, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the College's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Grant MacEwan College as at June 30, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

**Original signed by Fred J. Dunn, FCA  
Auditor General**

Edmonton, Alberta  
September 24, 2009

Grant MacEwan College  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
at June 30, 2009  
(thousands of dollars)

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Current:		
Cash and cash equivalents	\$ 102,994	\$ 85,555
Accounts receivable	4,283	3,894
Inventories (Note 3)	1,988	1,538
Prepaid expenses	<u>1,295</u>	<u>669</u>
	110,560	91,656
Investments (Note 4)	41,917	39,146
Capital assets (Note 5)	<u>255,177</u>	<u>249,152</u>
	<u>\$ 407,654</u>	<u>\$ 379,954</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 12,885	\$ 13,316
Employee future benefits	7,202	6,278
Unearned revenue	5,943	5,711
Deferred contributions (Note 6)	23,252	19,137
Current portion of long term debt (Note 9)	<u>2,093</u>	<u>1,633</u>
	51,375	46,075
Deferred capital contributions (Note 7)	4,365	1,523
Unamortized deferred capital contributions (Note 8)	146,158	145,202
Long term debt (Note 9)	<u>50,260</u>	<u>51,106</u>
	<u>252,158</u>	<u>243,906</u>
Net Assets:		
Endowments (Note 10)	25,446	21,886
Investment in capital assets	56,665	51,210
Internally restricted net assets (Note 12)	70,513	61,753
Unrestricted net assets	<u>2,872</u>	<u>1,199</u>
	<u>155,496</u>	<u>136,048</u>
	<u>\$ 407,654</u>	<u>\$ 379,954</u>

The accompanying notes are part of these consolidated financial statements.

Grant MacEwan College  
**CONSOLIDATED STATEMENT OF REVENUE AND EXPENSE**  
 FOR THE YEAR ENDED June 30, 2009  
 (thousands of dollars)

	<u>2009</u>	<u>2008</u>
<b>Revenue</b>		
Grants	\$ 104,020	\$ 89,653
Tuition and related fees	55,568	53,147
Sales, rentals and services	25,406	26,437
Amortization of deferred capital contributions (Note 8)	6,672	5,952
Contract programs	4,808	4,586
Donations	1,163	1,460
Investment income (Note 11)	<u>1,308</u>	<u>3,419</u>
	<u>198,945</u>	<u>184,654</u>
<b>Expense</b>		
Salaries and benefits	111,469	102,543
Supplies and services	41,230	35,671
Amortization of capital assets	13,581	12,327
Cost of goods sold	8,199	8,694
Utilities	4,515	4,176
Scholarships and bursaries	1,894	1,899
Interest on long term debt	<u>2,931</u>	<u>2,953</u>
	<u>183,819</u>	<u>168,263</u>
Excess of revenue over expense	<u>\$ 15,126</u>	<u>\$ 16,391</u>

The accompanying notes are part of these consolidated financial statements.

Grant MacEwan College  
**CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS**  
 FOR THE YEAR ENDED June 30, 2009  
 (thousands of dollars)

	2009			2008		
	Endowments (Note 10)	Investment in Capital Assets	Internally Restricted (Note 12)	Unrestricted	Total	Total
Excess of revenue over expense	\$ -	\$ -	\$ -	\$ 15,126	\$ 15,126	\$ 16,391
Endowment contributions	4,014	-	-	-	4,014	4,941
Transfers for:						
(Encroachment)/Repayment	(816)	-	-	816	-	-
Acquisition of internally funded capital assets	-	10,782	-	(10,474)	308	-
Repayment of debt related to capital assets	-	1,784	-	(1,784)	-	-
Amortization of internally funded capital assets	-	(6,918)	-	6,918	-	-
Disposal of internally funded assets	-	(193)	-	193	-	-
Net appropriations to restricted funds	362	-	8,760	(9,122)	-	-
Increase (decrease) in net assets	3,560	5,455	8,760	1,673	19,448	21,332
Net assets at beginning of year	21,886	51,210	61,753	1,199	136,048	114,208
Adjustment due to change in accounting policy	-	-	-	-	-	508
Net assets at end of year	\$ 25,446	\$ 56,665	\$ 70,513	\$ 2,872	\$ 155,496	\$ 136,048

The accompanying notes are part of these consolidated financial statements.

Grant MacEwan College  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
 FOR THE YEAR ENDED June 30, 2009  
 (thousands of dollars)

	<u>2009</u>	<u>2008</u>
<b>Cash provided from (used in) operating activities:</b>		
Excess of revenue over expense	\$ 15,126	\$ 16,391
Add (deduct) non-cash transactions:		
Allowance for doubtful accounts	(156)	282
Amortization of capital assets	13,581	12,327
Loss on disposal of capital assets	159	380
Amortization of deferred capital contributions	(6,672)	(5,952)
Gift in Kind	(49)	(23)
Accrued future employee benefits	924	554
Change in unrealized loss on investments	<u>2,022</u>	<u>2,778</u>
	24,935	26,737
Net change in non-cash working capital (*)	<u>5,296</u>	<u>(7,430)</u>
	<u>30,231</u>	<u>19,307</u>
<b>Cash provided from (used in) investing activities:</b>		
Acquisition of capital assets:		
Internally funded	(10,474)	(6,258)
Externally funded	(7,579)	(16,919)
Debt funded	-	(1,800)
Proceeds on disposal of capital assets	42	442
Acquisition of long term investments (net) (**)	<u>(4,793)</u>	<u>(6,904)</u>
	<u>(22,804)</u>	<u>(31,439)</u>
<b>Cash provided from (used in) Financing activities:</b>		
Endowment contributions	4,014	4,941
Capital asset contributions	10,470	6,231
Construction payables	(2,688)	(3,270)
Long-term debt	<u>(1,784)</u>	<u>433</u>
	<u>10,012</u>	<u>8,335</u>
<b>Increase (Decrease) in cash and cash equivalents</b>	17,439	(3,797)
<b>Cash and cash equivalents, beginning of year (**)</b>	<u>85,555</u>	<u>89,352</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 102,994</u>	<u>\$ 85,555</u>
<b>(*) Net Change in non-cash working capital:</b>		
Decrease in accounts receivable	\$ (233)	\$ 907
(Increase) decrease in Inventories	(449)	359
(Increase) decrease in prepaid expenses	(626)	391
Increase (decrease) in accounts payable and accrued liabilities	2,257	(948)
Increase in unearned revenue	232	387
Increase (decrease) in deferred contributions	<u>4,115</u>	<u>(8,526)</u>
	<u>\$ 5,296</u>	<u>\$ (7,430)</u>

**\*\* Prior year investments have been reclassified to conform to current year presentation.**

The accompanying notes are part of these consolidated financial statements.



Grant MacEwan College  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
June 30, 2009  
(thousands of dollars)

Note 1 **Authority and Purpose**

Grant MacEwan College (the "College") operates under the authority of the *Post Secondary Learning Act*. The College offers undergraduate degree programs, applied degrees, diplomas, certificates and degree transfer programs in business, health and community studies, arts and science, and performing visual and communication arts. The College also offers continuing education programs, corporate training, online credentials, and rural consortium programs. Internationally, the College provides diploma programs in Ukraine and Russia as well as course delivery in several other countries.

The College is a registered charity, and under Section 149 of the *Income Tax Act* is exempt from payment of income tax.

Note 2 **Significant Accounting Policies and Reporting Practices**

These consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The measurement of certain assets and liabilities is contingent upon future events, therefore, the preparation of these statements requires the use of estimates. Actual results could differ from these estimates.

Revenues and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable and expenditures are recognized when goods or services are received.

Information on accounting policies and reporting practices are addressed below.

(a) **Consolidated Financial Statements**

These consolidated financial statements include the accounts of the Grant MacEwan College Foundation, which operates under part 9 of the *Companies Act* of Alberta for the support and advancement of the College. The Foundation is a registered charity and is exempt from payment of income taxes.

(b) **Capital Assets**

Capital asset acquisitions are recorded at cost, except donated assets, which are recorded at fair market value, when a fair value can be reasonably determined. Land and art collections are recorded at cost.

Capital assets are amortized on a straight-line basis over the following average useful lives:

Buildings and site improvements	10 to 40 years
Furniture, equipment and vehicles	10 years
Library materials	10 years
Computers and telecommunications equipment	5 years
Equipment under capital lease	period of the lease
Land and art collections are not amortized.	

(c) **Revenue Recognition**

The financial statements record the following items as revenue:

- Tuition fees when the instruction is delivered.
- Revenues received for services and products when the services or products are provided.
- Unrestricted contributions when received.
- Unrestricted investment income when earned.
- Endowment contributions when received, as direct increases in net assets.
- Restricted non-capital contributions are recorded as deferred contributions when received and recognized as revenue when the conditions of the restriction are met.
- Restricted non-capital investment income is recorded as deferred contributions when earned and recognized as revenue when the conditions of the restriction are met.
- Restricted capital contributions (including investment income on the contributions) are recorded as deferred capital contributions when received, transferred to unamortized deferred capital contributions when expended, and amortized to revenue over the useful life of the related assets.

Investment income includes interest income and realized and unrealized investments gains and losses.

(d) **Pension Obligation and Expense**

The College and its eligible employees participate in the Local Authorities Pension Plan, which is a multi-employer defined benefit plan. The College records an expense for pension benefits equivalent to the annual contributions payable during the year. Accounting treatment for multi-employer pension plans is the same as for defined contribution plans and, therefore, no plan deficits or surpluses are recorded in the College accounts.

(e) **Financial Instruments**

Financial Instruments consists of cash, investments, accounts receivable, accounts payable, accrued liabilities and other liabilities. The College has classified cash and cash equivalents and all of its investments as held for trading. Financial instruments classified as held-for-trading are measured at fair value with changes in fair value recognized in the Statement of Revenue and Expense. Accounts receivable, accounts payable and long-term obligations are measured at amortized cost using the effective interest rate method.

As permitted for Not-for-Profit Organizations, the College has elected to not apply the standards on derivatives embedded in non-financial contracts. The College has elected to continue to follow CICA Handbook Section 3861: *Financial Instrument - Disclosure and Presentation*. The College does not use hedge accounting, therefore, it is not impacted by the requirement of CICA Handbook Section 3865: *Hedges*.

The value of the College's financial instruments are recognized on their settlement date. Transactions costs related to all financial instruments are expensed as incurred.

Financial instruments of the College are exposed to various business risks including credit risk, interest rate risk, foreign exchange risk and market risks.

Credit risk is inherent in the College's accounts receivable and are subject to normal business expenses as the potential for student or vendor to fail to meet or to default on their contractual obligations. Interest rate arises from the fluctuations in interest rates and the degree of volatility of these rates. Foreign exchange risk is the risk of rising costs related to purchase transactions mainly in US currency and amounts collected

June 30, 2009

(thousands of dollars)

for receivables which are due in US currency. Market risk is the risk to the College's earnings that arises from the fluctuation and the degree of volatility in the market value of its long-term investments. Each of these risks is mitigated by the College through its collection procedures, investment policy and guidelines, and internal policies and procedures.

(f) **Cash and Cash Equivalents**

Cash and cash equivalents is comprised of cash on deposit, including deposits in the Consolidated Cash Investment Trust Fund (CCITF) which is managed with the objective of providing competitive interest income to the depositors while maintaining maximum security and liquidity of depositors' capital.

The cash value holding in CCITF at June 30, 2009 is \$15,600 (2008 - \$15,201). The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at June 30, 2009, securities held by the Fund have an average effective market yield of 1.22% per annum.

(g) **Capital Disclosures**

Effective July 1, 2008, the College adopted CICA 1535: *Capital Disclosures*, which established guidelines for the disclosure of information regarding the College's capital and how it is managed.

The College defines its capital as the amounts included in deferred contributions (Note 6), deferred capital contributions (Note 7), endowment net assets (Note 10) and unrestricted net assets. A significant portion of the College's capital is externally restricted. The College has investment policies (Note 4), spending policies and cash management procedures to ensure the College can meet its capital obligations. Adoption of CICA 1535 had no effect on the financial statements for the year ending June 30, 2009 with the exception of this additional note disclosure.

Under the Post-Secondary Learning Act, the College must receive ministerial approval for a deficit budget, borrowing and the sale of any land or buildings. The College does not have a deficit budget.

### Note 3 Inventories

Inventories for resale are valued at the lower of cost or net realizable value, with cost determined on a moving average basis. Inventories held for consumption are valued at cost.

	2009	2008
Bookstores	\$ 1,875	\$ 1,358
Other inventories	113	180
	<u>\$ 1,988</u>	<u>\$ 1,538</u>

Other inventories include preprinted stationary and student prize inventory.

June 30, 2009

(thousands of dollars)

Note 4 **Investments**

	2009		2008	
	Market Value	Cost	Market Value	Cost
Pooled Funds				
Common stocks and equivalents	\$ 16,024	\$ 19,878	\$ 16,220	\$ 17,728
Fixed income securities	16,539	16,710	15,633	16,128
Cash and equivalents	243	243	1,852	1,852
Cash holdings	7,891	7,891	4,289	4,289
Cash surrender value of planned gifts (life insurance policies)	729	729	696	696
Other	491	491	456	456
	<u>\$ 41,917</u>	<u>\$ 45,942</u>	<u>\$ 39,146</u>	<u>\$ 41,149</u>

As at June 30, 2009, the average annualized effective yields and the terms to maturity are as follows:

- Cash and equivalents: 2.2% (2008 - 4.52%); term to maturity average 87 days.
- Fixed income securities: 7.98% (2008 - 6.28%); terms to maturity average 7.13 years.

The College's investment holdings are managed by McLean Budden using a specified range of asset mix in pooled funds to achieve an acceptable return and risk appropriate for a publicly funded post-secondary educational institution. The investment holdings managed by McLean Budden are currently separated into two funds, Unrestricted Operating and Restricted Endowments. As at June 30, 2009, the market value of the two funds were: Unrestricted Operating with investment holdings of \$17,289 (2008 - \$17,364); and Restricted Endowment with investment holdings of \$15,517 (2008 - \$16,341). The balance of the investment portfolio \$9,111 (2008 - \$5,441) is held in cash as identified above.

The asset allocation mix for the Unrestricted Operating fund as of June 30, 2009 was 15.89% for Canadian Equities (policy range 15-25%); 21.64% for Global Equities (policy range 10-30%); and 62.47% for Bonds and Fixed income (policy range 50-75%).

The asset allocation mix for the Restricted Endowment fund as of June 30, 2009 was 26.00% for Canadian Equities (policy range 20-40%); 31.51% for Global Equities (policy range 20-40%); and 42.49% for Cash and Fixed Income (policy range 25-55%).

On a quarterly basis, the College's investment portfolio performance is presented to the Board of Governors, Audit and Finance Committee.

Grant MacEwan College  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
 June 30, 2009  
 (thousands of dollars)

Note 5 **Capital Assets**

	2009			2008
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 23,607	\$ -	\$ 23,607	\$ 22,961
Buildings and site improvements	264,769	(70,218)	194,551	194,387
Furniture, equipment and vehicles	28,366	(12,513)	15,853	14,067
Library materials	13,023	(6,939)	6,084	5,357
Computers and telecommunications equipment	24,079	(12,800)	11,279	9,055
Equipment under capital lease	3,171	(929)	2,242	1,386
Art collection	291	-	291	285
Work in process	1,270	-	1,270	1,654
	<u>\$ 358,576</u>	<u>\$ (103,399)</u>	<u>\$ 255,177</u>	<u>\$ 249,152</u>

Note 6 **Deferred Contributions**

Deferred contributions represent unspent funds externally restricted for non-capital purposes.

	2009	2008
Balance, beginning of the year	\$ 19,137	\$ 27,663
Adjustment due to change in accounting policy	-	268
Adjusted Balance, beginning of the year	19,137	27,931
Grants and donations	28,079	15,219
Recognized as revenue	(24,238)	(19,765)
Transferred:		
• from (to) investment income (Note 11)	29	(268)
• from (to) endowments	(579)	(273)
• from (to) Capital Deferred Contributions (Note 7)	824	(3,707)
Balance, end of the year	<u>\$ 23,252</u>	<u>\$ 19,137</u>

The balance consists of funds restricted for:

	2009	2008
Program support	\$ 15,829	\$ 17,037
Infrastructure maintenance and repair	4,375	-
Access to the Future	2,565	1,804
Scholarships and Bursaries	384	286
Research Projects	99	10
	<u>\$ 23,252</u>	<u>\$ 19,137</u>

Grant MacEwan College  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
 June 30, 2009  
 (thousands of dollars)

**Note 7 Deferred Capital Contributions**

Deferred capital contributions represent unspent funds externally restricted for capital purposes.

	<u>2009</u>	<u>2008</u>
Balance, beginning of the year	\$ 1,523	\$ 12,233
Grants and donations	11,057	2,524
Transferred:		
• from (to) investment income (Note 11)	16	-
• from (to) deferred contributions (Note 6)	(824)	3,707
• to Unamortized deferred capital contributions (Note 8)	<u>(7,407)</u>	<u>(16,941)</u>
Balance, end of the year	<u>\$ 4,365</u>	<u>\$ 1,523</u>

The balance for Capital Deferred Contributions consists of funds restricted for:

	<u>2009</u>	<u>2008</u>
Fire Alarm System Replacement	\$ 3,516	\$ -
Building Fund	849	199
CCC Building Roof Repair	-	1,324
	<u>\$ 4,365</u>	<u>\$ 1,523</u>

**Note 8 Unamortized Deferred Capital Contributions (UDCC)**

UDCC represents the unamortized grants and donations received to fund capital acquisitions. The amortization of UDCC is recorded as revenue in the statement of operations. The change in the UDCC balance is as follows:

	<u>2009</u>	<u>2008</u>
Balance at beginning of year	\$ 145,202	\$ 134,213
Transferred from deferred contributions (Note 6) (Note 7)	7,628	16,941
Less amount amortized to revenue	<u>(6,672)</u>	<u>(5,952)</u>
Balance at end of year	<u>\$ 146,158</u>	<u>\$ 145,202</u>

Grant MacEwan College  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
 June 30, 2009  
 (thousands of dollars)

Note 9 **Long-term Debt**

	Collateral	Maturity Date	Interest Rate %	Amount Outstanding	
				2009	2008
Parkade debenture	Parkade revenue	April 2025	6.25	\$ 5,093	\$ 5,276
Student residence debenture	Student residence revenue	June 2030	5.85	37,704	38,600
West parkade debenture	Parkade revenue	Sept. 2030	4.39	5,498	5,649
Robbins Health Learning Centre parkade debenture	Parkade revenue	Sept. 2032	4.89	1,742	1,781
Total Alberta Capital Finance Authority				50,037	51,306
Obligations under capital leases				<u>2,316</u>	<u>1,433</u>
				52,353	52,739
Less current portion				<u>2,093</u>	<u>1,633</u>
				<u>\$ 50,260</u>	<u>\$ 51,106</u>

The principal portion of long-term debt repayments required over the next five years are as follows:

2010	\$ 2,093
2011	2,113
2012	2,018
2013	1,818
2014	1,770
Subsequent years	<u>42,541</u>
	<u>\$ 52,353</u>

Note 10 **Endowments**

Endowments consist of permanent funds bestowed to the College for specific purposes as identified by external donors or internal allocations by the College. Under a court order obtained in 2005, the College has the authority to alter the terms and conditions of endowments under certain circumstances and to encroach upon the principal. Where a particular transferred trust is insufficient to meet its original purpose or where the effects of inflation render the bursary, scholarship or other amount intended to be awarded or expended under such trust immaterial or ineffective for the purposes intended, or where for any other reason the College deems it prudent to regulate the distribution of income earned by a transferred trust, the College may, in its discretion (after consultation with the Donor, if possible and practical):

- Suspend or withhold or alter the timing of awards or expenditures;
- Change or vary the purposes for which the transferred trust is to be utilized;
- Permanently or temporarily reduce or increase the amount to be rewarded or expended under such trust;
- Amend the terms of the trust to permit encroachment on the capital of such trust but only to the extent required to cure such insufficiency; or
- Any combination of the foregoing.

Grant MacEwan College

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2009

(thousands of dollars)

At June 30, 2009, \$1,805 was encroached upon the principal. To address the spending and the losses resulting from the economic downturn, the College has:

- Initiated a reduction in endowment expendable rate from 5% to 4% (approved by the Board of Directors on April 2, 2008);
- Initiated a full review of the investment performance to regulate investments and investment spending practices;
- Initiated a review and update of policies; and
- Devised a plan to work with the donors to match contributions which will be applied to the endowment spending.

	<u>2009</u>	<u>2008</u>
Balance beginning of year	\$ 21,886	\$ 16,837
Adoption of new financial instruments accounting standards	-	331
Principal contribution	2,367	2,520
Transfer from endowments	(14)	26
Access to the Future Contribution	1,641	2,775
Internal transfer and College support	362	365
Investment losses	(796)	(968)
	<u>\$ 25,446</u>	<u>\$ 21,886</u>

	<u>2009</u>	<u>2008</u>
Endowments consist of funds held to provide scholarships and support College programs:		
Externally restricted	\$ 24,238	\$ 19,823
Internally restricted	<u>3,013</u>	<u>3,052</u>
	27,251	22,875
Transfers for Encroachment	<u>(1,805)</u>	<u>(989)</u>
	<u>\$ 25,446</u>	<u>\$ 21,886</u>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2009

(thousands of dollars)

Note 11 **Investment Income**

	<u>2009</u>	<u>2008</u>
Gain/(Loss) on restricted investments	\$ (655)	\$ (589)
Gain on unrestricted investments	<u>2,028</u>	<u>3,761</u>
Total investment income for the year	1,373	3,172
Transfer from/(to):		
• deferred contributions	(29)	268
• deferred capital contributions	(16)	-
• endowments	<u>(20)</u>	<u>(21)</u>
Total investment income recognized as revenue	<u>\$ 1,308</u>	<u>\$ 3,419</u>

Note 12 **Internally Restricted Net Assets**

Internally restricted net assets represents the amount of unrestricted net assets that have been set aside for specific purposes. The Board has committed unrestricted net assets as follows:

	<u>Balance at beginning of year</u>	<u>Disbursements during the year</u>	<u>Appropriations from (returned to) unrestricted net assets</u>	<u>Balance at end of year</u>
City Centre completion	\$ 20,518	\$ -	\$ 2,982	\$ 23,500
ERP Renewal/Tech. Enhancement	15,506	(4,506)	6,000	17,000
Program & operating contingency	12,425	(5,429)	7,135	14,131
Capital renewal & replacement	8,926	(8,926)	6,010	6,010
Infrastructure maintenance	1,000	-	4,000	5,000
Residence contingency	1,000	-	-	1,000
Student tuition reinvestment	1,000	-	-	1,000
Scholarships & bursaries	507	-	1,400	1,907
Sustainability	500	-	-	500
Special projects	<u>371</u>	<u>(372)</u>	<u>466</u>	<u>465</u>
	<u>\$ 61,753</u>	<u>\$ (19,233)</u>	<u>\$ 27,993</u>	<u>\$ 70,513</u>

Grant MacEwan College  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
 June 30, 2009  
 (thousands of dollars)

Note 13 **Salary & Benefits Disclosure**

(a) The following disclosure complies to Alberta Provincial Treasury Board Salary and Benefits Disclosure directive. (December 1998 - Amended 2007). The College contributed \$6,015 (2008: \$5,259) to the Local Authorities' Pension Plan on behalf of employees. This amount has been recognized as a benefit expense in the College accounts in the year the contributions were made.

(b)

	2009			2008	
	Base Salary (1)	Other Cash Benefits (2)	Other Non-cash Benefits (3)	Total	Total
Chairman of the Board	\$ -	\$ 6	\$ 1	\$ 7	\$ 6
Board Members	-	30	-	30	37
President (4)	265	1	72	338	319
Provost and Executive Vice-President, Academic (5)	221	1	56	278	255
Vice-President, Corporate Services and CFO (5)	208	13	46	267	253
Vice-President, Fund Development (5)	182	1	36	219	-
Vice-President, Student Services (5)	171	1	36	208	189
Executive Director, Human Resources (6)	148	1	24	173	165
Executive Director, Strategic Planning (6)	143	1	21	165	157

(1) Base salary includes pensionable base pay.

(2) Other cash benefits includes overtime, lump sum payments, honoraria and vacation payouts.

(3) Employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, out-of-country medical benefits, group life insurance, long and short-term disability plan, professional memberships and tuition. Other non-cash benefits figure also includes the employer's share of the cost of additional benefits including sabbaticals or other special leave with pay, financial planning services, retirement planning services, concessionary loans, travel allowances, car allowances, and club memberships.

(4) The College provides an automobile, the value of which is not included in other non-cash benefit figures. Other non-cash benefits figure includes the employer share of the cost of the Supplemental Executive Retirement Plan and a taxable benefit for the purchase of the College's leased vehicle.

(5) Vice Presidents receive a car allowance, the value of which is included in non-cash benefit. Other non-cash benefits figure includes the employer share of the cost of the Supplemental Executive Retirement Plan.

(6) Other non-cash benefits figure includes the employer share of the cost of the Supplemental Executive Retirement Plan

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2009

(thousands of dollars)

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

The accrued benefit obligation for each executive under the SERP is outlined in the following table:

<b>Executive</b>	Accrued Obligation June 30, 2008	Current Service Cost	Interest Cost	Actuarial Loss/(Gain)	Accrued obligation June 30, 2009
President	\$ 123	\$ 31	\$ 9	\$ (19)	\$ 144
Provost and Executive Vice President, Academic	35	17	3	3	58
Vice-Presidents:					
Corporate Services and CFO	22	11	2	7	42
Student Services	12	6	1	1	20
Fund Development	-	9	-	-	9
Executive Directors					
Human Resources	4	3	-	(3)	4
Strategic Planning	1	-	-	-	1
	<u>\$ 197</u>	<u>\$ 77</u>	<u>\$ 15</u>	<u>\$ (11)</u>	<u>\$ 278</u>

The significant actuarial assumptions used are as follows:

	<u>2009</u>	<u>2008</u>
Discount rate	5.60%	5.60%
Rate of compensation increase	4.00%	4.00%
Inflation rate	2.50%	2.50%
Estimated average remaining service life	11	10

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2009

(thousands of dollars)

Note 14 **Related Party Transactions**

The College is a Provincial Corporation. All of the members of the Board of Governors are appointed either by the *Post Secondary Learning Act* or by a combination of orders by the Lieutenant Governor in Council and the Minister of Advanced Education and Technology.

The College received the following grants directly from the Province of Alberta or indirectly through related entities:

	2009			
	Deferred contributions	Deferred capital contributions	Grant Revenue	Total
Alberta Advanced Education and Technology				
Regular Operating	\$ -	\$ -	\$ 81,321	\$ 81,321
Enrolment Planning	18,885	6,169	-	25,054
Conditional	2,310	-	-	2,310
Access to the Future Fund	1,364	-	-	1,364
Infrastructure Maintenance Program	2,966	514	-	3,480
Fire Alarm System Replacement	-	3,516	-	3,516
Other provincial departments and agencies	166	141	-	307
	<u>25,691</u>	<u>10,340</u>	<u>81,321</u>	<u>117,352</u>
Deferred contributions recognized as grant revenue	<u>(22,419)</u>	<u>-</u>	<u>22,419</u>	<u>-</u>
	<u>\$ 3,272</u>	<u>\$ 10,340</u>	<u>\$ 103,740</u>	<u>\$ 117,352</u>
	2008			
	Deferred contributions	Deferred capital contributions	Grant Revenue	Total
Alberta Advanced Education and Technology				
Regular Operating	\$ -	\$ -	\$ 70,268	\$ 70,268
Performance Envelope funding	-	-	581	581
Enrolment Planning	12,921	-	-	12,921
Conditional	440	1,324	-	1,764
Access to the Future Fund	463	-	-	463
Robbins Health Learning Centre	-	199	-	199
Other provincial departments and agencies	22	-	-	22
	<u>13,846</u>	<u>1,523</u>	<u>70,849</u>	<u>86,218</u>
Deferred contributions recognized as grant revenue	<u>(18,622)</u>	<u>(55)</u>	<u>18,677</u>	<u>-</u>
	<u>\$ (4,776)</u>	<u>\$ 1,468</u>	<u>\$ 89,526</u>	<u>\$ 86,218</u>

# Grant MacEwan College

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2009

(thousands of dollars)

The College has accounts receivable from the Province of Alberta of \$443 (2008 - \$1,306) and accounts payable to the Province of Alberta of \$296 (2008 - \$340).

The Province of Alberta has provided \$1,642 (2008 - \$2,775) in matching grants for externally restricted endowment contributions during the year, which is included in endowment net assets.

The College has long-term obligations with Alberta Capital Finance Authority as listed in Note 9 Long Term Debt.

The College provided courses to provincial government departments and participated in offering certain courses with other post-secondary institutions. The revenues and expenses incurred for these courses have been included in the consolidated statement of revenue and expense but have not been separately quantified. These transactions were entered into on the same business terms as with non-related parties and are recorded at these fair value amounts.

### Note 15 **Budget**

The Board of Governors approved the following budget relating to the College's operating revenue and expenses for the fiscal period ending June 30, 2009:

Revenue		
Grants	\$	91,210
Tuition and related fees		55,588
Sales, rentals and services		25,142
Amortization of deferred capital contributions		5,192
Contract Programs		4,363
Donations		1,838
Investment income		<u>3,003</u>
Total Revenue	\$	<u>186,336</u>
Expense		
Salaries and benefits	\$	118,231
Supplies and services		34,565
Amortization of capital assets		12,029
Cost of goods sold		8,893
Utilities		4,952
Scholarships and bursaries		1,232
Interest on long term debt		<u>2,901</u>
Total Expense	\$	<u>182,803</u>
Excess of Revenue over Expense	\$	<u>3,533</u>

Grant MacEwan College  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
 June 30, 2009  
 (thousands of dollars)

**Note 16 Contractual Obligations**

The College is committed to several operating lease and service contracts. The minimum operating lease and service contract payments required for the next five years are as follows:

2010	\$	1,299
2011		776
2012		553
2013		242
2014		94

**Note 17 Contingent Liabilities**

The College is a defendant in a number of legal proceedings. Claims against the College in these proceedings have not been reflected in these financial statements. While the ultimate outcome and liability of these proceedings cannot be reasonably estimated at this time, the College believes that any settlement will not have a material effect on the financial position or the results of operations of the College.

**Note 18 Funds Held on Behalf of Others**

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

	<u>2009</u>	<u>2008</u>
Yellowhead Region Educational Consortium	\$ 1,051	\$ 998
Yellowhead Region Educational Society	100	99
Pembina Educational Consortium	503	320
Grant MacEwan College Faculty Association	1,253	1,305
Other	12	12
	<u>\$ 2,919</u>	<u>\$ 2,734</u>

**Note 19 Comparative Amounts**

Certain amounts have reclassified in 2008 numbers to conform to current year presentation.

**Note 20 Approval of Financial Statements**

These financial statements were approved by the Board of Governors on October 8, 2009.

## CONTACT

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### CAMPUSES

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