



Table of contents

Message from the president	3
Mission, vision and values	4
Success Matters Strategic Plan	5
Our students	6
Our people	12
Our business	14
In the provincial spot light	17
Government announcements and visits	19
The road ahead	21



From the president

Dear friends,

I can't begin to share just how proud I am to introduce my first annual report as president of Durham College. What a year it's been for everyone on campus!

As has become our hallmark, the past year has once again been marked by continued growth, new milestones and awards for our students, and professional achievements by our faculty and staff. We've also strengthened our treasured connection with our Durham Region community.

We've made significant decisions that have us on target for a balanced budget in 2009-2010 – the first in a number of years – and in a strong financial position that will ensure we can grow confidently and flourish in the years ahead. We've continued to realize growth – in our enrolment numbers, with new programs in emerging areas, and with the start of expansion at our Whitby campus. In addition, we have new capital funding from both federal and provincial governments that will bring desperately needed new infrastructure and a vastly modernized Oshawa campus.

We've provided new hope for many men and women laid off unexpectedly due to the current economic climate and, in particular, through the challenges being experienced in the automotive sector. These individuals have placed their futures in our hands and we take that trust seriously, responding with programs and training that will ensure they find new, rewarding careers. I'm also particularly proud of the emphasis we've placed on strengthening our engagement with employees over the past year. From professional development to increased opportunities for two-way dialogue and more, we're committed to ensuring we're connected to faculty and staff so we can all continue to serve our students in the best possible ways.

It's been two years since I first joined Durham College and one of the points that seems to be reinforced to me daily is that this is a special place to be, whether you are here studying, employed on campus or one of our partners. In the pages ahead you will see countless stories and examples that reinforce that point.

I'm proud of our achievements from the past year, but just as excited about our prospects for the years ahead. We've significantly strengthened our foundation over the past year and as a result are positioned to reap a bright future.

A handwritten signature in black ink, appearing to read 'Don Lovisa', is positioned to the left of a vertical line.

Don Lovisa
President, Durham College

Mission, vision and values

Mission

The student experience comes first at Durham College.

Vision

- Durham College is the premier college in Canada for career-focused students who will succeed in a challenging, supportive and inclusive learning environment;
- Our programs are continually shaped by market needs and delivered by exceptional teachers with real-world experience;
- Our vibrant campus community enriches the student life experience; and
- All of this combines to ensure our graduates have the market-ready skills to succeed in their careers and make a difference in the world.

Values

Our values drive our organizational culture and our behaviour in delivering our vision and mission. They are:

Integrity and transparency

We will behave and communicate sincerely and honestly.

Respect

We will treat everyone with dignity and offer superior service.

Equality and diversity

We will champion all learners and celebrate diversity.

Innovation

We will be leaders in market-responsive learning experiences and solutions.

Personal and team accountability

We will do what we say we will do.

The Success Matters Strategic Plan

The 2008-2009 academic year marked the second year of Durham College's five-year Success Matters Strategic Plan. The 2008-2009 Annual Report provides details on the implementation of this plan and highlights achievements and success stories related to realizing our mission that the student experience comes first at Durham College.

The Success Matters Strategic Plan outlines a number of strategies and priority actions relating to three key goals: Our Students, Our People and Our Business. It is through the lens of these three goals that we share, in the pages ahead, the decisions and activities that took place during the 2008-2009 year.



Our Students

Goal

To provide our students with quality learning experiences and support in finding pathways to good jobs and productive citizenship.

Highlights of achievements

Enrolment

In 2008, 2,434 students graduated with market-ready skills and qualifications from Durham College's full-time post-secondary programs:

- School of Applied Sciences, Apprenticeship, Skilled Trades and Technology – 459
- School of Business – 320
- School of Communication Arts – 117
- School of Design – 154
- School of Emergency Services – 69
- School of Health and Community Services – 533
- School of Information Technology – 46
- School of Integrated Studies – 366
- School of Justice – 335
- School of Career Development and Continuing Education – 35

Apprenticeship

- Durham College is a major player in the province for apprenticeship delivery with one of the most diverse program mixes of any college. During the 2008-2009 academic year the college offered 17 apprenticeship programs, 12 of which are Red Seal, and had more than 1,400 registered apprentices.
- In all, 348 apprentices graduated during 2008-2009.

Continuing education and career development

- Durham College offered more than 1,000 continuing education courses in a wide variety of career and personal interest areas during 2008-2009, with total registrations of more than 19,300.
- The School of Career Development & Continuing Education provided academic upgrading in Math, English, Chemistry, Biology, Physics, and Computer Skills to 57 adult learners in Beaverton and Uxbridge, 43 in Bowmanville and 714 in Oshawa. The students received a total of 150,016 instructional (contact) hours. For those students who completed the program in 2008-2009, 209 went on to employment, 185 went on to further training and education and 269 have attained their academic goal. In addition, 27 students completed the University Preparation program.

- Durham College delivers Job Connect programs in Oshawa, Bowmanville, Uxbridge and Port Hope.
 - They welcomed more than 10,860 job seekers to the Job Connect Employment Resource Centres and held over 24 employer events;
 - Job Connect provided employment counselling and placement support to more than 950 job seekers; and
 - Seventy-six per cent of clients placed with employers were still employed upon exiting the program.
- The Community Employment Resource Centres in Port Perry, downtown Oshawa and Beaverton served more than 1,735 new clients and had almost 11,033 repeat visits.

New programs introduced

For September 2008:

- 911 Emergency and Call Centre Communications (two-year);
- Advanced Law Enforcement and Investigations (one-year) graduate certificate; and
- Computer Programmer Analyst (three-year).

Planned for September 2009:

- Biotechnology Technologist advanced diploma (compressed fast-track);
- Business Entrepreneurship and Small Business (two-year) compressed and non-compressed options;
- Business Fundamentals certificate (one-year);
- Chemical Engineering Technology advanced diploma (compressed fast-track);
- Energy Audit Techniques certificate program (one-year);
- Environmental Technology advanced diploma (compressed fast-track);
- Pharmaceutical and Food Science Technology advanced diploma (compressed fast-track); and
- Renewable Energy Technician diploma program (two-year).

Key Performance Indicators

Our most recent results of the provincial government-mandated annual Key Performance Indicators survey showed that Durham College graduates are continuing to find employment and that employers are overwhelmingly satisfied by their decision to hire Durham graduates. The college's results in the five benchmark areas were as follows:

Employer satisfaction	92.3 per cent
Graduate employment	86.5 per cent
Graduation rate	64.6 per cent
Graduate satisfaction	80.0 per cent
Student satisfaction	77.3 per cent

PQAPA – Good news for Durham College

In April, Durham College welcomed the provincial Program Quality Assurance Process Audit (PQAPA) review team to the Oshawa and Whitby campuses for three days. The review team met with various groups across the organization (support staff, students, faculty, program teams, Durham College Leadership Team, Academic Leadership Team) in its examination of the college's compliance with PQAPA key criteria.

The review team's preliminary report delivered a strong endorsement of the college's operations, noting, among other items, that Durham College:

- Has set in place the foundations for a viable and comprehensive quality assurance program;
- Has a new Program Quality Assurance Process (PQAP) that should meet Ministry requirements and see the college through its next phase of development; and
- Students were generally satisfied by their program of study.

Along with the recommendations that came from the final report in November, one of the most significant actions to be taken from the PQAPA experience was the development of the college's new Academic plan, *The Road Ahead: Defining our Academic Direction*. The Road Ahead identifies and offers a common understanding of the critical academic priorities for Durham College. Through strategic actions undertaken in response to these priorities, energies can be focused across the organization, the profile of academic schools can be enhanced and the reputation of Durham College can be strengthened. Schools and supporting service areas will be responsible for basing their corresponding priorities and actions upon the academic direction to ensure the college community moves together toward sustained academic excellence.

Strengthening our programs and post-secondary pathways

- The Court and Tribunal Agent/Paralegal and Court and Tribunal Agent programs received accreditation by the Law Society of Upper Canada. This prestigious accreditation gives graduates the opportunity to take an exam in order to become a licensed paralegal with the society. Durham College is only the sixth college in Canada to receive accreditation from the oldest and largest of the country's law organizations.
- In June, Durham College and the Durham Catholic District School Board signed an articulation agreement that will allow students who succeed in specific high school accounting courses to receive credit in similar courses at Durham College. In addition to helping to motivate high school students in their studies, the agreement also encourages them to consider the many opportunities that come with a post-secondary education at Durham College.
- Durham College IT students will now have a chance to take their computer skills to the next level, thanks to two agreements with Trent University. The first is a renewal of a previous agreement between the college's Computer Systems Technology (formerly known as Computer Science Technology) program and Trent. The second is a new agreement involving Durham College's Computer Programmer Analyst program. Both will enable students to obtain a three-year advanced college diploma and a four-year university degree in as little as five years with eligible students receiving advanced standing in Trent's Bachelor of Science (BSc) (Honours) – Computing and Information Systems degree program.



- Durham College welcomed 600 Durham Region Grade 7 and 8 students to campus in May to start forging their pathways to success through the Building Future Connections program. Students were given the opportunity to analyze a personal DNA sample, discover how much caffeine is in their energy drinks and take part in a Criminal Scavenger Hunt. The event helped students explore some of the many exciting, market-driven careers that come with pursuing a college education.
- In a tribute to its success as both a study sanctuary and an award-winning building that symbolizes Durham College's mission, the Campus Library celebrated the occasion of its one-millionth visitor, student Chandra Paddock. The library plays a critical role in supporting student success.
- Given its location in Durham Region, an area that has long relied on automobile manufacturing for a significant portion of its economic base, Durham College welcomed the introduction of the provincial government's Second Career Strategy and the opportunities it is creating for men and women who suddenly are finding themselves out of work. In September, only a few short months after the strategy was introduced, Durham College had 17 students enrolled through Second Career. By February, that number had climbed to 82 and interest was increasing steadily for the September 2009 intake. The average age of students through February was 40, with approximately 75 per cent previously employed in the automotive sector. The college expects to welcome more than 150 students for the Fall 2009 semester.
- In an effort to assist internationally trained immigrants in finding meaningful employment that matches their skills and experience, Durham College launched the Colleges Integrating Immigrants to Employment (CIITE) project. Each year, thousands of men and women arrive in Ontario with global training and skills that are valuable to the province's workforce, yet many of them are not employed within their field due to numerous barriers. CIITE offers a wide range of services intended to improve educational, training and employment opportunities, including one-on-one advising; customized solutions; information specific to Durham Region; and a centralized point of contact.

Our Students – Success stories:

- Mike Van Leeuwen won a gold medal at the National Skills Competition in May for his superior machining skills, which he showcased while assembling a balloon pump. He also took the provincial title earlier in the month. Two other Durham College students also won medals at the provincial competition, with Britney Kayne taking bronze for hairstyling, and Grant Henderson winning the bronze for electrical. Durham College was the top medal winner at the provincials.
- Lindsay Buckley, a second-year student in the Environmental Technology program, was awarded the prestigious Garfield Weston Merit Scholarship for Colleges (GWMSC) in recognition of her strong commitment to her field of study and her interest in making positive contributions to her community. Buckley, an environmentalist and founder of the Environmental Group on campus, received free tuition, a renewable \$8,000 stipend, access to summer program funding, mentorship and a \$4,000 retroactive award for use towards accumulated educational costs. One of Buckley's long-term goals is to work towards the creation of an ecovillage – a community that is socially, economically and ecologically sustainable – somewhere in southern Ontario.
- Nick Cirinna and Rob Strickland, second-year Animation students, finished first at the 2008 Skills Canada Animation Contest. Students presented projects that focused on storytelling and acting, defined by traditional animation principles, as they apply to 3-D animation.



- Members of the Working Towards International Student Harmony (WISH) student club held a number of fundraising events in May to assist victims of an earthquake in China. The events, which included a bake sale and gift basket raffle, raised more than \$2,000 for the China Foundation of Poverty Alleviation Disaster Relief Project.
- Students in the Animation – Digital Production program had a unique opportunity to participate in the making of a nationally televised music video in collaboration with Video of the Year Juno winner Christopher Mills. The video was produced for the Canadian band The Acorn and aired on MuchMusic. As part of their group term assignment, students were required to contribute one moving 3D animated midway ride to be included in the video.
- The considerable talents of Durham College Graphic Design students received high-profile attention in April during their Graphic Design Show at 401 Richmond, a studio in Toronto. The show featured a wide variety of graphic design applications, including packaging mockups, ad campaigns and direct mail and corporate identity pieces.
- Students in Durham College's Youth Corrections and Intervention (YCI) program brought together secondary school students and their teachers, counsellors, therapists, police officers, social workers, child and youth workers, youth outreach workers and probation officers to learn more about a variety of issues related to at-risk youth during the inaugural At-Risk Youth and the Law conference in February.
- More than 120 students in dental programs, along with eight faculty members from the School of Health & Community Services, helped save the smiles of more than 80 child-athletes in November during the college's first-ever mouthguard clinic. Held in the Dental Assisting clinic, students in the Dental Hygiene, Dental Assisting and Dental Reception programs gained valuable hands-on experience by working together to offer children from four local hockey teams the opportunity to have custom mouthguards created for \$10, a significant fraction of the typical cost.
- More than 150 students were honoured for their academic excellence during Durham College's annual Fall Scholarship Ceremony held in November. The ceremony saw 159 in-course scholarships, valued at \$117,500, presented to students from both the Oshawa and Whitby campuses for their outstanding achievements.
- Katie Watts broke the Ontario Colleges Athletic Association's (OCAA) women's soccer single-season scoring record with a 20-goal year.
- Mandi Doris broke two OCAA records in women's volleyball, setting a new record for blocks in a season with 80, and establishing the new all-time career blocking record at 156 blocks.



Our People

Goal

To support and empower each employee to make the best possible contribution to achieving our mission.

Highlights of achievements

- The Communications and Marketing department conducted focus groups, testing and gathered other feedback and input as development work continued towards the launch in Spring 2009 of an employee intranet. The new intranet will deliver a new way to communicate and collaborate for staff and faculty at Durham College and provide an easy-to-access centralized repository of information that staff and faculty need to do their work.
- Durham College retained the services of an external consultant to conduct an anonymous employee engagement survey in February. The response rate was a tremendous 63 per cent, as the college continued to look at ways to introduce greater opportunities for employee feedback and then act on areas of importance to employees. It was expected that results would be shared with employees in Spring 2009.
- Employees had greater opportunities than ever before to meet with and discuss issues of importance with the college leadership team. The college held a number of town hall meetings over the past 12 months, all of which were designed to foster two-way conversations about specific news affecting the college or status reports.
- Following on the success of its first two cohorts in a pilot project a year earlier, the Leadership Enrichment and Development (LEAD) professional development series had 52 more faculty and staff register for at least one of six sessions. This program is developing new campus leaders to take on the positions that will come open in the years ahead as the college deals with retirements of faculty and staff.
- In an effort to celebrate all employees, the innovative work taking place on campus every day and to foster workplace spirit, the campus community enjoyed the first-ever Passion Development Day in June. The event included displays by departments and schools about their business, opportunities to network with colleagues, a keynote speaker, barbecue and live music. The successful day built the foundation for a popular event for years to come.
- The past year brought the introduction of board reports for employees. Following each board meeting, an e-mail is sent to all faculty and staff sharing details about the meetings, actions taken and other information.
- Durham College concluded its 40th anniversary celebrations with a variety of events during Homecoming Weekend in May. Hundreds of alumni visited campus for Suds and Feathers (beer and wings) at E.P. Taylor's; alumni varsity men's and women's volleyball and basketball games, and a women's fastball game; campus tours, including a special decades room that exhibited memorabilia from the college's past 40 years; dinner and dancing; and a jumping castle, face painting, crafts and balloon-sculpting clowns for the children.

Our People – Success stories:

- John Zirnhelt, a professor with the School of Applied Sciences, Apprenticeship, Skilled Trades & Technology, delivered a keynote presentation at an international conference held at the University of Annaba in Algeria from May 12 to 14. His presentation, Personnel Qualification – The Impact of New Non-Destructive Testing, was a valuable addition to the conference since the University of Annaba was in the process of establishing a national certification program in non-destructive testing (NDT).
- Laurie Lafrance, a professor with the School of Media, Art & Design, was chosen to illustrate a stamp for Canada Post in honour of the 2008 Olympic Summer Games in Beijing. The stamp, Games of the XXIX Olympiad, was selected from dozens of submissions and represented the second time in Lafrance's career that she was commissioned to design a nationally-circulated stamp. In 1991, her design was chosen for a commemorative Canada Day stamp.
- In August, Charlotte Hale, associate dean of the School of Media, Art & Design, along with 13 other volunteers, travelled to Hainamosa, Dominican Republic with donations of digital cameras where they introduced dozens of less-fortunate children to the art of photography. A public exhibition of the kids' artwork was held in September, in Durham Region.
- Brent Brooks was honoured with the Ontario Association of Certified Engineering Technicians and Technologists' (OACETT) Outstanding Educator Award for his contribution to the college's Electro-Mechanical Engineering Technology Program, (Industrial Automation and Robotics). Brooks was one of only two provincial winners of the award, which is granted to individuals who have made significant contributions to the training and education of engineering/applied science technicians and technologists. It recognizes a sustained record of excellence over many years.
- Bonnie St. George, associate dean of the School of Justice & Emergency Services, was nominated and elected in June to a three-year term with the Lakeridge Health Network Board of Trustees.
- Mike Duggan, head coach of the Durham Lords varsity golf program, joined Team Canada from September 2 to 5 as an assistant coach at the 2008 World University Golf Championship in South Africa.
- During the Spring 2008 convocation ceremonies, Durham College honoured six outstanding alumni with the college's 2008 Alumnus of Distinction Award: Gary Heagle (in the category of Technology), Kristi Honey (Recent Graduate), Bob Malcolmson (Business), Patricia O'Connor (Health Sciences), Stephen Reynolds (Community Services) and Janice Tanton (Creative Arts/Design).
- Don Lovisa was named Durham College's fifth president in January.
- Judy Robinson was named vice-president, Academic.
- Nevzat Gurmen was named vice-president, Finance, and chief financial officer.
- Susan Sproul was named dean of the School of Health & Community Services.
- Mary Blanchard was named dean of the School of Communication, Language & General Studies.

Our Business

Goal

To make business decisions that are evidence-based, reflect best practices and result in the college being prosperous and achieving its mission.

Highlights of achievements

Whitby campus expansion

In September 2008, the Durham College Board of Governors unanimously approved an ambitious and exciting expansion of the Whitby campus that will be energy-neutral and Leadership in Energy and Environmental Design (LEED) certified – a true standard for environmental stewardship in the post-secondary community.

Work began in January on the expansion, which will include:

- Living laboratories for student learning;
- New equipment to help energy inventors and innovators bring their ideas from concept to prototype;
- New programs that will enable Durham College to meet the new and growing energy industry demand for skilled Ontarians who are able to plan, install and maintain the current and next generation of green energy systems and technologies;
- Increasing the Skills Training Centre by 20,000 square feet; and
- Refreshing industrial equipment to ensure the college meets the identified need to provide young people, employed workers and individuals experiencing career changes with the skills required to meet the demands of the booming energy sector.

In addition, the work will incorporate a number of renewable features that will result in an indoor environment with superior air quality, thermal controls and acoustics. The new space will cost less to operate, provide a healthier environment and offer multiple hands-on training opportunities. Features include:

- Solar water heating;
- Solar electricity;
- Wind energy from six turbines on top of the campus roof; and
- Ground source heat pumps.

Community and industry consultations

Durham College takes pride in its reputation for offering programs and training that meet the employment needs of the region, province and country. One of the fundamental keys to the college's success has been an ability to forecast and identify emerging and growing sectors where new programs and training are critical to meeting the future needs of employers and the regional economic base.

That is why the college has begun community consultation and feasibility processes in two growing sectors, areas that require large numbers of skilled professionals and that will provide a boost to the Durham Region economy.

In November, college leaders met with approximately 40 leaders from the hospitality/tourism industry as they continued to explore offering programs to meet the growing needs of this industry. Nationally, labour shortages have been projected for this sector and Durham Region is no different. Further, anecdotal evidence and Ontario College Application Services trends suggest that there is a significant need for tourism, hospitality and service programs locally. In the last two years alone, almost 300 local students annually confirmed acceptance in hospitality and tourism-related programs at other Ontario colleges.

Additionally, in March, the college held a community/industry consultation session to better understand the current and emerging needs of the energy sector. Approximately 50 industry leaders took part in the session, providing valuable insight into the future of the industry and the role Durham College can play in educating the type of new-generation professionals that will be increasingly needed in the years ahead. With 10 operating nuclear reactors, two more on the way and many other ties to energy production and distribution here in Durham Region, there is a greater need than ever before for new professionals in this growing sector and to help replenish an aging workforce.

As Durham Region continues to be one of the fastest growing areas in the country, Durham College must continue to respond by offering programs in growing disciplines and sectors that are not presently offered.

Sale of subsidiary businesses

Durham College completed the sale of the Durham Contact Centre and the PIC Holdings Group, two subsidiaries that do not directly align with the college's core post-secondary operations.

Our Business – Success stories:

- Chrysler Canada Inc. donated a limited edition 2008 Dodge Challenger SRT8 500, which is providing students enrolled in the Automotive Service Technician and Motive Power Technician – Service and Management programs with opportunities to train on the most up-to-date machinery in the automotive industry.
- In keeping with its commitment to ensuring students have access to the latest in equipment and facilities, Durham College invested more than more than \$2 million during the summer for renovations and upgrades on two chemistry labs and the dental clinic in the A wing of the Gordon Willey building. The chemistry labs renovation cost almost \$1.48 million, while the dental lab work included renovations, millwork in the sterilization room, 26 new dental chairs, 26 operator stools and 26 assistant stools. The work provided students with outstanding new learning facilities.
- Ondine Biopharma donated a Periowave system to enable students to learn first-hand about the benefits of using the Periowave photo disinfection system as part of their hands-on learning for treating periodontal diseases.
- Durham College was the official host site for the athletes who competed at the Special Olympics Ontario 2008 Spring Games in May. Almost 900 athletes, coaches and trainers stayed in residence for the provincial games. The college also hosted the opening and closing ceremonies and the powerlifting and basketball events. Thousands of guests arrived on campus from across the province over the course of the competition.
- The college opened its doors to Special Olympians and others in the community in early May for a Healthy Athletes Expo. The expo was designed to help Special Olympians and individuals in the community with intellectual disabilities improve their overall health and well-being. A number of students and faculty volunteered their time to make the event a success.

- Durham College was honoured with the distinction of becoming the only college to ever host the Educational Developers Caucus Annual Winter Conference. The event attracted more than 100 individuals who work as educational developers in post-secondary institutions across Canada. In just one example of the effort to provide participants with multiple opportunities to learn first-hand about the college's use of the latest in cutting-edge educational technology, conference organizers presented a murder mystery surrounding the death of Marilyn Monroe.
- Durham College hosted the 2008 National Paramedic Competition on campus in April, with 28 teams from across Canada competing. The annual event was created by the Durham Paramedic Association in 2003 with the assistance of Durham College, Lakeridge Health and the Durham Emergency Medical Service.
- Durham College's Centre for Success program celebrated the graduation of almost 200 secondary school students at ceremonies held in June and January. The program is supported by the Ontario Ministry of Education and the Ministry of Training, Colleges and Universities' School College Work Initiative and provides high school students with an opportunity to study outside of the high school environment. Students gain a front-line view of why the student experience comes first at Durham College, including having access to student support systems and amenities, small classes and hands-on teaching, all while completing their high school diploma. They also gain confidence in their own abilities and an understanding their success is an indicator that they can succeed in college studies.

Community outreach – building stronger communities

- The 2008 United Way campus campaign raised \$36,500.
- The 2008 campus holiday food drive raised \$9,000 and helped feed 71 students and community families.
- The fourth annual Power of Pink campaign in support of breast cancer research was held in March, raising \$16,791.23.
- Durham College students from the Oshawa and Whitby campuses clad themselves with safety boots, hard hats and work gloves in April to pitch in for the Northumberland Habitat for Humanity Youth Build in Cobourg, Ontario.
- Members of the Durham College Leadership Team participated in a Habitat for Humanity project in October, tackling a wide-range of construction responsibilities as they gave their time to building a home in Oshawa.
- Durham College faculty, staff, students and their families dug their paddles deep in the fight against breast cancer, at the fourth annual Dragon Flies Dragon Boat Festival held in June in Port Perry. More than \$2,000 was raised by a School of Justice & Emergency Services team.



In the provincial spotlight

Changing the world around them – Durham College award winners

The Durham College community is broad and far-reaching, made up of men and women who inspire others through their leadership roles, take business and industry to new heights and generally make communities better places to live, work and play. This has been particularly true over the past 12 months.

In the past year, Durham College has cheered loudly as three members of its community earned prestigious provincial recognition for excelling in their respective areas. Alumna Patricia O'Connor earned one of only six 2008 Ontario Premier's Awards, while Professor Norm Fenton and Governor Garry Cubitt were two of the seven individuals to be honoured with Colleges Ontario Awards.

Patricia O'Connor

Durham College alumna Patricia O'Connor has made it her life's work to help people in Canada's far north receive health care. This service and dedication earned her the 2008 Ontario Premier's Award in the Health Sciences category. She is only the fourth ever Durham College graduate to receive the award.

A 1976 Nursing graduate, O'Connor went on to become Ontario's first female paramedic and part of its first air ambulance helicopter team after completing flight paramedic training in 1978. A pioneer of aero-medical services, she began work in Yellowknife, Northwest Territories (NWT) as a chief flight nurse for St. John Ambulance in 1985 and during that time established an air ambulance program in the NWT. In 1992, she founded Medflight Ltd., a medical air evacuation service for the more than 30,000 residents of western NWT and Nunavut's Kitikmeot region. She is currently Medflight's president, chief financial officer and owner.

For more than two decades, O'Connor has been flying to remote villages in Canada's far north, stabilizing patients in preparation for flights to receive medical treatment in Yellowknife. She has presented lectures across Canada and is a founding member of the Canadian Association of Aero-Medical Transport, a national organization for the development and promotion of aero-medical services in Canada.

Her passion for helping others knows no limits. In 1989, while en route to Pelly Bay, Nunavut to pick up a medivac patient, O'Connor's plane crashed. While waiting to be rescued, she performed her nursing duties under extreme duress and received a commendation for her actions.

She has also received an award of merit from St. John Ambulance, Priory of Canada, for aero-medical work in the NWT and the 2008 Durham College Alumna of Distinction award. Most notably, O'Connor received an appointment to become a member of the Order of Canada in December 2007 for her contributions to paramedic care in Canada's northern territories.



Norm Fenton

For nearly three decades, Norm Fenton's students and colleges have greatly benefited from his vast experience. A professor with the Durham College School of Applied Sciences, Apprenticeship, Skilled Trades & Technology, Fenton was named recipient of the Colleges Ontario Distinguished Service Award for his efforts in bringing online apprenticeship training to northern Ontario communities.

The Distinguished Service Award recognizes an individual who has provided leadership to his or her institution and/or the college system and fostered change that has resulted in substantial improvement locally or provincially. Fenton has long worked to ensure the best possible education for his Industrial Mechanic Millwright apprentice students and been instrumental in establishing online learning options at the college's Whitby campus, in partnership with Sault College, to provide apprentices in Ontario's northern communities with alternative training opportunities.

Garry Cubitt

During his 35-year association with Durham College, Garry Cubitt has tirelessly contributed on campus through positions as an instructor, partner and member of the Board of Governors. Currently in his third term with the board, Cubitt received the Colleges Ontario William G. Davis Community Award – given to an individual who has made exceptional contributions to the college sector – in honour of his steadfast work in promoting improved student movement between college and university educations.

Cubitt, who is the chief administrative officer for the Regional Municipality of Durham, has passionately advocated that it should be easy for students to move between a college and university education and has played a leading role in the development of formal partnerships for students to transfer post-secondary credits in order to obtain both a diploma and degree in less than the traditional time.

Government announcements and visits

April 2008

Investment of more than \$380,000 computes for Durham College classrooms and labs

The provincial government announced Durham College would receive \$382,370 as the first of what will be three instalments of funding over a three-year period. The money is for computers or software for classroom use, books or digital materials for libraries and equipment or machinery for lab instruction. The funding was part of a \$60-million commitment made by the province to Ontario colleges.

July 2008

Minister Milloy announces \$9 million to launch Durham College expansion

More than 100 guests were on hand July 2 as John Milloy, Ontario minister of Training, Colleges and Universities, visited the Whitby campus to announce his government was investing \$9 million in the 40,000-square-foot expansion of the campus.

October 2008

Critical new investment in Durham College Critical Care Nursing program

The provincial government announced an \$840,000 one-time funding commitment to support the Durham College Critical Care Nursing E-Learning graduate certificate program. The funding was provided through the Ontario Ministry of Health and Long-Term Care's Critical Care Strategy, with Durham College distributing the funds to its 10 simulation partners across Ontario to augment their existing simulation labs and facilities. This ensures these partners have the required equipment to deliver the highly specialized simulation component of the innovative Critical Care Nursing program, which is widely recognized for its flexibility in allowing students to complete the simulation training at Durham College or a partner institution located closer to their home. The program was launched in 2007 with a \$1-million commitment by the provincial government, following a competitive process that saw Durham College selected as the host site ahead of other colleges and universities across Ontario.

December 2008

MTCU to assist Durham College

Responding to a Durham College request for assistance in helping the college through difficult financial challenges, the Ministry of Training, Colleges and Universities announced the appointment of an independent advisor to review the college's plans, make recommendations and assist in strengthening its long-term financial viability. Dr. Ralph Benson, a former assistant deputy minister with the Ontario Ministry of Education and the Ministry of Colleges and Universities, was selected as advisor.

March 2009

Deputy Premier George Smitherman visits Whitby campus

The Honourable George Smitherman, Ontario's deputy premier and minister of Energy and Infrastructure, received a first-hand look at Durham College's state-of-the-art Whitby campus, including the nationally recognized Skills Training Centre, when he joined President Don Lovisa and other members of the leadership team for a personal tour. In addition, Lovisa shared background information about the college's unique approach to skilled trades training and its 17 apprenticeship programs, including some unique to colleges in Ontario such as Elevating Devices Mechanic and Hoisting Engineer: Mobile Crane Operator.

March 2009

More tools for their trades – \$682,000 in funding boosts apprenticeship programs

Durham College apprenticeship students learned they will receive additional tools to take their learning to a new level, thanks to an announcement of more than \$680,000 in funding from the Ontario Ministry of Training, Colleges and Universities' Apprenticeship Enhancement Fund (AEF). The college was awarded \$332,499.62 as part of a base allocation, along with \$350,000 through AEF's competitive application process that drew 40 post-secondary funding proposals. The funds will be used to purchase additional state-of-the-art equipment for the Skills Training Centre and upgrade existing industrial shop workspace.



The road ahead

As Durham College moves into the 2009-2010 fiscal year, it does so with considerably renewed confidence, energy and financial stability. This momentum will foster the further growth and success of its students, people and business, and ensure the college is well-positioned to meet the challenges of the current economic climate and continue to play a significant role in improving the economic and social well being of Durham Region, Ontario and Canada.

Guided by its three core goals and mission statement – the student experience comes first at Durham College – the year ahead, and indeed the years beyond that, hold untold new opportunities for the college to solidify its reputation as the post-secondary home of choice for students pursuing the market-ready skills needed to obtain great careers and make a difference in the world.





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Consolidated Financial Statements of

**DURHAM COLLEGE OF APPLIED ARTS
AND TECHNOLOGY**

March 31, 2009

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Financial Statements
Table of Contents
March 31, 2009

	<u>Page</u>
Auditors' Report	
Financial Statements:	
Consolidated Statement of Financial Position - Statement 1	1
Consolidated Statement of Operations – Statements 2	2
Consolidated Statement of Changes in Net Assets – Statement 3	3
Consolidated Statement of Cash Flows – Statement 4	4
Notes to the Consolidated Financial Statements	5-23
Supplementary Schedules:	
Consolidated Analysis of Operating Revenue – Schedule 2-1	24
Consolidated Analysis of Operating Human Resources Expenditure - Schedule 2-2	25
Consolidated Analysis of Operating Administrative and Other Expenditure – Schedule 2-3	26
Consolidated Analysis of Corporate Training Expenditure – Schedule 2-4	27
Consolidated Analysis of Ancillary Expenditure – Schedule 2-5	28



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AUDITORS' REPORT

To the Board of Governors of
Durham College of Applied Arts and Technology

We have audited the consolidated statement of financial position of Durham College of Applied Arts and Technology as at March 31, 2009 and the consolidated statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we 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 our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants, Licensed Public Accountants

Toronto, Canada

May 22, 2009

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Financial Position

March 31, 2009

	2009	2008 (Notes 21 and 22)
ASSETS		
CURRENT ASSETS		
Accounts receivable	\$ 13,564,995	\$ 7,204,290
Current portion of long-term loan receivable (Note 2)	225,843	223,544
Inventories	588,662	586,050
Prepaid expenses	399,209	73,339
Current assets of discontinued operations (Note 22)	-	11,994,617
	14,778,709	20,081,840
LONG-TERM ASSETS		
Long-term loan receivable (Note 2)	1,502,737	1,621,032
Long-term receivable	1,000,000	-
Long-term investments (Note 3)	6,590,269	5,864,411
Investment in CTRC (Note 4)	-	500,000
Capital assets (Note 5)	161,595,119	163,903,793
Long-term assets of discontinued operations (Note 22)	-	2,547,195
	170,688,125	174,436,432
	\$ 185,466,834	\$ 194,518,272
LIABILITIES		
CURRENT LIABILITIES		
Bank indebtedness (Note 8)	\$ 3,806,673	\$ 2,790,366
Accounts payable and accrued liabilities (Note 6)	19,658,680	16,412,026
Deferred revenue (Note 7(a))	9,152,598	9,697,400
Current portion of long-term debt (Note 8)	2,504,822	5,169,340
Current liabilities of discontinued operations (Note 22)	-	9,664,341
	35,122,773	43,733,473
LONG-TERM LIABILITIES		
Deferred contributions (Note 7(b))	58,714,447	56,550,402
Long-term debt (Notes 8)	79,370,097	80,148,380
Derivative liability (Note 8)	4,364,992	1,578,576
Employee future benefits (Note 9)	554,000	559,000
Other long-term accrued liabilities (Note 10)	2,692,021	2,782,125
	145,695,557	141,618,483
	180,818,330	185,351,956
NET ASSETS		
UNRESTRICTED	(24,540,008)	(24,592,011)
INVESTED IN CAPITAL ASSETS	21,005,753	25,384,998
INTERNALLY RESTRICTED	1,217,459	1,186,852
ENDOWMENTS	6,965,300	7,186,477
	4,648,504	9,166,316
Commitments (Note 17)		
Contingencies (Note 18)		
Guarantees (Note 19)		
	\$ 185,466,834	\$ 194,518,272

See accompanying notes to the consolidated financial statements.

APPROVED ON BEHALF OF THE BOARD OF GOVERNORS:



Chair



President

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Statement of Operations
Year ended March 31, 2009

	<u>2009</u>	<u>2008</u>
		(Notes 21 and 22)
REVENUE - Schedule 2-1		
Grants and reimbursements	\$ 52,297,756	\$ 49,878,897
Student tuition fees	22,914,408	20,782,219
Ancillary operations	16,696,074	15,503,834
Other income	24,011,489	16,805,194
Corporate training	5,803,191	6,044,266
Amortization of deferred capital contributions	4,033,126	3,995,717
Total Revenue	125,756,044	113,010,127
EXPENDITURE		
Operating Human Resources - Schedule 2-2	64,280,961	61,354,588
Corporate Training Human Resources - Schedule 2-4	2,796,158	2,634,233
Ancillary Human Resources- Schedule 2-5	1,637,011	1,628,944
Total Human Resources	68,714,130	65,617,765
Operating Administrative and Other - Schedule 2-3	33,579,432	28,735,119
Total Flow through - Schedule 2-3	3,397,311	3,639,200
Corporate Training Administrative and Other - Schedule 2-4	1,330,872	2,085,752
Ancillary Administrative and Other - Schedule 2-5	11,540,733	11,167,273
Total Administrative and Other	49,848,348	45,627,344
LOSS ON FOREIGN EXCHANGE	177,137	93,118
AMORTIZATION OF CAPITAL ASSETS (net of nil (2008 - \$1,866,076) charged to Durham College Educational Network)	9,720,229	10,309,105
DISCONTINUED OPERATIONS (Note 22)	1,592,835	1,250,907
TOTAL EXPENDITURE	130,052,679	122,898,239
EXCESS OF EXPENDITURES OVER REVENUE	\$ (4,296,635)	\$ (9,888,112)

See accompanying notes to the consolidated financial statements.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Statement of Changes in Net Assets
Year ended March 31, 2009

	Unrestricted	Invested in Capital Assets (Note 15)	Internally Restricted Net Assets (Note 11)			Endowments (Note 11)	Total	
			Residence	Foundation	Total Internally Restricted Net Assets		2009	2008
BALANCE - BEGINNING OF YEAR	\$ (24,592,011)	\$ 25,384,998	\$ 675,019	\$ 511,833	\$ 1,186,852	\$ 7,186,477	\$ 9,166,316	\$ 18,202,613
EXCESS OF REVENUE OVER EXPENDITURE (EXPENDITURE OVER REVENUE)	3,268,829	(7,596,071)	-	30,607	30,607	-	(4,296,635)	(9,888,113)
INVESTMENT IN CAPITAL ASSETS	(3,216,826)	3,216,826	-	-	-	-	-	-
ENDOWMENT CONTRIBUTIONS	-	-	-	-	-	(221,177)	(221,177)	1,474,230
CHANGE IN ACCOUNTING POLICY	-	-	-	-	-	-	-	(622,415)
NET CHANGES DURING THE YEAR	52,003	(4,379,245)	-	30,607	30,607	(221,177)	(4,517,812)	(9,036,297)
BALANCE - END OF YEAR	\$ (24,540,008)	\$ 21,005,753	\$ 675,019	\$ 542,440	\$ 1,217,459	\$ 6,965,300	\$ 4,648,504	\$ 9,166,316

See accompanying notes to the consolidated financial statements.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Statement of Cash Flows
Year ended March 31, 2009

	2009	2008
		(Notes 21 and 22)
NET (OUTFLOW) INFLOW OF CASH		
RELATED TO THE FOLLOWING ACTIVITIES		
OPERATING		
Excess of expenditures over revenue	\$ (4,296,635)	\$ (9,888,113)
Items not affecting cash		
Amortization of capital assets	9,720,229	12,175,181
Amortization of deferred capital contributions	(4,033,126)	(3,995,717)
Deferred derivative liability	2,786,416	956,161
Employee future benefits	(5,000)	30,000
Write-down of investment in CTRC	500,000	-
Future income taxes	-	695,771
	4,671,884	(26,717)
Net change in non-cash working capital		
balances relating to operations		
Accounts receivable	(6,360,705)	14,624,027
Inventories	(2,612)	416,749
Prepaid expenses	(325,870)	923,990
Long-term receivable	(1,000,000)	-
Accounts payable, accrued liabilities and		
and other long-term accrued liabilities	3,156,550	(12,064,253)
Deferred revenue	(544,802)	2,763,177
Total Operating Activities	(405,555)	6,636,973
INVESTING		
Purchase of capital assets	(7,411,555)	(7,698,661)
Decrease in long-term loans receivable	115,997	243,066
Increase in long-term investments - net	(725,858)	(634,573)
Investment in CTRC	-	(500,000)
Total Investing Activities	(8,021,416)	(8,590,168)
FINANCING		
Deferred contributions	6,197,171	4,546,247
Endowment contributions	(221,177)	1,474,230
Proceeds from long-term debt	-	2,606,506
Repayment of long-term debt	(3,442,801)	(2,466,624)
Total Financing Activities	2,533,193	6,160,359
Discontinued operations	4,877,471	(2,397,997)
NET CASH (OUTFLOW) INFLOW	(1,016,307)	1,809,167
CASH (BANK INDEBTEDNESS), BEGINNING OF YEAR	(2,790,366)	(4,599,533)
CASH (BANK INDEBTEDNESS), END OF YEAR	\$ (3,806,673)	\$ (2,790,366)
SUPPLEMENTARY CASH FLOW INFORMATION		
Interest paid	\$ 4,827,497	\$ 5,011,779
Income taxes paid	\$ -	\$ 42,677

See accompanying notes to the consolidated financial statements.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES

(a) Basis of presentation

The financial statements of Durham College of Applied Arts and Technology (the “College”) have been prepared by management in accordance with the accounting standards for not-for-profit organizations, published by the Canadian Institute of Chartered Accountants (CICA), using the deferral method of reporting restricted contributions. These consolidated financial statements reflect the assets, liabilities, revenues and expenses of the College and its subsidiaries, Durham College Foundation and Durham College Education Network (DCEN). All significant intercompany balances and transactions have been eliminated upon consolidation.

(b) Revenue recognition

The College follows the deferral method of accounting for restricted contributions which include donations and government grants.

Operating grants are recorded as revenue in the period to which they relate. Grants earned but not received at the end of an accounting period are accrued. When a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions, other than endowment contributions, are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

Endowment contributions are recognized as direct increases in endowment net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are recognized. Unrestricted investment income is recognized as revenue when earned.

Pledged contributions for the College and the Ontario Student Opportunity Trust Funds are recognized as received when the related pledge is confirmed, the amount can be reasonably estimated and collection is reasonably assured.

Tuition fees are deferred to the extent that the related courses extend beyond the fiscal year of the College.

Other operating revenues are deferred to the extent that related services provided, or goods sold, are rendered/delivered subsequent to the end of the College's fiscal year.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Consolidated Financial Statements
March 31, 2009

2. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES (continued)

(c) Financial Instruments

(i) Long-term loan receivable

The College has designated its long-term loan receivable as Loans and Receivables and carries it at amortized cost.

(ii) Long-term investments

The College has designated all of its investments as held for trading and as such they are recorded at fair value. Transaction costs related to the purchase of investments are capitalized and sale of investments are expensed in the year incurred. Changes in unrealized gains are treated as an increase or decrease in the statement of operations.

(iii) Long-term debt

The College has designated its long-term debt as Other Liabilities and carries them at amortized cost.

(iv) Derivative financial instruments

The College uses interest rate swap agreements to economically manage the floating interest rate portion of the debt portfolio and the related overall cost of borrowing. These instruments are not designated as hedges for accounting purposes and are carried on the balance sheet, under the caption derivative liability, at the estimated fair market value. Realized and unrealized gains or losses arising from net payments made or received and changes in fair value related to the interest rate swap agreements are recognized in the statement of revenue and expenditures in the period of the change as interest expense.

The College does not enter into derivative financial instruments for trading or speculative purposes.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Capital assets*

Purchased capital assets are recorded at cost, which includes interest incurred before the commencement of commercial operations. Contributed capital assets are recorded at fair value at the date of contribution when fair value is reasonably determinable. Otherwise, contributed assets are recorded at a nominal amount. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of an asset, are capitalized. When a capital asset no longer contributes to the College's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis over their average useful lives, which have been estimated to be as follows:

Buildings	40 years
Furniture and fixtures	5 to 10 years
Equipment and vehicles	5 years
Computer equipment	3 years
Building renovations/Upgrades	10 years
Major equipment	10 years

Capital assets acquired during the year are amortized at half of the applicable rate.

(e) *Valuation of inventories*

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

(f) *Student organizations*

These financial statements do not reflect the assets, liabilities, and results of operations of the various student organizations.

(g) *Accumulated sick leave credits*

The College recognizes employee sick leave gratuity liabilities as they are earned during the employees' tenure of service.

(h) *Employee future benefits*

The College recognizes employee future benefits (health, dental, life insurance and other retirement obligations) as they are earned during the employees' tenure of service.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Consolidated Financial Statements
March 31, 2009

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Foreign currency translation

Transactions in foreign currencies are translated into Canadian dollars at rates of exchange at the time of such transactions. Monetary assets and liabilities are translated at current rates of exchange with the resulting gains and losses included in income. Foreign operations are considered integrated and are translated into Canadian dollars using current rates of exchange for monetary assets and liabilities, historical rate of exchange for non-monetary assets and liabilities, and average rates of exchange for revenues and expenditures, except amortization which is translated at rates of exchange applicable to the related assets. Gains and losses resulting from these translation adjustments are included in income.

(j) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements, and the reported amounts of revenue and expenditures during the year. Actual results could differ from these estimates.

(k) Future accounting changes

Recent amendments to Section 4400, Financial Statement Presentation by Not-for-Profit Organizations will modify the requirements with respect to various elements of the financial statement presentation. These amendments include:

- Reporting certain revenues at its gross amount in the statement of operations.
- The elimination of the requirement to treat net assets invested in capital assets as a separate component of net assets.

The new standard applies to the financial statements relating to the fiscal year beginning on April 1, 2009. The College is evaluating the impact of the amendments on its financial statements.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

2. LONG-TERM LOAN RECEIVABLE

Long-term loan receivable includes a loan receivable from the Durham College Student Association Incorporated, amounting to \$1,728,580 (2008 - \$1,844,576) which is repayable from an annual special levy on student fees over a period not to exceed 40 years. The loan bears interest at prime rate calculated monthly.

3. LONG TERM INVESTMENTS

	2009		2008	
	Cost	Market	Cost	Market
Equities	\$ 4,574,924	\$ 3,544,375	\$ 3,514,964	\$ 3,646,064
Fixed income	2,810,078	2,791,970	1,969,787	1,879,491
Mutual Funds	362,095	253,924	386,697	338,856
	\$ 7,747,097	\$ 6,590,269	\$ 5,871,448	\$ 5,864,411

U.S. equities are held in U.S. dollars, which have been converted to Canadian dollars as at year-end, using the exchange rate at that date. Investments held in U.S. dollars at March 31, 2009 were approximately \$1,642,089 (2008 - \$987,000) in Canadian dollars.

(a) Credit, interest rate and maturity risk:

The value of fixed income securities will generally rise if interest rates fall and decrease if interest rates rise. Changes in interest rates may also affect the value of equity securities. The fixed income investments consist of government bonds and corporate bonds, bearing interest at rates ranging from 3.60% to 6.15% (2008 - 4.25% to 6.35%) and maturing from May 25, 2010 to October 15, 2036 (2008 - November 19, 2008 to October 15, 2036).

(b) Foreign currency risk:

The value of securities denominated in a currency other than Canadian dollars will be affected by changes in the value of the Canadian dollar in relation to the value of the currency in which the security is denominated.

(c) Market risk:

Market risk arises as a result of trading fixed income securities. The value of equity securities changes with stock market conditions, which are affected by general economic and market conditions. Changes in interest rates may also affect the value of equity securities. Fluctuation in the market exposes the College to a risk of loss.

(d) Liquidity risk:

Money market investments represent instruments in highly liquid investments that are readily converted into known amounts of cash.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Consolidated Financial Statements
March 31, 2009

4. INVESTMENT IN CTRC

Durham College holds a 7% equity position in Canada Technology & Relationship Centre ("CTRC") as a result of an investment of \$500,000 in fiscal 2008. The investment has been evaluated for impairment and a write down of the full value was recorded in the fiscal year.

5. CAPITAL ASSETS

	Ending Cost	Accumulated Amortization	Net Book Value	
			NBV 2009	NBV 2008
Land	\$ 14,328,016	\$ -	\$ 14,328,016	\$ 14,328,016
Buildings	203,524,896	68,328,127	135,196,769	139,073,588
Computers	2,429,392	1,270,185	1,159,207	994,982
Equipment and furniture	64,492,987	54,589,360	9,903,627	9,507,207
Construction- in-progress	1,007,500	-	1,007,500	-
	285,782,791	124,187,672	161,595,119	163,903,793
Capital assets of discontinued operations (Note 22)	-	-	-	1,908,968
	\$ 285,782,791	\$ 124,187,672	\$ 161,595,119	\$ 165,812,761

Amortization for the current year totaled \$9,720,229 (2008 - \$12,175,181).

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

On September 4, 2003, the College purchased the Windfields Farms property for \$7,831,815, consisting of \$1,000,000 of cash and \$6,831,815 of debt, for the purposes of expansion including the future development of the University of Ontario Institute of Technology. The ownership of the land currently resides with the College.

Included in accounts payable and accrued liabilities is \$6,831,815 from 2007 due to the University of Ontario Institute of Technology relating to payments of \$2,277,272 each in years 2005, 2006 and 2007 for the mortgage payments on the Windfields Farms land.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Consolidated Financial Statements
March 31, 2009

7. DEFERRED CONTRIBUTIONS

(a) Deferred revenue

Deferred revenue represent grants, tuition fees and other revenue related to expenses of future periods.

(b) Deferred contributions

(i) Capital contributions

Deferred capital contributions represent the unamortized amount of donations and grants for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the Consolidated Statement of Operations at the same rate as amortization is recorded on the related capital assets.

	<u>2009</u>	<u>2008</u>
Balance, beginning of year	\$ 55,175,353	\$ 54,771,770
Contributions	7,572,220	4,399,300
Less amounts amortized to revenue	(4,033,126)	(3,995,717)
Balance, end of year	<u>\$ 58,714,447</u>	<u>\$ 55,175,353</u>

As at March 31, 2009 there was nil (2008 – \$65,309) of deferred capital contributions which were received and not spent.

(ii) Foundation

	<u>2009</u>	<u>2008</u>
Balance, beginning of year	\$ 1,375,049	\$ 1,228,102
Deferred investment income	-	448,021
Amortized to revenue	(1,067,116)	
Scholarships & Bursaries	(307,933)	(301,074)
Balance, end of year	<u>\$ -</u>	<u>\$ 1,375,049</u>
Total deferred contributions	<u>\$ 58,714,447</u>	<u>\$ 56,550,402</u>

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Consolidated Financial Statements
March 31, 2009

8. LONG TERM DEBT

	<u>2009</u>	<u>2008</u>
5.48% unsecured mortgage on student residence, repayable in monthly instalments of \$69,740 principal and interest, due December 2023, interest rate renewable in December 2013.	\$ 8,451,521	\$ 8,815,326
5.51% unsecured mortgage on student residence, repayable in monthly instalments of \$61,392 principal and interest, due July 2017.	8,454,208	8,717,121
5.57% unsecured mortgage on student residence, repayable in monthly instalments of \$204,649 principal and interest, due May 2029, interest rate renewal in May 2014.	29,699,828	30,480,985
4.89% unsecured mortgage on student residence, repayable in monthly instalments of \$74,505 principal and interest, due in May 2014.	11,432,074	11,759,687
5.75% unsecured mortgage on off-campus parking lot, interest payable monthly.	-	1,100,000
4.69% unsecured loan to finance the Student Centre, repayable in monthly instalments of \$18,820 principal and interest, due 2018, interest rate renewal in September 2013.	1,731,259	1,831,420
Variable rate secured mortgage, with an underlying swap fixing the rate at 5.14% on 199 Wentworth Avenue, due April 2016, interest and principal paid monthly.	8,487,000	8,706,000
Variable rate secured mortgage, with an underlying swap fixing the rate at 5.38% on the Athletic and Health Centre, due in November 2032, interest and principal paid monthly.	13,619,029	13,907,181
	81,874,919	85,317,720
Less current portion	2,504,822	5,169,340
	\$ 79,370,097	\$ 80,148,380

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Consolidated Financial Statements
March 31, 2009

8. LONG TERM DEBT (continued)

Principal payments due in each of the next five years and thereafter are as follows:

2010	\$	2,504,822
2011		2,640,125
2012		2,781,358
2013		2,906,826
2014		3,088,930
Thereafter		67,952,858
		<u>\$ 81,874,919</u>

The College entered into an interest rate swap to manage the interest rate variability arising on the 25 year mortgage for the Athletic and Health Centre. The mortgage bears interest at floating rates based on banker's acceptances. The swap effectively fixes the interest rate at 5.13% on an initial principal amount of \$14,000,000 over the 25 year life of the mortgage. At March 31, 2009, the fair value of the swap was a liability of \$3,111,036 (2008 – liability of \$1,065,564).

The College entered into an interest rate swap to manage the interest rate variability arising on the 10 year mortgage for 199 Wentworth Avenue. The mortgage bears interest at floating rates based on banker's acceptances. The swap effectively fixes the interest rate at 5.14% on an initial principal amount of \$9,100,000 over the 10 year life of the mortgage. At March 31, 2009, the fair value of the swap was a liability of \$1,253,956 (2008 – liability of \$513,012).

The College has a credit facility agreement with a Canadian chartered bank, which provides for a revolving operating line of credit up to \$10,000,000, bearing interest at prime plus 1.25%. At March 31, 2009, the College utilized \$8,632,445.32 (2008 - \$6,810,950) of the operating line of credit.

The College has a credit facility agreement with another Canadian chartered bank, which provides for a revolving operating line of credit up to \$1,000,000 bearing interest at prime. As at March 31, 2009, nil was utilized (2008 – nil).

The College has entered into Irrevocable Standby Letters of Credit with a Canadian chartered bank. The letters of credit consist of \$15,000 bearing interest at 1.2% and \$43,025 bearing interest at 0.4%.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

9. EMPLOYEE FUTURE BENEFITS

Employee future benefits are health and dental benefits that are provided to early retirees, future retirees and employees currently on long term disability. The College recognizes these employee future benefits as they are earned during the employees' tenure of services. The related benefit liability at March 31, 2009 was determined by an actuarial valuation study as at March 31, 2009 commissioned by the College Compensation and Appointments Council using a discount rate of 5.5% (2008 – 5.5%).

Information about the College's employee future benefits is as follows:

	<u>2009</u>	<u>2008</u>
Balance, beginning of year	\$ 559,000	\$ 529,000
Current service costs	56,000	65,000
Interest	28,000	22,000
Benefits paid	(89,000)	(57,000)
Balance, end of year	\$ 554,000	\$ 559,000

Effective September 1, 2005, the plan provisions changed with the cost of the early retiree benefits (Extended Health, Dental Care and Life Insurance provided to age 65) no longer subsidized by the College. The College's liability was commensurately reduced as a result of this plan curtailment. This gain was recognized in the financial statements as there were no unamortized losses to offset on the date of curtailment.

10. OTHER LONG-TERM ACCRUED LIABILITIES

Included in other long-term accrued liabilities are the following:

(a) *Early retirement incentive plans, payments incentive plans and other agreements:*

Future employee retirement and other compensation payments are calculated based on estimated employee retirement dates and are valued as at March 31, 2009 using a discount rate of 5.5% (2008 - 5.5%).

(b) *Employee sick leave gratuity:*

The employee sick leave gratuity liability is calculated based on management's best estimate of salary escalation rates and expected retirement dates and using a discount rate of 5.5% (2008 – 5.5%).

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

11. RESTRICTED NET ASSETS

Internally restricted

Residence reserve: These funds are expendable for major capital refurbishments. Income earned is expendable.

Fundraising - General: These funds are expendable as directed by the individual donors. Income earned is expendable.

Endowments

Endowment funds are restricted donations received by the College where the endowment principal is required to be maintained. The investment income generated from these endowments must be used in accordance with the various purposes established by donors. The College ensures, as part of its fiduciary responsibilities, that all funds received and transferred to the Foundation with a restricted purpose are expended for the purpose for which they were provided.

Endowment funds include grants provided by the Government of Ontario from the Ontario Student Opportunity Trust Fund ("OSOTF") and the Ontario Trust for Student Success ("OTSS"). Under these programs, the government matches funds raised by the College. The purpose of these programs is to assist academically qualified individuals who, for financial reasons, would not otherwise be able to attend College.

The balance of endowments at March 31 consists of the following:

	<u>2009</u>	<u>2008</u>
OSOTF (Note 12)	\$ 4,083,612	\$ 4,159,737
OTSS (Note 13)	2,761,466	2,098,870
Other	120,222	927,870
	<u>\$ 6,965,300</u>	<u>\$ 7,186,477</u>

These funds are donated specifically for student assistance. Income earned is expendable to provide financial assistance to students.

12. ONTARIO STUDENT OPPORTUNITY TRUST FUNDS

Net assets restricted for endowments include monies provided by the Government of Ontario from the Ontario Student Opportunity Trust Fund matching program to award student aid as a result of raising an equal amount of endowment donations.

The College has recorded the following amounts under the program:

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Consolidated Financial Statements
March 31, 2009

12. ONTARIO STUDENT OPPORTUNITY TRUST FUNDS (continued)

OSOTF I

**Schedule of Changes in Endowment Fund Balance
for the year ended March 31**

	<u>2009</u>	<u>2008</u>
Endowment fund balance, beginning of year	\$ 2,081,470	\$ 2,020,845
Preservation of Capital	(34,242)	60,625
Endowment fund balance, end of year	\$ 2,047,228	\$ 2,081,470

**Schedule of Changes in Expendable Funds Available for
Awards for the year ended March 31**

	<u>2009</u>	<u>2008</u>
Expendable balance, beginning of year	\$ 98,919	\$ 23,464
Realized investment income	-	156,290
Bursaries awarded	(83,131)	(80,835)
Expendable balance, end of year	15,788	98,919
Number of bursaries awarded	107	104
Market value of endowment	\$ 1,894,788	\$ 2,098,766

OSOTF II

**Schedule of Changes in Endowment Fund Balance
for the year ended March 31**

	<u>2009</u>	<u>2008</u>
Endowment fund balance, beginning of year	\$ 2,078,267	\$ 2,017,735
Preservation of Capital	(41,883)	60,532
Endowment fund balance, end of year	\$ 2,036,384	\$ 2,078,267

**Schedule of Changes in Expendable Funds Available for
Awards for the year ended March 31**

	<u>2009</u>	<u>2008</u>
Expendable balance, beginning of year	\$ 125,397	\$ 47,564
Realized investment income	0	158,538
Bursaries awarded	(83,259)	(80,705)
Expendable balance, end of year	42,138	125,397
Number of bursaries awarded	107	104
Market value of endowment	\$ 1,892,112	\$ 2,095,736

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

13. ONTARIO TRUST FOR STUDENT SUPPORT

Net assets restricted for endowments include monies provided by the Government of Ontario from the Ontario Trust for Student Support matching program to award student aid as a result of raising an equal amount of endowment donations.

The College has recorded the following amounts in this program:

Schedule of Changes in Endowment Fund Balance for the year ended March 31

	<u>2009</u>	<u>2008</u>
Endowment balance, beginning of year	\$ 2,098,870	\$ 772,821
Eligible cash donations	351,416	483,399
Matching funds received/receivable from MTCU	396,866	819,465
Preservation of capital	(85,686)	23,185
Endowment fund balance, end of year	<u>\$ 2,761,466</u>	<u>\$ 2,098,870</u>

Schedule of Changes in Expendable Funds Available for Awards for the year ended March 31

	<u>2009</u>	<u>2008</u>
Expendable balance, beginning of year	\$ 74,011	\$ 947.00
Realized Investment income	-	103,977
Bursaries awarded	(74,011)	(30,913)
Expendable balance, end of year	<u>\$ -</u>	<u>\$ 74,011</u>
Number of Bursaries awarded	<u>108</u>	<u>40</u>

14. PENSION PLANS

Employees are participants in the contributory retirement pension plans administered by the Colleges of Applied Arts and Technology Pension Plan. Under this arrangement, the College makes contributions to these plans equal to those of the employees. The College follows defined contribution accounting for its portion of the multi-employer plan. In the 2009 fiscal year, the College's contributions in respect to the current service costs for these pension plans amounted to \$5,169,885 (2008 - \$4,325,744). The pension plan is administered by a Board of Trustees and, based on the latest actuarial report of January 1, 2008, the plan has a going concern deficit and a solvency deficit. These deficits are eliminated when the contribution increase over the next two years is considered. Any unfunded liability would be shared equally between the colleges and their employees.

Durham College Educational Networks, a subsidiary of the College sponsors and administers a Defined Contribution Registered Pension Plan for their employees. The Plan provides for contributions by employees up to 10% of their salary. The subsidiary matches these contributions to the employees plan up to a maximum of 5% of the employees' salary. In 2009, the subsidiary

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Consolidated Financial Statements
March 31, 2009

14. PENSION PLANS (continued)

contributed a total of \$136,127 (2008 - \$199,250) to this pension plan. Employees are responsible for the investments made and held in their individual plans.

The subsidiary funds the employer portion of the contribution on a current basis to the plan manager. The College's contribution vests with the employees two years after the employee has joined the subsidiary companies.

15. INVESTED IN CAPITAL ASSETS

(a) Investment in capital assets represents the following:

	<u>2009</u>	<u>2008</u>
Capital assets - net book value	\$ 161,595,119	\$ 165,812,762
Less amount financed by deferred capital contributions (Note 7(b))	(58,714,447)	(55,110,044)
Less amount financed by long term debt (Note 8)	(81,874,919)	(85,317,720)
Investment in capital assets	<u>\$ 21,005,753</u>	<u>\$ 25,384,998</u>

(b) Change in investment in capital assets is calculated as follows:

	<u>2009</u>	<u>2008</u>
Amortization of deferred contributions related to capital assets	\$ 4,033,126	\$ 3,995,717
Less amortization of capital assets	(9,720,229)	(12,175,181)
Less loss on disposal of capital assets (Note 22)	(1,908,968)	-
	<u>(7,596,071)</u>	<u>(8,179,464)</u>

Net change in investment in capital assets:

Purchases of capital assets	7,411,554	9,607,630
Amounts funded by:		
Deferred capital contributions	(7,637,529)	(4,444,930)
Long-term debt	-	(2,606,506)
Repayment of long-term debt	3,442,801	2,466,624
	<u>\$ 3,216,826</u>	<u>\$ 5,022,818</u>

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

16. SERVICE COSTS

Durham College provides certain administrative services to the University of Ontario Institute of Technology under a shared service agreement. The cost of salaries, benefits and operating expenses allocated to the University has been calculated based on an individual percentage per department.

Effective April 1, 2007, the ancillary operations are being allocated based on metrics per operation between the College and the University of Ontario Institute of Technology. Prior to fiscal 2008, the gross revenues and expenses were recorded on the Durham College statements and an allocation of net profits was provided to the University.

During 2009, the College and University began reviewing the organization of the integrated services departments in order to best serve both institutions going forward. In the review, a need was recognized for both the College and University to have certain dedicated teams to meet each of the institutions' objectives and, as such, some of the departments were segregated. Both institutions will continue to review the remaining services to formalize service level agreements where collaboration is required.

17. COMMITMENTS

Computer equipment

The College has entered into various arrangements to lease laptop computers which will expire up to and including Fiscal 2010. The current cost of these operating leases reflected in the financial statements is \$1,266,386 (2008 - \$1,015,163).

Premises and equipment

Future minimum lease payments, exclusive of taxes and operating costs, for premises and equipment under operating leases at March 31, 2009 are as follows:

2010	\$	355,014
2011		230,970
2012		94,491
	\$	<u>680,475</u>

The Board of Governors approved a resolution to assist in the funding of the semi-annual principal and interest payments for the University of Ontario Institute of Technology \$220 million debenture, by contributing \$3.5 million from surplus on a year-to-year basis.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

18. CONTINGENCIES

The College has been named as the defendant in certain legal actions, in which damages have been sought. The outcome of these actions are not determinable as at March 31, 2009 and accordingly, no provision has been made in these financial statements for any liability which may result.

The College is involved in various legal actions that are normal to their business. In the opinion of management, any resulting liabilities are not expected to have a material adverse effect on the consolidated financial position or net operations.

In Fiscal 2004, the College entered into an agreement to construct a facility for which the commitment has not yet been fulfilled. Management is in the process of determining an alternative plan with the third party. A resolution has not yet been finalized and no accruals have been recorded in the financial statements.

19. GUARANTEES

The College's primary guarantees are as follows:

- (a) Indemnity has been provided to all directors and or officers of the College for various items including, but not limited to, all settled suits or actions due to association with the College, subject to certain restrictions. The College has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. The term of indemnification is not explicitly defined, but is limited to the period over which the indemnified party served as a governor, director or officer of the College. The maximum amount of any potential future payment cannot be reasonably estimated.
- (b) In the normal course of business, the College has entered into agreements that include indemnities in favour of third parties, such as student work placement agreements, purchase and sale agreements, confidentiality agreements, engagement letters with advisors and consultants, outsourcing agreements, leasing contracts, information technology agreements and service agreements. These indemnification agreements may require the College to compensate counterparties for losses incurred by the counterparties as a result of breaches in representation and regulations or as a result of litigation claims or statutory sanctions that may be suffered by the counterparty as a consequence of the transaction. The terms of these indemnities are not explicitly defined and the maximum amount of any potential reimbursement cannot be reasonably estimated.
- (c) The College received approval from the Ministry of Finance, Ontario to guarantee \$220,000,000 in Series A Debentures for the University of Ontario Institute of Technology. These debentures bear interest at 6.351%, payable semi-annually, with the principal due in 2034.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

20. FINANCIAL INSTRUMENTS

Fair value

The fair value of financial assets and liabilities approximate their carrying value due to the related short-term maturity. Fair value of long-term note receivable is disclosed in Note 2, long-term investments in Note 3, and long-term debt in Note 8.

Interest rate risk

The College is exposed to interest rate fluctuations on its long-term debt. The College currently does not use any hedging strategies to mitigate this interest rate exposure other than as disclosed in Note 8.

Foreign exchange risk

The College is subject to foreign exchange risk on its U.S. operations. The College currently does not use any hedging strategies to mitigate this foreign exchange risk.

The following financial statement categories contain U.S dollar denominated amounts as follows:

	<u>2009</u>	<u>2008</u>
Cash	\$ 55,370	\$ 418,980
Accounts receivable	-	2,560,699
Future income tax asset	-	621,750
Accounts payable and accrued liabilities	-	421,313

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The College is exposed to credit risk from students and customers, however the risk is mitigated by proactive credit collections.

21. COMPARTIVE FIGURES

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

22. DISCONTINUED OPERATIONS

In fiscal 2008, the Durham College Board of Governors agreed to the divestiture of the subsidiary operations, Durham Contact Centre (DCC) and the Productivity Improvement Centre (PIC) group of companies.

On October 15, 2008, DCC was sold for a gain of \$693,748. The Company was sold for proceeds of \$5,500,000, of which \$3,000,000 was payable on closing and the balance payable in future years. A balance receivable of \$2,681,841 remains as at March 31, 2009 which includes a working capital purchase and sale adjustment. Subsequent to the sale, the purchaser commenced litigation against DCEN, the outcome of which is indeterminable.

On March 12, 2009, the PIC group of companies were sold for a loss of \$2,286,583. The group of companies was sold for \$2,000,000 payable upon closing.

Related party transactions were eliminated upon consolidation.

The assets and liabilities of the discontinued operations were as follows:

The assets and liabilities of discontinued operations were as follows:

	<u>2009</u>	<u>2008</u>
Cash	-	\$ 1,795,050
Accounts receivable	-	9,209,290
Prepaid expenses	-	880,565
Current assets of discontinued operations	-	\$ 11,884,905
Future income tax asset	-	638,226
Capital assets	-	1,908,969
Long-term assets of discontinued operations	-	\$ 2,547,195
Accounts payable and accrued liabilities	-	9,664,341
Liabilities of discontinued operations	-	\$ 9,664,341

The results of discontinued operations were as follows:

	<u>2009</u>	<u>2008</u>
Revenue	\$ -	\$ 53,462,131
Loss from discontinued operations	\$ (1,592,835)	\$ (1,250,907)

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Consolidated Financial Statements
March 31, 2009

22. DISCONTINUED OPERATIONS

Net cash provided by (applied to) discontinued operations for 2009 and 2008 was as follows:

	<u>2009</u>	<u>2008</u>
Operating activities:		
Net loss from discontinued operations	\$ (1,592,835)	\$ (1,250,907)
Add (deduct) non-cash items:		
Amortization	-	1,866,076
Future income taxes	-	23,258
Change in working capital items	1,592,835	2,859,445
	<u>1,592,835</u>	<u>4,748,779</u>
Financing activities	-	(1,220,670)
Investing activities	-	(482,152)
	<u>-</u>	<u>-</u>
Net cash applied to discontinued operations	\$ -	\$ 1,795,050

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Analysis of Operating Revenue

Year ended March 31, 2009

Schedule 2-1

	2009	2008
GRANTS AND REIMBURSEMENTS		
General Operating (mainly Post Secondary)	\$ 31,086,875	\$ 29,324,626
Grants In Lieu of Municipal Taxation	462,675	429,750
Termination Gratuities	-	-
Special Programs/Projects	12,539,547	11,208,518
Other Reimbursements	1,024,458	1,086,539
Canadian Job Strategy		
Apprenticeship	3,728,923	4,052,857
Ontario Training Strategy		
Career and Employment Preparation Program		
and Summer Job Services Program	2,042,678	2,364,009
Literacy and Basic Skills	1,412,600	1,412,598
	52,297,756	49,878,897
STUDENT TUITION FEES		
Full-Time Students	15,469,527	13,327,573
Part-Time Students	4,694,226	4,924,430
International	1,025,085	1,174,088
Tuition Set-Aside	1,725,570	1,356,128
	22,914,408	20,782,219
ANCILLARY OPERATIONS	16,696,074	15,503,834
CORPORATE TRAINING AND OTHER INCOME		
Training Centre Fees	5,803,191	6,044,266
Other	19,864,942	11,912,753
Student Incidental Fees	4,146,547	4,892,441
	29,814,680	22,849,460
AMORTIZATION OF DEFERRED CAPITAL CONTRIBUTIONS	4,033,126	3,995,717
TOTAL OPERATING REVENUE	\$ 125,756,044	\$ 113,010,127

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Analysis of Operating Human Resources Expenditure

Year ended March 31, 2009

Schedule 2-2

	<u>2009</u>	<u>2008</u>
TEACHING SALARIES		
Full-time academic	\$ 23,030,269	\$ 22,843,474
Coordinator's allowances	225,905	229,424
Other leaves	339,719	469,528
Professional leaves	198,145	191,515
Overtime - academic	317,529	604,817
Part-time academic	4,203,012	4,051,886
Partial load academic	1,020,509	839,146
Sessional teaching	1,372,610	1,521,496
Contract teaching services	633,153	639,869
	<u>31,340,851</u>	<u>31,391,155</u>
OTHER SALARIES		
Full-time administration	7,265,507	7,077,601
Full-time support	13,016,397	11,808,976
Other leaves	669,591	607,972
Overtime - support	114,810	147,839
Part-time support	1,421,555	1,283,011
Other support	200,536	189,323
	<u>22,688,396</u>	<u>21,114,722</u>
EMPLOYEE BENEFITS	<u>10,251,714</u>	<u>8,848,711</u>
TOTAL OPERATING HUMAN RESOURCE EXPENDITURE	<u>\$ 64,280,961</u>	<u>\$ 61,354,588</u>

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Analysis of Operating Administrative
and Other Expenditure

Year ended March 31, 2009

Schedule 2-3

	2009	2008
Instructional supplies	\$ 2,779,707	\$ 2,017,314
Memberships and dues	127,919	127,525
Professional development and recruitment	411,376	415,006
Travel and accommodation	540,091	690,640
Promotion/public relations	1,293,173	1,285,825
Maintenance - equipment	618,875	670,590
Telecommunications	335,334	377,937
Office supplies and other	4,896,951	5,631,012
IT hardware, software & maintenance	918,461	1,478,013
Maintenance - buildings and grounds	683,834	631,940
Insurance	280,606	507,756
Professional fees	634,386	498,135
Contract - security services	599,912	562,766
Contract - cleaning services	1,245,019	1,252,793
Contract - other services	2,229,642	2,211,480
Utilities	2,487,151	2,281,197
Refuse removal	178,839	154,123
Postage	261,090	213,123
Bank services and credit card charges	2,355,286	2,086,554
Derivative interest	2,786,416	956,161
Rental and leasing charges	1,344,845	1,936,145
Bad debts	3,335,130	267,030
International	479,032	437,099
Student assistance program	2,756,357	2,044,955
TOTAL ADMINISTRATIVE AND OTHER OPERATING EXPENDITURES	\$ 33,579,432	\$ 28,735,119
FLOW THROUGH EXPENDITURE		
Participants Wages, Training Allowances and Benefits	\$ 773,935	\$ 778,540
Special Support Allowances	61,456	31,789
Municipal Taxes	517,433	429,879
Termination Gratuities	211,636	134,701
Health Insurance Fees	790,137	1,194,066
Reimbursable Expenditure	1,042,714	1,070,225
TOTAL FLOW THROUGH EXPENDITURE	\$ 3,397,311	\$ 3,639,200

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Analysis of Corporate Training Expenditure

Year ended March 31, 2009

Schedule 2-4

	<u>2009</u>	<u>2008</u>
SALARIES		
Full-time academic	\$ 95,108	\$ 91,509
Part-time academic	147,634	157,431
Contract teaching services	-	4,740
Full-time administration	267,472	284,152
Full-time support	246,254	278,012
Overtime - support	20,715	6,512
Part-time support	50,501	45,907
Other support	1,470,387	1,279,580
	2,298,071	2,147,843
EMPLOYEE BENEFITS	498,087	486,390
	2,796,158	2,634,233
ADMINISTRATIVE AND OTHER EXPENDITURE		
Instructional supplies	122,970	115,511
Travel and accommodation	71,536	72,397
Promotion/public relations	50,023	38,942
Office supplies and other	580,457	473,047
Contract - other services	505,886	1,385,855
	1,330,872	2,085,752
TOTAL CORPORATE TRAINING EXPENDITURE	\$ 4,127,030	\$ 4,719,985

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Analysis of Ancillary Expenditure

Year ended March 31, 2009

Schedule 2-5

	<u>2009</u>	<u>2008</u>
SALARIES		
Full-time administrative	\$ 119,668	\$ 136,916
Full-time support	511,001	550,100
Overtime - support	1,863	4,717
Part-time support	90,035	157,022
Other support	757,889	606,448
	<u>1,480,456</u>	<u>1,455,203</u>
EMPLOYEE BENEFITS	156,555	173,741
	<u>1,637,011</u>	<u>1,628,944</u>
ADMINISTRATIVE AND OTHER EXPENDITURE		
Office supplies and other	120,720	196,126
Maintenance - buildings and equipment	148,085	118,343
Maintenance - grounds	408,604	277,455
Contract security services	185,046	119,784
Contract - other services	714,979	605,198
Utilities	75,649	79,698
Credit card charges	88,918	32,239
Residence	6,011,446	5,839,127
Cost of goods sold	3,787,286	3,899,303
	<u>11,540,733</u>	<u>11,167,273</u>
TOTAL ANCILLARY EXPENDITURE	\$ 13,177,744	\$ 12,796,217

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Financial Statements
Table of Contents
March 31, 2009

	<u>Page</u>
Auditors' Report	
Financial Statements:	
Consolidated Statement of Financial Position - Statement 1	1
Consolidated Statement of Operations – Statements 2	2
Consolidated Statement of Changes in Net Assets – Statement 3	3
Consolidated Statement of Cash Flows – Statement 4	4
Notes to the Consolidated Financial Statements	5-23
Supplementary Schedules:	
Consolidated Analysis of Operating Revenue – Schedule 2-1	24
Consolidated Analysis of Operating Human Resources Expenditure - Schedule 2-2	25
Consolidated Analysis of Operating Administrative and Other Expenditure – Schedule 2-3	26
Consolidated Analysis of Corporate Training Expenditure – Schedule 2-4	27
Consolidated Analysis of Ancillary Expenditure – Schedule 2-5	28



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AUDITORS' REPORT

To the Board of Governors of
Durham College of Applied Arts and Technology

We have audited the consolidated statement of financial position of Durham College of Applied Arts and Technology as at March 31, 2009 and the consolidated statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we 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 our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants, Licensed Public Accountants

Toronto, Canada

May 22, 2009

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Financial Position

March 31, 2009

	2009	2008 (Notes 21 and 22)
ASSETS		
CURRENT ASSETS		
Accounts receivable	\$ 13,564,995	\$ 7,204,290
Current portion of long-term loan receivable (Note 2)	225,843	223,544
Inventories	588,662	586,050
Prepaid expenses	399,209	73,339
Current assets of discontinued operations (Note 22)	-	11,994,617
	14,778,709	20,081,840
LONG-TERM ASSETS		
Long-term loan receivable (Note 2)	1,502,737	1,621,032
Long-term receivable	1,000,000	-
Long-term investments (Note 3)	6,590,269	5,864,411
Investment in CTRC (Note 4)	-	500,000
Capital assets (Note 5)	161,595,119	163,903,793
Long-term assets of discontinued operations (Note 22)	-	2,547,195
	170,688,125	174,436,432
	\$ 185,466,834	\$ 194,518,272
LIABILITIES		
CURRENT LIABILITIES		
Bank indebtedness (Note 8)	\$ 3,806,673	\$ 2,790,366
Accounts payable and accrued liabilities (Note 6)	19,658,680	16,412,026
Deferred revenue (Note 7(a))	9,152,598	9,697,400
Current portion of long-term debt (Note 8)	2,504,822	5,169,340
Current liabilities of discontinued operations (Note 22)	-	9,664,341
	35,122,773	43,733,473
LONG-TERM LIABILITIES		
Deferred contributions (Note 7(b))	58,714,447	56,550,402
Long-term debt (Notes 8)	79,370,097	80,148,380
Derivative liability (Note 8)	4,364,992	1,578,576
Employee future benefits (Note 9)	554,000	559,000
Other long-term accrued liabilities (Note 10)	2,692,021	2,782,125
	145,695,557	141,618,483
	180,818,330	185,351,956
NET ASSETS		
UNRESTRICTED	(24,540,008)	(24,592,011)
INVESTED IN CAPITAL ASSETS	21,005,753	25,384,998
INTERNALLY RESTRICTED	1,217,459	1,186,852
ENDOWMENTS	6,965,300	7,186,477
	4,648,504	9,166,316
Commitments (Note 17)		
Contingencies (Note 18)		
Guarantees (Note 19)		
	\$ 185,466,834	\$ 194,518,272

See accompanying notes to the consolidated financial statements.

APPROVED ON BEHALF OF THE BOARD OF GOVERNORS:



Chair



President

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Statement of Operations
Year ended March 31, 2009

	<u>2009</u>	<u>2008</u>
		(Notes 21 and 22)
REVENUE - Schedule 2-1		
Grants and reimbursements	\$ 52,297,756	\$ 49,878,897
Student tuition fees	22,914,408	20,782,219
Ancillary operations	16,696,074	15,503,834
Other income	24,011,489	16,805,194
Corporate training	5,803,191	6,044,266
Amortization of deferred capital contributions	4,033,126	3,995,717
Total Revenue	125,756,044	113,010,127
EXPENDITURE		
Operating Human Resources - Schedule 2-2	64,280,961	61,354,588
Corporate Training Human Resources - Schedule 2-4	2,796,158	2,634,233
Ancillary Human Resources- Schedule 2-5	1,637,011	1,628,944
Total Human Resources	68,714,130	65,617,765
Operating Administrative and Other - Schedule 2-3	33,579,432	28,735,119
Total Flow through - Schedule 2-3	3,397,311	3,639,200
Corporate Training Administrative and Other - Schedule 2-4	1,330,872	2,085,752
Ancillary Administrative and Other - Schedule 2-5	11,540,733	11,167,273
Total Administrative and Other	49,848,348	45,627,344
LOSS ON FOREIGN EXCHANGE	177,137	93,118
AMORTIZATION OF CAPITAL ASSETS (net of nil (2008 - \$1,866,076) charged to Durham College Educational Network)	9,720,229	10,309,105
DISCONTINUED OPERATIONS (Note 22)	1,592,835	1,250,907
TOTAL EXPENDITURE	130,052,679	122,898,239
EXCESS OF EXPENDITURES OVER REVENUE	\$ (4,296,635)	\$ (9,888,112)

See accompanying notes to the consolidated financial statements.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Statement of Changes in Net Assets
Year ended March 31, 2009

	Unrestricted	Invested in Capital Assets (Note 15)	Internally Restricted Net Assets (Note 11)			Endowments (Note 11)	Total	
			Residence	Foundation	Total Internally Restricted Net Assets		2009	2008
BALANCE - BEGINNING OF YEAR	\$ (24,592,011)	\$ 25,384,998	\$ 675,019	\$ 511,833	\$ 1,186,852	\$ 7,186,477	\$ 9,166,316	\$ 18,202,613
EXCESS OF REVENUE OVER EXPENDITURE (EXPENDITURE OVER REVENUE)	3,268,829	(7,596,071)	-	30,607	30,607	-	(4,296,635)	(9,888,113)
INVESTMENT IN CAPITAL ASSETS	(3,216,826)	3,216,826	-	-	-	-	-	-
ENDOWMENT CONTRIBUTIONS	-	-	-	-	-	(221,177)	(221,177)	1,474,230
CHANGE IN ACCOUNTING POLICY	-	-	-	-	-	-	-	(622,415)
NET CHANGES DURING THE YEAR	52,003	(4,379,245)	-	30,607	30,607	(221,177)	(4,517,812)	(9,036,297)
BALANCE - END OF YEAR	\$ (24,540,008)	\$ 21,005,753	\$ 675,019	\$ 542,440	\$ 1,217,459	\$ 6,965,300	\$ 4,648,504	\$ 9,166,316

See accompanying notes to the consolidated financial statements.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Statement of Cash Flows
Year ended March 31, 2009

	2009	2008
		(Notes 21 and 22)
NET (OUTFLOW) INFLOW OF CASH		
RELATED TO THE FOLLOWING ACTIVITIES		
OPERATING		
Excess of expenditures over revenue	\$ (4,296,635)	\$ (9,888,113)
Items not affecting cash		
Amortization of capital assets	9,720,229	12,175,181
Amortization of deferred capital contributions	(4,033,126)	(3,995,717)
Deferred derivative liability	2,786,416	956,161
Employee future benefits	(5,000)	30,000
Write-down of investment in CTRC	500,000	-
Future income taxes	-	695,771
	4,671,884	(26,717)
Net change in non-cash working capital		
balances relating to operations		
Accounts receivable	(6,360,705)	14,624,027
Inventories	(2,612)	416,749
Prepaid expenses	(325,870)	923,990
Long-term receivable	(1,000,000)	-
Accounts payable, accrued liabilities and		
and other long-term accrued liabilities	3,156,550	(12,064,253)
Deferred revenue	(544,802)	2,763,177
Total Operating Activities	(405,555)	6,636,973
INVESTING		
Purchase of capital assets	(7,411,555)	(7,698,661)
Decrease in long-term loans receivable	115,997	243,066
Increase in long-term investments - net	(725,858)	(634,573)
Investment in CTRC	-	(500,000)
Total Investing Activities	(8,021,416)	(8,590,168)
FINANCING		
Deferred contributions	6,197,171	4,546,247
Endowment contributions	(221,177)	1,474,230
Proceeds from long-term debt	-	2,606,506
Repayment of long-term debt	(3,442,801)	(2,466,624)
Total Financing Activities	2,533,193	6,160,359
Discontinued operations	4,877,471	(2,397,997)
NET CASH (OUTFLOW) INFLOW	(1,016,307)	1,809,167
CASH (BANK INDEBTEDNESS), BEGINNING OF YEAR	(2,790,366)	(4,599,533)
CASH (BANK INDEBTEDNESS), END OF YEAR	\$ (3,806,673)	\$ (2,790,366)
SUPPLEMENTARY CASH FLOW INFORMATION		
Interest paid	\$ 4,827,497	\$ 5,011,779
Income taxes paid	\$ -	\$ 42,677

See accompanying notes to the consolidated financial statements.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES

(a) Basis of presentation

The financial statements of Durham College of Applied Arts and Technology (the “College”) have been prepared by management in accordance with the accounting standards for not-for-profit organizations, published by the Canadian Institute of Chartered Accountants (CICA), using the deferral method of reporting restricted contributions. These consolidated financial statements reflect the assets, liabilities, revenues and expenses of the College and its subsidiaries, Durham College Foundation and Durham College Education Network (DCEN). All significant intercompany balances and transactions have been eliminated upon consolidation.

(b) Revenue recognition

The College follows the deferral method of accounting for restricted contributions which include donations and government grants.

Operating grants are recorded as revenue in the period to which they relate. Grants earned but not received at the end of an accounting period are accrued. When a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions, other than endowment contributions, are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

Endowment contributions are recognized as direct increases in endowment net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are recognized. Unrestricted investment income is recognized as revenue when earned.

Pledged contributions for the College and the Ontario Student Opportunity Trust Funds are recognized as received when the related pledge is confirmed, the amount can be reasonably estimated and collection is reasonably assured.

Tuition fees are deferred to the extent that the related courses extend beyond the fiscal year of the College.

Other operating revenues are deferred to the extent that related services provided, or goods sold, are rendered/delivered subsequent to the end of the College's fiscal year.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Consolidated Financial Statements
March 31, 2009

2. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES (continued)

(c) Financial Instruments

(i) Long-term loan receivable

The College has designated its long-term loan receivable as Loans and Receivables and carries it at amortized cost.

(ii) Long-term investments

The College has designated all of its investments as held for trading and as such they are recorded at fair value. Transaction costs related to the purchase of investments are capitalized and sale of investments are expensed in the year incurred. Changes in unrealized gains are treated as an increase or decrease in the statement of operations.

(iii) Long-term debt

The College has designated its long-term debt as Other Liabilities and carries them at amortized cost.

(iv) Derivative financial instruments

The College uses interest rate swap agreements to economically manage the floating interest rate portion of the debt portfolio and the related overall cost of borrowing. These instruments are not designated as hedges for accounting purposes and are carried on the balance sheet, under the caption derivative liability, at the estimated fair market value. Realized and unrealized gains or losses arising from net payments made or received and changes in fair value related to the interest rate swap agreements are recognized in the statement of revenue and expenditures in the period of the change as interest expense.

The College does not enter into derivative financial instruments for trading or speculative purposes.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Capital assets*

Purchased capital assets are recorded at cost, which includes interest incurred before the commencement of commercial operations. Contributed capital assets are recorded at fair value at the date of contribution when fair value is reasonably determinable. Otherwise, contributed assets are recorded at a nominal amount. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of an asset, are capitalized. When a capital asset no longer contributes to the College's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis over their average useful lives, which have been estimated to be as follows:

Buildings	40 years
Furniture and fixtures	5 to 10 years
Equipment and vehicles	5 years
Computer equipment	3 years
Building renovations/Upgrades	10 years
Major equipment	10 years

Capital assets acquired during the year are amortized at half of the applicable rate.

(e) *Valuation of inventories*

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

(f) *Student organizations*

These financial statements do not reflect the assets, liabilities, and results of operations of the various student organizations.

(g) *Accumulated sick leave credits*

The College recognizes employee sick leave gratuity liabilities as they are earned during the employees' tenure of service.

(h) *Employee future benefits*

The College recognizes employee future benefits (health, dental, life insurance and other retirement obligations) as they are earned during the employees' tenure of service.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Consolidated Financial Statements
March 31, 2009

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Foreign currency translation

Transactions in foreign currencies are translated into Canadian dollars at rates of exchange at the time of such transactions. Monetary assets and liabilities are translated at current rates of exchange with the resulting gains and losses included in income. Foreign operations are considered integrated and are translated into Canadian dollars using current rates of exchange for monetary assets and liabilities, historical rate of exchange for non-monetary assets and liabilities, and average rates of exchange for revenues and expenditures, except amortization which is translated at rates of exchange applicable to the related assets. Gains and losses resulting from these translation adjustments are included in income.

(j) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements, and the reported amounts of revenue and expenditures during the year. Actual results could differ from these estimates.

(k) Future accounting changes

Recent amendments to Section 4400, Financial Statement Presentation by Not-for-Profit Organizations will modify the requirements with respect to various elements of the financial statement presentation. These amendments include:

- Reporting certain revenues at its gross amount in the statement of operations.
- The elimination of the requirement to treat net assets invested in capital assets as a separate component of net assets.

The new standard applies to the financial statements relating to the fiscal year beginning on April 1, 2009. The College is evaluating the impact of the amendments on its financial statements.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

2. LONG-TERM LOAN RECEIVABLE

Long-term loan receivable includes a loan receivable from the Durham College Student Association Incorporated, amounting to \$1,728,580 (2008 - \$1,844,576) which is repayable from an annual special levy on student fees over a period not to exceed 40 years. The loan bears interest at prime rate calculated monthly.

3. LONG TERM INVESTMENTS

	2009		2008	
	Cost	Market	Cost	Market
Equities	\$ 4,574,924	\$ 3,544,375	\$ 3,514,964	\$ 3,646,064
Fixed income	2,810,078	2,791,970	1,969,787	1,879,491
Mutual Funds	362,095	253,924	386,697	338,856
	\$ 7,747,097	\$ 6,590,269	\$ 5,871,448	\$ 5,864,411

U.S. equities are held in U.S. dollars, which have been converted to Canadian dollars as at year-end, using the exchange rate at that date. Investments held in U.S. dollars at March 31, 2009 were approximately \$1,642,089 (2008 - \$987,000) in Canadian dollars.

(a) Credit, interest rate and maturity risk:

The value of fixed income securities will generally rise if interest rates fall and decrease if interest rates rise. Changes in interest rates may also affect the value of equity securities. The fixed income investments consist of government bonds and corporate bonds, bearing interest at rates ranging from 3.60% to 6.15% (2008 - 4.25% to 6.35%) and maturing from May 25, 2010 to October 15, 2036 (2008 - November 19, 2008 to October 15, 2036).

(b) Foreign currency risk:

The value of securities denominated in a currency other than Canadian dollars will be affected by changes in the value of the Canadian dollar in relation to the value of the currency in which the security is denominated.

(c) Market risk:

Market risk arises as a result of trading fixed income securities. The value of equity securities changes with stock market conditions, which are affected by general economic and market conditions. Changes in interest rates may also affect the value of equity securities. Fluctuation in the market exposes the College to a risk of loss.

(d) Liquidity risk:

Money market investments represent instruments in highly liquid investments that are readily converted into known amounts of cash.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Consolidated Financial Statements
March 31, 2009

4. INVESTMENT IN CTRC

Durham College holds a 7% equity position in Canada Technology & Relationship Centre ("CTRC") as a result of an investment of \$500,000 in fiscal 2008. The investment has been evaluated for impairment and a write down of the full value was recorded in the fiscal year.

5. CAPITAL ASSETS

	Ending Cost	Accumulated Amortization	Net Book Value	
			NBV 2009	NBV 2008
Land	\$ 14,328,016	\$ -	\$ 14,328,016	\$ 14,328,016
Buildings	203,524,896	68,328,127	135,196,769	139,073,588
Computers	2,429,392	1,270,185	1,159,207	994,982
Equipment and furniture	64,492,987	54,589,360	9,903,627	9,507,207
Construction- in-progress	1,007,500	-	1,007,500	-
	285,782,791	124,187,672	161,595,119	163,903,793
Capital assets of discontinued operations (Note 22)	-	-	-	1,908,968
	\$ 285,782,791	\$ 124,187,672	\$ 161,595,119	\$ 165,812,761

Amortization for the current year totaled \$9,720,229 (2008 - \$12,175,181).

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

On September 4, 2003, the College purchased the Windfields Farms property for \$7,831,815, consisting of \$1,000,000 of cash and \$6,831,815 of debt, for the purposes of expansion including the future development of the University of Ontario Institute of Technology. The ownership of the land currently resides with the College.

Included in accounts payable and accrued liabilities is \$6,831,815 from 2007 due to the University of Ontario Institute of Technology relating to payments of \$2,277,272 each in years 2005, 2006 and 2007 for the mortgage payments on the Windfields Farms land.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Consolidated Financial Statements
March 31, 2009

7. DEFERRED CONTRIBUTIONS

(a) Deferred revenue

Deferred revenue represent grants, tuition fees and other revenue related to expenses of future periods.

(b) Deferred contributions

(i) Capital contributions

Deferred capital contributions represent the unamortized amount of donations and grants for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the Consolidated Statement of Operations at the same rate as amortization is recorded on the related capital assets.

	<u>2009</u>	<u>2008</u>
Balance, beginning of year	\$ 55,175,353	\$ 54,771,770
Contributions	7,572,220	4,399,300
Less amounts amortized to revenue	(4,033,126)	(3,995,717)
Balance, end of year	<u>\$ 58,714,447</u>	<u>\$ 55,175,353</u>

As at March 31, 2009 there was nil (2008 – \$65,309) of deferred capital contributions which were received and not spent.

(ii) Foundation

	<u>2009</u>	<u>2008</u>
Balance, beginning of year	\$ 1,375,049	\$ 1,228,102
Deferred investment income	-	448,021
Amortized to revenue	(1,067,116)	
Scholarships & Bursaries	(307,933)	(301,074)
Balance, end of year	<u>\$ -</u>	<u>\$ 1,375,049</u>
Total deferred contributions	<u>\$ 58,714,447</u>	<u>\$ 56,550,402</u>

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Consolidated Financial Statements
March 31, 2009

8. LONG TERM DEBT

	<u>2009</u>	<u>2008</u>
5.48% unsecured mortgage on student residence, repayable in monthly instalments of \$69,740 principal and interest, due December 2023, interest rate renewable in December 2013.	\$ 8,451,521	\$ 8,815,326
5.51% unsecured mortgage on student residence, repayable in monthly instalments of \$61,392 principal and interest, due July 2017.	8,454,208	8,717,121
5.57% unsecured mortgage on student residence, repayable in monthly instalments of \$204,649 principal and interest, due May 2029, interest rate renewal in May 2014.	29,699,828	30,480,985
4.89% unsecured mortgage on student residence, repayable in monthly instalments of \$74,505 principal and interest, due in May 2014.	11,432,074	11,759,687
5.75% unsecured mortgage on off-campus parking lot, interest payable monthly.	-	1,100,000
4.69% unsecured loan to finance the Student Centre, repayable in monthly instalments of \$18,820 principal and interest, due 2018, interest rate renewal in September 2013.	1,731,259	1,831,420
Variable rate secured mortgage, with an underlying swap fixing the rate at 5.14% on 199 Wentworth Avenue, due April 2016, interest and principal paid monthly.	8,487,000	8,706,000
Variable rate secured mortgage, with an underlying swap fixing the rate at 5.38% on the Athletic and Health Centre, due in November 2032, interest and principal paid monthly.	13,619,029	13,907,181
	81,874,919	85,317,720
Less current portion	2,504,822	5,169,340
	\$ 79,370,097	\$ 80,148,380

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Consolidated Financial Statements
March 31, 2009

8. LONG TERM DEBT (continued)

Principal payments due in each of the next five years and thereafter are as follows:

2010	\$	2,504,822
2011		2,640,125
2012		2,781,358
2013		2,906,826
2014		3,088,930
Thereafter		67,952,858
		<u>\$ 81,874,919</u>

The College entered into an interest rate swap to manage the interest rate variability arising on the 25 year mortgage for the Athletic and Health Centre. The mortgage bears interest at floating rates based on banker's acceptances. The swap effectively fixes the interest rate at 5.13% on an initial principal amount of \$14,000,000 over the 25 year life of the mortgage. At March 31, 2009, the fair value of the swap was a liability of \$3,111,036 (2008 – liability of \$1,065,564).

The College entered into an interest rate swap to manage the interest rate variability arising on the 10 year mortgage for 199 Wentworth Avenue. The mortgage bears interest at floating rates based on banker's acceptances. The swap effectively fixes the interest rate at 5.14% on an initial principal amount of \$9,100,000 over the 10 year life of the mortgage. At March 31, 2009, the fair value of the swap was a liability of \$1,253,956 (2008 – liability of \$513,012).

The College has a credit facility agreement with a Canadian chartered bank, which provides for a revolving operating line of credit up to \$10,000,000, bearing interest at prime plus 1.25%. At March 31, 2009, the College utilized \$8,632,445.32 (2008 - \$6,810,950) of the operating line of credit.

The College has a credit facility agreement with another Canadian chartered bank, which provides for a revolving operating line of credit up to \$1,000,000 bearing interest at prime. As at March 31, 2009, nil was utilized (2008 – nil).

The College has entered into Irrevocable Standby Letters of Credit with a Canadian chartered bank. The letters of credit consist of \$15,000 bearing interest at 1.2% and \$43,025 bearing interest at 0.4%.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

9. EMPLOYEE FUTURE BENEFITS

Employee future benefits are health and dental benefits that are provided to early retirees, future retirees and employees currently on long term disability. The College recognizes these employee future benefits as they are earned during the employees' tenure of services. The related benefit liability at March 31, 2009 was determined by an actuarial valuation study as at March 31, 2009 commissioned by the College Compensation and Appointments Council using a discount rate of 5.5% (2008 – 5.5%).

Information about the College's employee future benefits is as follows:

	<u>2009</u>	<u>2008</u>
Balance, beginning of year	\$ 559,000	\$ 529,000
Current service costs	56,000	65,000
Interest	28,000	22,000
Benefits paid	(89,000)	(57,000)
Balance, end of year	\$ 554,000	\$ 559,000

Effective September 1, 2005, the plan provisions changed with the cost of the early retiree benefits (Extended Health, Dental Care and Life Insurance provided to age 65) no longer subsidized by the College. The College's liability was commensurately reduced as a result of this plan curtailment. This gain was recognized in the financial statements as there were no unamortized losses to offset on the date of curtailment.

10. OTHER LONG-TERM ACCRUED LIABILITIES

Included in other long-term accrued liabilities are the following:

(a) *Early retirement incentive plans, payments incentive plans and other agreements:*

Future employee retirement and other compensation payments are calculated based on estimated employee retirement dates and are valued as at March 31, 2009 using a discount rate of 5.5% (2008 - 5.5%).

(b) *Employee sick leave gratuity:*

The employee sick leave gratuity liability is calculated based on management's best estimate of salary escalation rates and expected retirement dates and using a discount rate of 5.5% (2008 – 5.5%).

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

11. RESTRICTED NET ASSETS

Internally restricted

Residence reserve: These funds are expendable for major capital refurbishments. Income earned is expendable.

Fundraising - General: These funds are expendable as directed by the individual donors. Income earned is expendable.

Endowments

Endowment funds are restricted donations received by the College where the endowment principal is required to be maintained. The investment income generated from these endowments must be used in accordance with the various purposes established by donors. The College ensures, as part of its fiduciary responsibilities, that all funds received and transferred to the Foundation with a restricted purpose are expended for the purpose for which they were provided.

Endowment funds include grants provided by the Government of Ontario from the Ontario Student Opportunity Trust Fund ("OSOTF") and the Ontario Trust for Student Success ("OTSS"). Under these programs, the government matches funds raised by the College. The purpose of these programs is to assist academically qualified individuals who, for financial reasons, would not otherwise be able to attend College.

The balance of endowments at March 31 consists of the following:

	<u>2009</u>	<u>2008</u>
OSOTF (Note 12)	\$ 4,083,612	\$ 4,159,737
OTSS (Note 13)	2,761,466	2,098,870
Other	120,222	927,870
	<u>\$ 6,965,300</u>	<u>\$ 7,186,477</u>

These funds are donated specifically for student assistance. Income earned is expendable to provide financial assistance to students.

12. ONTARIO STUDENT OPPORTUNITY TRUST FUNDS

Net assets restricted for endowments include monies provided by the Government of Ontario from the Ontario Student Opportunity Trust Fund matching program to award student aid as a result of raising an equal amount of endowment donations.

The College has recorded the following amounts under the program:

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Consolidated Financial Statements
March 31, 2009

12. ONTARIO STUDENT OPPORTUNITY TRUST FUNDS (continued)

OSOTF I

**Schedule of Changes in Endowment Fund Balance
for the year ended March 31**

	<u>2009</u>	<u>2008</u>
Endowment fund balance, beginning of year	\$ 2,081,470	\$ 2,020,845
Preservation of Capital	(34,242)	60,625
Endowment fund balance, end of year	\$ 2,047,228	\$ 2,081,470

**Schedule of Changes in Expendable Funds Available for
Awards for the year ended March 31**

	<u>2009</u>	<u>2008</u>
Expendable balance, beginning of year	\$ 98,919	\$ 23,464
Realized investment income	-	156,290
Bursaries awarded	(83,131)	(80,835)
Expendable balance, end of year	15,788	98,919
Number of bursaries awarded	107	104
Market value of endowment	\$ 1,894,788	\$ 2,098,766

OSOTF II

**Schedule of Changes in Endowment Fund Balance
for the year ended March 31**

	<u>2009</u>	<u>2008</u>
Endowment fund balance, beginning of year	\$ 2,078,267	\$ 2,017,735
Preservation of Capital	(41,883)	60,532
Endowment fund balance, end of year	\$ 2,036,384	\$ 2,078,267

**Schedule of Changes in Expendable Funds Available for
Awards for the year ended March 31**

	<u>2009</u>	<u>2008</u>
Expendable balance, beginning of year	\$ 125,397	\$ 47,564
Realized investment income	0	158,538
Bursaries awarded	(83,259)	(80,705)
Expendable balance, end of year	42,138	125,397
Number of bursaries awarded	107	104
Market value of endowment	\$ 1,892,112	\$ 2,095,736

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

13. ONTARIO TRUST FOR STUDENT SUPPORT

Net assets restricted for endowments include monies provided by the Government of Ontario from the Ontario Trust for Student Support matching program to award student aid as a result of raising an equal amount of endowment donations.

The College has recorded the following amounts in this program:

Schedule of Changes in Endowment Fund Balance for the year ended March 31

	2009	2008
Endowment balance, beginning of year	\$ 2,098,870	\$ 772,821
Eligible cash donations	351,416	483,399
Matching funds received/receivable from MTCU	396,866	819,465
Preservation of capital	(85,686)	23,185
Endowment fund balance, end of year	\$ 2,761,466	\$ 2,098,870

Schedule of Changes in Expendable Funds Available for Awards for the year ended March 31

	2009	2008
Expendable balance, beginning of year	\$ 74,011	\$ 947.00
Realized Investment income	-	103,977
Bursaries awarded	(74,011)	(30,913)
Expendable balance, end of year	\$ -	\$ 74,011
Number of Bursaries awarded	108	40

14. PENSION PLANS

Employees are participants in the contributory retirement pension plans administered by the Colleges of Applied Arts and Technology Pension Plan. Under this arrangement, the College makes contributions to these plans equal to those of the employees. The College follows defined contribution accounting for its portion of the multi-employer plan. In the 2009 fiscal year, the College's contributions in respect to the current service costs for these pension plans amounted to \$5,169,885 (2008 - \$4,325,744). The pension plan is administered by a Board of Trustees and, based on the latest actuarial report of January 1, 2008, the plan has a going concern deficit and a solvency deficit. These deficits are eliminated when the contribution increase over the next two years is considered. Any unfunded liability would be shared equally between the colleges and their employees.

Durham College Educational Networks, a subsidiary of the College sponsors and administers a Defined Contribution Registered Pension Plan for their employees. The Plan provides for contributions by employees up to 10% of their salary. The subsidiary matches these contributions to the employees plan up to a maximum of 5% of the employees' salary. In 2009, the subsidiary

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Consolidated Financial Statements
March 31, 2009

14. PENSION PLANS (continued)

contributed a total of \$136,127 (2008 - \$199,250) to this pension plan. Employees are responsible for the investments made and held in their individual plans.

The subsidiary funds the employer portion of the contribution on a current basis to the plan manager. The College's contribution vests with the employees two years after the employee has joined the subsidiary companies.

15. INVESTED IN CAPITAL ASSETS

(a) Investment in capital assets represents the following:

	<u>2009</u>	<u>2008</u>
Capital assets - net book value	\$ 161,595,119	\$ 165,812,762
Less amount financed by deferred capital contributions (Note 7(b))	(58,714,447)	(55,110,044)
Less amount financed by long term debt (Note 8)	(81,874,919)	(85,317,720)
Investment in capital assets	<u>\$ 21,005,753</u>	<u>\$ 25,384,998</u>

(b) Change in investment in capital assets is calculated as follows:

	<u>2009</u>	<u>2008</u>
Amortization of deferred contributions related to capital assets	\$ 4,033,126	\$ 3,995,717
Less amortization of capital assets	(9,720,229)	(12,175,181)
Less loss on disposal of capital assets (Note 22)	(1,908,968)	-
	<u>(7,596,071)</u>	<u>(8,179,464)</u>

Net change in investment in capital assets:

Purchases of capital assets	7,411,554	9,607,630
Amounts funded by:		
Deferred capital contributions	(7,637,529)	(4,444,930)
Long-term debt	-	(2,606,506)
Repayment of long-term debt	3,442,801	2,466,624
	<u>\$ 3,216,826</u>	<u>\$ 5,022,818</u>

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

16. SERVICE COSTS

Durham College provides certain administrative services to the University of Ontario Institute of Technology under a shared service agreement. The cost of salaries, benefits and operating expenses allocated to the University has been calculated based on an individual percentage per department.

Effective April 1, 2007, the ancillary operations are being allocated based on metrics per operation between the College and the University of Ontario Institute of Technology. Prior to fiscal 2008, the gross revenues and expenses were recorded on the Durham College statements and an allocation of net profits was provided to the University.

During 2009, the College and University began reviewing the organization of the integrated services departments in order to best serve both institutions going forward. In the review, a need was recognized for both the College and University to have certain dedicated teams to meet each of the institutions' objectives and, as such, some of the departments were segregated. Both institutions will continue to review the remaining services to formalize service level agreements where collaboration is required.

17. COMMITMENTS

Computer equipment

The College has entered into various arrangements to lease laptop computers which will expire up to and including Fiscal 2010. The current cost of these operating leases reflected in the financial statements is \$1,266,386 (2008 - \$1,015,163).

Premises and equipment

Future minimum lease payments, exclusive of taxes and operating costs, for premises and equipment under operating leases at March 31, 2009 are as follows:

2010	\$	355,014
2011		230,970
2012		94,491
	\$	<u>680,475</u>

The Board of Governors approved a resolution to assist in the funding of the semi-annual principal and interest payments for the University of Ontario Institute of Technology \$220 million debenture, by contributing \$3.5 million from surplus on a year-to-year basis.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

18. CONTINGENCIES

The College has been named as the defendant in certain legal actions, in which damages have been sought. The outcome of these actions are not determinable as at March 31, 2009 and accordingly, no provision has been made in these financial statements for any liability which may result.

The College is involved in various legal actions that are normal to their business. In the opinion of management, any resulting liabilities are not expected to have a material adverse effect on the consolidated financial position or net operations.

In Fiscal 2004, the College entered into an agreement to construct a facility for which the commitment has not yet been fulfilled. Management is in the process of determining an alternative plan with the third party. A resolution has not yet been finalized and no accruals have been recorded in the financial statements.

19. GUARANTEES

The College's primary guarantees are as follows:

- (a) Indemnity has been provided to all directors and or officers of the College for various items including, but not limited to, all settled suits or actions due to association with the College, subject to certain restrictions. The College has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. The term of indemnification is not explicitly defined, but is limited to the period over which the indemnified party served as a governor, director or officer of the College. The maximum amount of any potential future payment cannot be reasonably estimated.
- (b) In the normal course of business, the College has entered into agreements that include indemnities in favour of third parties, such as student work placement agreements, purchase and sale agreements, confidentiality agreements, engagement letters with advisors and consultants, outsourcing agreements, leasing contracts, information technology agreements and service agreements. These indemnification agreements may require the College to compensate counterparties for losses incurred by the counterparties as a result of breaches in representation and regulations or as a result of litigation claims or statutory sanctions that may be suffered by the counterparty as a consequence of the transaction. The terms of these indemnities are not explicitly defined and the maximum amount of any potential reimbursement cannot be reasonably estimated.
- (c) The College received approval from the Ministry of Finance, Ontario to guarantee \$220,000,000 in Series A Debentures for the University of Ontario Institute of Technology. These debentures bear interest at 6.351%, payable semi-annually, with the principal due in 2034.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

20. FINANCIAL INSTRUMENTS

Fair value

The fair value of financial assets and liabilities approximate their carrying value due to the related short-term maturity. Fair value of long-term note receivable is disclosed in Note 2, long-term investments in Note 3, and long-term debt in Note 8.

Interest rate risk

The College is exposed to interest rate fluctuations on its long-term debt. The College currently does not use any hedging strategies to mitigate this interest rate exposure other than as disclosed in Note 8.

Foreign exchange risk

The College is subject to foreign exchange risk on its U.S. operations. The College currently does not use any hedging strategies to mitigate this foreign exchange risk.

The following financial statement categories contain U.S dollar denominated amounts as follows:

	<u>2009</u>	<u>2008</u>
Cash	\$ 55,370	\$ 418,980
Accounts receivable	-	2,560,699
Future income tax asset	-	621,750
Accounts payable and accrued liabilities	-	421,313

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The College is exposed to credit risk from students and customers, however the risk is mitigated by proactive credit collections.

21. COMPARTIVE FIGURES

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to the Consolidated Financial Statements

March 31, 2009

22. DISCONTINUED OPERATIONS

In fiscal 2008, the Durham College Board of Governors agreed to the divestiture of the subsidiary operations, Durham Contact Centre (DCC) and the Productivity Improvement Centre (PIC) group of companies.

On October 15, 2008, DCC was sold for a gain of \$693,748. The Company was sold for proceeds of \$5,500,000, of which \$3,000,000 was payable on closing and the balance payable in future years. A balance receivable of \$2,681,841 remains as at March 31, 2009 which includes a working capital purchase and sale adjustment. Subsequent to the sale, the purchaser commenced litigation against DCEN, the outcome of which is indeterminable.

On March 12, 2009, the PIC group of companies were sold for a loss of \$2,286,583. The group of companies was sold for \$2,000,000 payable upon closing.

Related party transactions were eliminated upon consolidation.

The assets and liabilities of the discontinued operations were as follows:

The assets and liabilities of discontinued operations were as follows:

	<u>2009</u>	<u>2008</u>
Cash	-	\$ 1,795,050
Accounts receivable	-	9,209,290
Prepaid expenses	-	880,565
Current assets of discontinued operations	-	\$ 11,884,905
Future income tax asset	-	638,226
Capital assets	-	1,908,969
Long-term assets of discontinued operations	-	\$ 2,547,195
Accounts payable and accrued liabilities	-	9,664,341
Liabilities of discontinued operations	-	\$ 9,664,341

The results of discontinued operations were as follows:

	<u>2009</u>	<u>2008</u>
Revenue	\$ -	\$ 53,462,131
Loss from discontinued operations	\$ (1,592,835)	\$ (1,250,907)

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Consolidated Financial Statements
March 31, 2009

22. DISCONTINUED OPERATIONS

Net cash provided by (applied to) discontinued operations for 2009 and 2008 was as follows:

	<u>2009</u>	<u>2008</u>
Operating activities:		
Net loss from discontinued operations	\$ (1,592,835)	\$ (1,250,907)
Add (deduct) non-cash items:		
Amortization	-	1,866,076
Future income taxes	-	23,258
Change in working capital items	1,592,835	2,859,445
	<u>1,592,835</u>	<u>4,748,779</u>
Financing activities	-	(1,220,670)
Investing activities	-	(482,152)
	<u>-</u>	<u>-</u>
Net cash applied to discontinued operations	\$ -	\$ 1,795,050

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Analysis of Operating Revenue

Year ended March 31, 2009

Schedule 2-1

	2009	2008
GRANTS AND REIMBURSEMENTS		
General Operating (mainly Post Secondary)	\$ 31,086,875	\$ 29,324,626
Grants In Lieu of Municipal Taxation	462,675	429,750
Termination Gratuities	-	-
Special Programs/Projects	12,539,547	11,208,518
Other Reimbursements	1,024,458	1,086,539
Canadian Job Strategy Apprenticeship	3,728,923	4,052,857
Ontario Training Strategy Career and Employment Preparation Program and Summer Job Services Program	2,042,678	2,364,009
Literacy and Basic Skills	1,412,600	1,412,598
	52,297,756	49,878,897
STUDENT TUITION FEES		
Full-Time Students	15,469,527	13,327,573
Part-Time Students	4,694,226	4,924,430
International	1,025,085	1,174,088
Tuition Set-Aside	1,725,570	1,356,128
	22,914,408	20,782,219
ANCILLARY OPERATIONS	16,696,074	15,503,834
CORPORATE TRAINING AND OTHER INCOME		
Training Centre Fees	5,803,191	6,044,266
Other	19,864,942	11,912,753
Student Incidental Fees	4,146,547	4,892,441
	29,814,680	22,849,460
AMORTIZATION OF DEFERRED CAPITAL CONTRIBUTIONS	4,033,126	3,995,717
TOTAL OPERATING REVENUE	\$ 125,756,044	\$ 113,010,127

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Analysis of Operating Human Resources Expenditure
Year ended March 31, 2009 Schedule 2-2

	<u>2009</u>	<u>2008</u>
TEACHING SALARIES		
Full-time academic	\$ 23,030,269	\$ 22,843,474
Coordinator's allowances	225,905	229,424
Other leaves	339,719	469,528
Professional leaves	198,145	191,515
Overtime - academic	317,529	604,817
Part-time academic	4,203,012	4,051,886
Partial load academic	1,020,509	839,146
Sessional teaching	1,372,610	1,521,496
Contract teaching services	633,153	639,869
	<u>31,340,851</u>	<u>31,391,155</u>
OTHER SALARIES		
Full-time administration	7,265,507	7,077,601
Full-time support	13,016,397	11,808,976
Other leaves	669,591	607,972
Overtime - support	114,810	147,839
Part-time support	1,421,555	1,283,011
Other support	200,536	189,323
	<u>22,688,396</u>	<u>21,114,722</u>
EMPLOYEE BENEFITS	<u>10,251,714</u>	<u>8,848,711</u>
TOTAL OPERATING HUMAN RESOURCE EXPENDITURE	<u>\$ 64,280,961</u>	<u>\$ 61,354,588</u>

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Analysis of Operating Administrative
and Other Expenditure

Year ended March 31, 2009

Schedule 2-3

	2009	2008
Instructional supplies	\$ 2,779,707	\$ 2,017,314
Memberships and dues	127,919	127,525
Professional development and recruitment	411,376	415,006
Travel and accommodation	540,091	690,640
Promotion/public relations	1,293,173	1,285,825
Maintenance - equipment	618,875	670,590
Telecommunications	335,334	377,937
Office supplies and other	4,896,951	5,631,012
IT hardware, software & maintenance	918,461	1,478,013
Maintenance - buildings and grounds	683,834	631,940
Insurance	280,606	507,756
Professional fees	634,386	498,135
Contract - security services	599,912	562,766
Contract - cleaning services	1,245,019	1,252,793
Contract - other services	2,229,642	2,211,480
Utilities	2,487,151	2,281,197
Refuse removal	178,839	154,123
Postage	261,090	213,123
Bank services and credit card charges	2,355,286	2,086,554
Derivative interest	2,786,416	956,161
Rental and leasing charges	1,344,845	1,936,145
Bad debts	3,335,130	267,030
International	479,032	437,099
Student assistance program	2,756,357	2,044,955
TOTAL ADMINISTRATIVE AND OTHER OPERATING EXPENDITURES	\$ 33,579,432	\$ 28,735,119
FLOW THROUGH EXPENDITURE		
Participants Wages, Training Allowances and Benefits	\$ 773,935	\$ 778,540
Special Support Allowances	61,456	31,789
Municipal Taxes	517,433	429,879
Termination Gratuities	211,636	134,701
Health Insurance Fees	790,137	1,194,066
Reimbursable Expenditure	1,042,714	1,070,225
TOTAL FLOW THROUGH EXPENDITURE	\$ 3,397,311	\$ 3,639,200

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Analysis of Corporate Training Expenditure

Year ended March 31, 2009

Schedule 2-4

	<u>2009</u>	<u>2008</u>
SALARIES		
Full-time academic	\$ 95,108	\$ 91,509
Part-time academic	147,634	157,431
Contract teaching services	-	4,740
Full-time administration	267,472	284,152
Full-time support	246,254	278,012
Overtime - support	20,715	6,512
Part-time support	50,501	45,907
Other support	1,470,387	1,279,580
	<u>2,298,071</u>	<u>2,147,843</u>
EMPLOYEE BENEFITS	498,087	486,390
	<u>2,796,158</u>	<u>2,634,233</u>
ADMINISTRATIVE AND OTHER EXPENDITURE		
Instructional supplies	122,970	115,511
Travel and accommodation	71,536	72,397
Promotion/public relations	50,023	38,942
Office supplies and other	580,457	473,047
Contract - other services	505,886	1,385,855
	<u>1,330,872</u>	<u>2,085,752</u>
TOTAL CORPORATE TRAINING EXPENDITURE	<u>\$ 4,127,030</u>	<u>\$ 4,719,985</u>

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Consolidated Analysis of Ancillary Expenditure

Year ended March 31, 2009

Schedule 2-5

	<u>2009</u>	<u>2008</u>
SALARIES		
Full-time administrative	\$ 119,668	\$ 136,916
Full-time support	511,001	550,100
Overtime - support	1,863	4,717
Part-time support	90,035	157,022
Other support	757,889	606,448
	<u>1,480,456</u>	<u>1,455,203</u>
EMPLOYEE BENEFITS	156,555	173,741
	<u>1,637,011</u>	<u>1,628,944</u>
ADMINISTRATIVE AND OTHER EXPENDITURE		
Office supplies and other	120,720	196,126
Maintenance - buildings and equipment	148,085	118,343
Maintenance - grounds	408,604	277,455
Contract security services	185,046	119,784
Contract - other services	714,979	605,198
Utilities	75,649	79,698
Credit card charges	88,918	32,239
Residence	6,011,446	5,839,127
Cost of goods sold	3,787,286	3,899,303
	<u>11,540,733</u>	<u>11,167,273</u>
TOTAL ANCILLARY EXPENDITURE	\$ 13,177,744	\$ 12,796,217



Multi-Year Accountability Agreement Report Back

For the Fiscal Period 2008-09

JUNE 22, 2009

Multi-Year Accountability Agreement Report-Back

College:	Durham	Year:	2008-09
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As noted in the Multi-Year Accountability Agreement for Colleges for 2006-07 to 2008-09 (MYAA), the government appreciates that implementing this and future agreements will be part of an evolutionary process which will incorporate maturing consensus on how to best measure and indicate access and quality. This will require a strong collaborative partnership between institutions and the Ministry of Training, Colleges and Universities.

This Multi-Year Accountability Agreement Report-Back Template has been designed to assist with the ministry's continuing efforts to measure the participation of students from under-represented groups, and as outlined in Appendix B (the Multi-Year Action Plan) of the MYAA, access and quality improvement strategies and the strategies and programs that will be used by your institution to participate in the Student Access Guarantee initiative. The ministry will also use the completed Multi-Year Accountability Report-Back Template to review the progress made on the commitments outlined in your Multi-Year Action Plan.

As in previous years, MTCU will withhold a portion of your institution's yearly allocations until the completion of the annual Report-Back review and confirmation that your institution is on track for meeting its commitments, or the approval of an improvement plan by the ministry.

MYAA Transition Year 2009-10

As outlined in the MTCU memo to colleges and universities dated March 31, 2009 the MYAAs have been extended into 2009-10 in order for the government and its postsecondary education partners to transition into a re-aligned accountability framework that reflects the future directions for the system in 2010 and beyond.

The expectation for the transition year is that institutions will maintain their commitments for access, quality and accountability as outlined in the original agreement. This includes reporting enrolment through the established protocol, providing information to assist the Higher Education Quality Council of Ontario (HEQCO) with its research on access and quality, and compliance with the Tuition Fee Framework and the Student Access Guarantee.

MTCU does not require your institution to set additional targets in 2009-10. The attached Report-Back Template provides space for you to identify how your institution-specific access and quality improvement strategies for 2006-07 to 2008-09 will be extended, consolidated and/or best practices applied in 2009-10. You are also asked to outline how you will continue to monitor the impact of these access and quality improvements over the transition year. You will find appended to this Report-Back Template a summary of consolidated access and quality improvement strategies developed from the previous Report-Back years. The expectation is that by strategically aligning activities and focusing on evaluation of outcomes that your 2009-10 year will provide the basis for your institution to develop a new Multi-Year Action Plan with corresponding targets in 2010.

A. ACCESS

Increased Participation of Under-Represented Students — Measurement

As stated in the MYAA, the ministry is committed to working with institutions and HEQCO to develop a system measure that will track the participation of under-represented students in a manner that is sensitive to privacy concerns.

To assist with these efforts, please refer to the measurement methodologies outlined in your approved Multi-Year Action Plan to track these students, and provide the total number of students who have self-identified as a member of each of these groups. Particularly valuable are methodologies and results that complement those of the Ontario College Student Engagement Survey (OCSES). The ministry recognizes that these measurement methodologies may require students to self-identify, which may result in under-reporting.

Individual students may belong to more than one group. In the cells counting respondents for each under-represented group, do not adjust for this potential double-counting. To the extent that you are able to do so, eliminate any double-counting in the column, "Total Number Self-Identifying as Member of Under-represented Group".

Measurement Methodology (including description)	Student Groups in Your Student Population				Total Number Self-Identifying as Member of Under-represented Group	Francophone Students	Total Number of Students Surveyed, if applicable
	Aboriginal	First Generation	Students with Disabilities	Mature Students			
	#	#	#	#			
Registrar's Office identifies the number of students who self-identify on the OCAS application as being of a specific under-represented group *							
(a) For Fall 2008 intake	23			1,336		23	3,952
(b) For Winter 2009 intake	5			305		2	457
The Learner Support Centre's ESL Academic Specialist asks the following question: "Were you the first person in your family to attend college or university in Canada?"		98 first generation students received services from the ESL Academic Specialist					6,233 full-time funded enrolment
		21% increase **					

Measurement Methodology (including description)	Student Groups in Your Student Population				Total Number Self-Identifying as Member of Under-represented Group	Francophone Students	Total Number of Students Surveyed, if applicable
	Aboriginal	First Generation	Students with Disabilities	Mature Students			
	#	#	#	#			
The Learner Support Centre's Learning Strategist asks the following question: "Were you the first person in your family to attend college or university in Canada?"		421 first generation students received services from the Learning Strategist 95% increase **					6,233 full-time funded enrolment
KPI Student Satisfaction Survey college-specific question asks students to identify with under-represented group		1,367				44	4,469
Annual <i>Student with Disabilities Accountability Report</i> identifies the number of students who registered for services with the Centre for Students with Disabilities (CSD) during the academic year			485 ***				6,233 full-time funded enrolment
OCSSES asks students whether they consider themselves to be a person belonging to a specific under-represented group	90	307	122	19	467	15	1,278

If you would like to provide any other comments, please do so in the following space:

* In preparing this report, the Registrar's Office identified an inconsistency in the reporting for the previous two periods. Corrected data is as follows:

		Aboriginal	Mature	Francophone	Total
2006-07:	Fall 2006	30	1084	19	3538
	Winter 2007	5	187	0	391
2007-08:	Fall 2007	24	1358	21	3919
	Winter 2008	5	256	1	425

** Much of the increase over previous year is due to a more accurate tracking system.

*** As the campus becomes more accessible there are a larger number of students who choose not to register with the centre. Those who do are coming with more complex disabilities.

Increased Participation of Under-Represented Students — Programs/Strategies

MYAA Report Back 2008-09

Referring to your approved Multi-Year Action Plan, please identify your achieved results for 2008-09. If your institution has not achieved your proposed results, please explain the variance and your planned improvement activities in the column provided.

Strategy / Program	Indicator	Proposed Result	Achieved Result	Explain Variance between Proposed and Achieved Results (if applicable) and Any Improvement Activities You Expect to Take
Outreach to Under-represented groups	# of under-represented students	Begin to quantify effectiveness (07-08 23% part. OCSES)	Participation rates of 20% for part one (higher than system average of 16%) and 6% for part two (lower than system average of 10%)	No remedial action required: OCSES survey has been discontinued.
Partnerships and presentations to school boards; Durham College Centre for Success targeted at "at risk" high school students (many are members of under-represented groups)			3 Centre for Success Information sessions offered; 400 attendees <u>Semester 1</u> 111 students enrolled (of which 72 were eligible to graduate) 63 students graduated <u>Semester 2</u> 131 students enrolled (103 eligible to graduate) 90 students expected to graduate	Increase of 18% compared to 325 attendees in previous benchmark year 2007-08. Total of 242 students enrolled during 2008-09. Increase of 66% compared to 146 enrolled in previous benchmark year 2007-08. Total of 153 expected to graduate during 2008-09. Increase of 66% expected to graduate compared to 92 who graduated in previous benchmark year 2007-08.

Bursaries Provide bursaries to students from under-represented groups	# of bursaries	Begin to quantify effectiveness (07-08 20 FG bursaries)	37 bursaries given to First Generation students	Bursaries: Increase of 85% from 20 in previous year 2007-08. 2006-07 benchmark year achievement: 6 bursaries. During 08/09, the majority of bursaries were awarded on the basis of need and not targeted to specific under-represented groups. It is hoped that more specific tracking through Banner of bursaries provided to students from under-represented groups will be implemented in the future. 37 bursaries were given to First Generation students in 2008/09. MTCU provided \$15,831 and Durham College added \$68,221 – total \$84,052.
Learning Strategist / Writing Centre Provide Learning Strategies and ESL Success Strategies to students from under-represented groups	# of student appointments; # of workshops	Continuous improvement (07-08 805 appoint. hours; 632 workshop hours)	Learning Strategist – 995 hours of student appointments/ 1385 hours of clinics and workshops ESL – 759 hours of appointments and 50 hours of workshops	Student appointments: increase of 23.6%, from 805 hours in previous year. 2006-07 benchmark year achievement: 138. Workshops: increase of 119%, from 632 hours in previous year. 2006-07 benchmark year achievement: 90 hours. ESL appointments: increase of 53%, from 495 hours in previous year. 2006-07 benchmark year achievement: 408 hours. ESL workshops: increased by 2%, from 49 in previous year. 2006-07 benchmark year achievement: 80 hours. No remedial action required, since number of sessions offered was lowered last year due to lower demand.
First Year Experience First year experience programming - Residence Academic Leaders (RAL's)	# of student advising sessions	Continuous improvement (07-08 5 workshops held)	5 Advising workshops as well as student tutoring (biology, stats, engineering and communications)	Advising workshops: no change. Provided additional online supports. Created resource materials for tutoring subjects.
Diversity Office	# of advising sessions; # of activities	Continuous improvement (07-08 235 sessions; 17 activities)	223 student advising sessions 21 on-campus diversity programming activities	Advising sessions: decrease of 5% from 235 in previous year. 2006-07 benchmark year achievement: 217. Diversity programming activities: increase of 23%, from 17 in previous year. 2006-07 benchmark year achievement: 14.

Students w/ Disabilities: Transition Program	# of students developing homepages	Continuous improvement (07-08 27 homepages)	23 students developed homepages	Students developing homepages: decrease of 15%, from 27 in previous year. 2006-07 benchmark year achievement: 17. HEQCO research proposal approved to investigate effects of Transition Program and other Student Affairs supports on student success.
Students w/ Disabilities: School Boards High School Presentations by Centre for Students with Disabilities	# of presentations	Continuous improvement (07-08 7 presentations to over 50 high schools)	9 High School Presentations; also hosted on-campus presentations/ workshops to over 50 high schools	High School presentations: increase of 29%, from 7 presentations in previous year. 2006-07 benchmark year achievement: 6.
Accessibility Plan	# of training sessions; # of dept initiatives	Continuous improvement (07-08 10 sessions; 69 initiatives)	10 department training sessions in disability awareness and accessibility, and 2 all-campus presentations with guest speakers An additional 75 department initiatives undertaken to improve access	Department training sessions: no change. 2006-07 benchmark year achievement: 10. Department initiatives increased 9%, from 69 in previous year. 2006-07 benchmark year achievement: 96. No remedial action required, as this activity was supplemental to the department training sessions.
ECE Program	# of students w/ children attending campus day care	Continuous improvement (07-08 35 children; 8 ECE grads)	24 students with children in the Early Learning Centre (campus day care centre) 12 graduates with children in the Early	Students: decrease of 31%, from 35 in previous year. 2006-07 benchmark year achievement: 16. Graduates: increase of 50% from 8 in previous year. 2006-07 benchmark year achievement: 11.

			Learning Centre (children were in care while parents were students, and now employed)	(Note: ELC will permanently close its doors as of August 1, 2009.)
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MYAA Transition Year 2009-10

Please provide 3 to 5 examples of how your strategies/programs to support increased participation of under-represented students will be extended, consolidated and/or best practices applied in 2009-10 in the following space:

Strategy / Program	Brief Description
1. Implementation of the Accessible Customer Service Standards	A cross campus Team has been created to lead in the implementation of the AODA Standards to improve Customer Service for people with disabilities.
2. Poster Campaign	Posters highlighting students with disabilities will be created and distributed to campus departments and to incoming students to improve disability awareness.
3. Implementation of First Generation Project	Funding was received to develop a program to identify, track and support First Generation students through to March 31, 2010.
4. First Generation Bursaries	Bursaries for First Generation students will be promoted through MyCampus. Commitment is to fund all requests for First Generation bursaries through MTCU and institutional funds.
5. Outreach Activities	Starting in 2009-10, a new collaboration has been developed to support students from the Durham District School Board's Continuing Education Centre to pathway into a Durham College postsecondary program by taking dual credit courses.

Please outline how you will continue to monitor and evaluate the outcomes of these strategies in 2009-10 in the following space (e.g. through feedback, surveys, tracking participants' progress, etc.).

Strategy / Program	Brief Description of Monitoring and Evaluation of Outcomes
1. Implement of the Accessible Customer Service Standards	Tracking and reporting are requirements of the AODA. A training program will be rolled out and the numbers of those trained will be recorded and reported.

2. Poster Campaign	Presentation to Accessibility Working Committee for feedback and follow-up with departments for anecdotal responses.
3. Implementation of First Generation Project	Will be meeting all deliverables along the timeline determined by the project and final report due following March 31, 2010.
4. First Generation Bursaries	Number of First Generation bursaries awarded will be tracked and reported.
5. Outreach Activities	The number of students taking dual credit courses with the Durham District School Board's Continuing Education Centre and who start a Durham College postsecondary program will be tracked.

French Language College Collaboration

MYAA Report Back 2008-09

This table applies only to the two French language colleges — Boréal and La Cité collégiale.

Referring to your approved Multi-Year Action Plan, please identify your achieved results for 2008-09. If your institution has not achieved your proposed results, please explain the variance and your planned improvement activities in the column provided.

Strategy / Program	Indicator	Proposed Result	Achieved Result	Explain Variance between Proposed and Achieved Results (if applicable) and Any Improvement Activities You Expect to Take
Not applicable				

MYAA Transition Year 2009-10

Please describe how your institution will continue to build on your existing college collaboration strategy in 2009-10 and how you will monitor and evaluate the outcomes of this strategy in 2009-10.

Collaboration Strategy for 2009-10	Brief Description
Not applicable	

College Small, Northern and Rural

MYAA Report Back 2008-09

This table applies only to institutions that receive funding through the Small, Northern and Rural (SNR) Grant.

Referring to your approved Multi-Year Action Plan, please identify your achieved results for 2008-09. If your institution has not achieved your proposed results, please explain the variance and your planned improvement activities in the column provided.

Strategy / Program	Indicator	Proposed Result	Achieved Result	Explain Variance between Proposed and Achieved Results (if applicable) and Any Improvement Activities You Expect to Take
Recruitment Targeted recruitment strategies through satellite campuses	Recruitment & measurement for rural comm.	Focus on most effective measurement (07-08 47% increase in Continuing Education)	3,570 Continuing Education registrations at Uxbridge (970), Whitby (2,382) and Ajax (218) satellite campuses	Registrations: increase of 37%, from 2,616 in previous year. 2006-07 benchmark year achievement: 1,780. A decision to close the Ajax/Pickering location in January 2009 contributes to the decline in that campus. Some of the programs were moved to Whitby which contributes to part of the higher enrolment in Whitby. The remaining increase at Whitby is due to the inclusion of the motorcycle program.
Academic Upgrading	Conversion rates	Continuous improvement (07-08 13% conversion)	91 academic upgrading learners at satellite campuses (57 in Uxbridge/Beaverton and 43 in Bowmanville) Uxbridge/Beaverton – 46 student exits – 13 found employment at exit, 14 went on to further training and education— 30% conversion rate (14/46)	Academic upgrading learners decreased 28% in the 2008/2009 fiscal year, from 126 in 2007-08. 2006-07 benchmark year achievement: 106 learners. ERC and literacy staff have noticed an increased need in Level 1, 2, and in some cases ESL literacy (these levels are lower than what Durham College LBS/OBS is funded to deliver). A committee is looking at how best to address this identified need for this area of our region.

			Bowmanville – 43 student exits (– 16 found employment, 18 went on to further training and education, and 7 continued on with other LBS training (ACE on-line, or transferred to Oshawa campus, or local Board program)—42% conversion rate (18/43)	**Note the Bowmanville site was permanently closed in December 2008 due to lack of sufficient and sustainable funding therefore active recruiting for learners ended in early October and transition planning began for all learners registered at the Bowmanville location. All learners were provided options and alternatives which would meet their unique needs and circumstances. Advocating and supporting the switch to new programs/program locations occurred.
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MYAA Transition Year 2009-10

Please describe how your institution will continue to build on your existing college SNR strategy in 2009-10 and how you will monitor and evaluate the outcomes of this strategy in 2009-10.

SNR Strategy for 2009-10	Brief Description
Services for North Durham/Rural Areas	A service centre will be maintained in Uxbridge to support Continuing Education course registrations, to provide information on the college, and to assist with OCAS applications. Uxbridge and Beaverton academic upgrading services continue to investigate outreach opportunities for this community. To support conversions from academic upgrading to postsecondary programs, the college is investigating areas for advanced standing, and linkages between postsecondary options and related occupations. The government's Second Career strategy is expected to increase conversions. The College has been an active participant in a provincial pilot to offer ACE (Academic and Career Entrance) in an online delivery format to increase access. This option is particularly relevant to Uxbridge/Beaverton students in the summer months when northern operations shut down.
	Brief Description of Monitoring and Evaluation of Outcomes
	The college will continue to track and report on the number of students participating in continuing education, and academic upgrading and related conversion rates.

2008-09 Student Access Guarantee

Through your signed MYAA, you committed to participate in the Student Access Guarantee. For 2008-09, this meant meeting students' tuition/book shortfall in allocating financial aid, as set out in the 2008-2009 Student Access Guarantee Guidelines.

	Yes	No
The institution met students' tuition/book shortfall in allocating financial aid, as set out in the <u>2008-2009 Student Access Guarantee Guidelines</u>	√	

If you answered no, please explain.

Please complete the following table, using the most recent available year-to-date information from your institution's 2008-09 OSAP student access guarantee report screen (This screen can be accessed by your Financial Aid Office).

2008-09 TUITION / BOOK SHORTFALL AID:	TOTAL \$	# ACCOUNTS
Expenditures for Tuition / Book SAG Amount	\$78,074	63
Other SAG Expenditure to Supplement OSAP	\$748,996	537
Total	\$827,070	600

Date screen was last updated: 12/06/09

2009-10 Student Access Guarantee

As an extension of the commitments made under the original Multi-Year Agreements, your institution will participate in the Student Access Guarantee (including the new Access Window which allows Ontario students to identify costs and sources of financial aid). The detailed requirements for participation in the student access guarantee are outlined in the 2009-10 Student Access Guarantee Guidelines. Please complete the following template to update the strategies and programs that your institution will use in 2009-10 to participate in the Student Access Guarantee initiative.

Describe how your institution will meet students' tuition/book shortfalls. As part of your description identify whether aid towards tuition/book shortfalls will be: a) Provided to those students who apply for institutional financial aid; or b) Automatically issued to students based on their OSAP information	Principles of Student Access Guarantee Initiative: Durham College will partner with the Ministry to support access to post-secondary education following these principals: - no qualified Ontario student should be prevented from attending Ontario's public colleges and universities due to lack of financial support programs and; - students in need should have access to the resources they need for their tuition, books, compulsory fees, equipment and
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	supplies. For the purpose of the Access Guarantee a qualified student is a student who is academically qualified according to the institution's academic requirements for a particular program, and meets the requirements for assistance from the Ontario Student Assistance Program (OSAP). Or for part time students the requirements of the Part Time Canada Student Loans Program (PT-CSLP) There is an expectation that the student and his or her family will participate in financing the cost of post-secondary education. Where student's personal and family resources are not sufficient to cover costs and students need additional financial support, they are expected to apply for OSAP. Student Access Guarantee Program Eligibility Parameters / Delivery: Durham College will endeavour to meet tuition/book shortfalls for those students who have submitted an application requesting additional financial aid and meet the following conditions: - Students must have applied for OSAP and have an identified unmet tuition/book shortfall. - Students must be enrolled in programs with tuition costs that exceed \$2,350 per semester (\$2,780 for co-op programs) as per Ministry guidelines, or - Students must have program book costs in excess of \$500 per semester as per Ministry guidelines - As per the Ministry directive institutional aid will be based on the figures available through the OSAP download files. - The financial aid office reserves the right to adjust tuition/book shortfall amounts, based on additional information regarding resources or costs gathered through the application process. - Where the shortfall is adjusted by the financial aid office a record of the basis for the adjustment will be kept. - Aid provided to students in the form of bursaries, scholarships, and work study support or a combination of these may be deemed as satisfying the access guarantee. - Students must sign their Ministry OSAP Confirmation of Enrollment – students are not required to negotiate OSAP if deemed eligible for the Student Access Guarantee, but the student must sign their Confirmation of Enrollment to activate their OSAP record for the 2008/2009 year and to facilitate the accurate reporting of SAG expenditures to eligible OSAP student files. Student Access Guarantee Bursary Disbursement: - Fall semester bursary applications will be accepted until the
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	last day of November 2008. Bursary funds awarded will be disbursed bi-monthly until the end of the semester. - Winter semester bursary applications will be accepted until the last day of March 2009. Bursary funds awarded will be disbursed bi-weekly until the end of semester. - Spring/Summer bursary applications will be accepted until last day of June 2009. Bursary funds awarded will be disbursed by the end of July 2009. - Where students have outstanding tuition fees with the institution bursary funds will be applied to the student's account first, any remaining balance will be issued in the form of a cheque to the student. - As there is a determination of eligibility based on ongoing OSAP application, disbursements will be scheduled on a bi-monthly basis to satisfy newly identified eligible students based on new OSAP assessments. - Students will be notified in writing as to the results of their application.
If your answer to the above question was 'a,' please identify what specific internet portal(s) or program(s) students at your institution apply through to be considered for tuition/book assistance provided as part of your participation in the student access guarantee. - Identify any applicable deadlines. - Identify your communications strategies to inform students of how to apply.	Students will complete their student financial profile on MyCampus to apply. - Fall semester bursary applications will be accepted until the last day of November 2008. Bursary funds awarded will be disbursed bi-monthly until the end of the semester. - Winter semester bursary applications will be accepted until the last day of March 2009. Bursary funds awarded will be disbursed bi-weekly until the end of semester. - Spring/Summer bursary applications will be accepted until last day of June 2009. Bursary funds awarded will be disbursed by the end of July 2009.
Identify whether your institution plans to provide loan assistance in values greater than \$1,000 to meet tuition/book shortfalls of students in any of your second entry programs. If so: - Identify the programs by name and by OSAP cost code; - Describe how you determine how much loan aid to provide	Not applicable.
Describe other financial support programs and strategies that your institution will use to assist students facing financial barriers to access, including identification of programs that provide case-by-case flexibility to respond to emergency situations that arise for students.	Durham College continues to implement programs designed to address financial need for all our students considering individual circumstance and hardship. Students who do not qualify under the SAG Program guidelines may be eligible for funding through Durham College bursary, award and work study programs that address overall need.

Briefly describe your review process for students who dispute the amount of institutional student financial assistance that is provided as part of the Student Access Guarantee.

Durham College is dedicated to providing support as outlined in the Student Access Guarantee Program. We understand there will be students that will not be eligible in meeting the criteria as outlined in this program.

While there is no avenue to "appeal" the SAG eligibility requirements as it is being implemented under specific eligibility criteria, students may ask to have their bursary application reviewed by the Financial Aid Office, Bursary Committee. The bursary committee will review the applicant's eligibility under the SAG guarantee and will take into consideration any additional information provided by the student. The outcome of the review will be communicated to the student in writing.

If you would like to provide any other comments, please do so in the following space:

N/A

B. QUALITY

Quality of the Learning Environment

MYAA Report Back 2008-09

Referring to your approved Multi-Year Action Plan, please identify your achieved results for 2008-09. If your institution has not achieved your proposed results, please explain the variance and your planned improvement activities in the column provided.

Strategy / Program	Indicator	Proposed Result	Achieved Result	Explain Variance between Proposed and Achieved Results (if applicable) and Any Improvement Activities You Expect to Take
Student Engagement/ Satisfaction 2008/09 Student Satisfaction KPI above the system average	KPI Satisfaction results	Improvement, KPI above average (07-08 77.4% vs. 77.9% average)	77.3%	78.4% - System average Student Satisfaction KPI. Program and service/facility KPI Report Cards including analysis have been developed; program and service/facility areas to create action plans to improve next year's results. Newly formed Strategic Enrolment Management initiative is considering the establishment of benchmarks and college-level strategies to improve this result in the coming year.

Faculty Hires Sufficient faculty to provide a quality learning experience	Student-faculty ratio	Improvement (07-08 12.3:1)	12.2 to 1 student to faculty ratio	Student to faculty ratio 12.2 to 1 (6,288 funded and unfunded students served by 515 full-time and non full-time faculty): slight decrease over previous year 2007-08 benchmark, from 12.3 to 12.2. Although the ratio decreased marginally, this target is considered achieved: full-time faculty was reduced for budgetary purposes, and when compared to other colleges of similar size, we still maintain a sufficient student/faculty ratio to provide a quality learning experience.
Learning Management System Faculty usage as a learning tool	% faculty using LMS	Improvement	64% of faculty using LMS for instructional purposes	Faculty using LMS: increase of 14 percentage points, from 50% in previous year. 2006-07 benchmark year achievement: 44%.
Student Support: English ESL Academic Specialist	# of students served	Improvement (07-08 105 students served)	155 students served Plus 500 students participated in workshops	Students served: increase of 48%, from 105 individual students in previous year plus workshop participants. 2006-07 benchmark year achievement: 73.
Technology in Teaching & Learning Mobile Learning Program	# students in a mobile learning program	Improvement (07-08 1300 students in mobile learning program)	1,330 students in mobile learning program	Students in mobile learning program: 2% increase, from 1,300 in 2007-08. 2006-07 benchmark year achievement: 1,427. This target is considered to be met, as the same number of programs are offered in a mobile learning environment, and the student numbers are reflective of enrolment in those programs.
	# software applications in use	Improvement (07-08 105 applications in use)	105 different software applications used by students	Software applications used: no change over previous year. 2006-07 benchmark year achievement: 50
Support Desk Services	% call resolved	Improvement (07-08 98% of calls resolved)	98% of calls resolved within the established Service Level Agreement	

Computer Replacements		Improvement (07-08 24% of computers replaced)	(37,000 student and faculty calls for support) 27% of computers replaced (1,382 computers in classrooms / labs / computer commons)	Replacement rate: increase of 3 percentage points, from 24% in previous year. 2006-07 benchmark year achievement: 20%.
Faculty Professional Development	# classes offered	Improvement (07-08 263 classes offered)	174 Classes offered for a total of 574 participants	Decrease of 33% compared to 263 classes offered in 2007-08. 2006-07 benchmark year achievement: 232 sessions. No remedial action required, as available training sessions were offered in alternate methods of delivery to accommodate different time pressures; available courses reflect varying demand by faculty. Investigating moving certain portions of orientation to online format to accommodate remote contract faculty. Additional strategies: 11 lunchtime TAL seminars, 8 issues of "Catalyst" newsletter. Purchase, training, and loaning of "Clicker" technology on limited basis as experiment in new methods of student engagement. Developed and piloted several weekend workshops for contract faculty with focus on teaching & learning and WebCT.
	# hours of one-on-one consulting	Improvement (07-08 885 hours completed)	988 hours of one-on-one consulting provided to faculty by Innovation Centre	One-on-one consulting: increase of 11.6%, compared to 885 in previous year. 2006-07 benchmark achievement: 1,145. No remedial action required, as is a result of faculty demand. Consulting hours includes support for electronic marks submission and reflects an improved activity reporting system.

Curriculum Development	# of program mappings completed	Improvement (07-08 4 program mappings complete)	11 programs mappings completed	Increase 175%, compared to 4 program maps completed in 2007-08 benchmark year. New curriculum mapping and analysis process was developed last year to guide annual curriculum renewal, and a course outline quality checklist. This new mapping process continues to evolve and play an increasing role in program reviews. A half day training session on project teams was delivered. A process for Annual Curriculum Renewal (ACR) was developed to focus program teams' on curriculum quality. Mapping and analysis tools have been reworked and a framework for curriculum development is in progress.
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MYAA Transition Year 2009-10

Please provide 3 to 5 examples of how your quality improvement strategies will be extended, consolidated and/or best practices applied in 2009-10 in the following space:

Strategy / Program	Brief Description
1. Student Engagement/ Satisfaction	We have introduced detailed Program Action Reports to support planning for identifying programs requiring intensive review and we plan to develop new metrics that guide decisions on new programs, programs improvements/renewals and sun-setting programs. It is anticipated that the Student Satisfaction KPI will improve as a result of these initiatives.
2. ESL Supports	"Academic Culture" module, which is presently offered as a face-to-face session by the ESL Academic Specialist, is being developed in an online format and will be available 24/7 to increase access and to improve support to students with ESL needs.
3. Faculty Professional Development	Multi-model learning opportunities are being offered for 2009-10 including face-to-face, video and alternative web delivery. Synchronous learning during lunch breaks utilizing Adobe Connect to share screenshots, discuss, and text one another will allow faculty to participate from a location of their choice.
4. Faculty Professional Development	A new online orientation course is being developed for contract faculty using WebCT that can be taken at faculty's convenience.
5. Technology in Teaching & Learning	To ensure high quality, consistent performance levels, desktop computers and faculty laptops continue to be upgraded.

Please outline how you will continue to monitor and evaluate the outcomes of these strategies in 2009-10 in the following space (e.g. through KPI surveys, retention rates):

Strategy / Program	Brief Description of Monitoring and Evaluation of Outcomes
1. Student Engagement/ Satisfaction	Program Action Reports will be regularly reviewed and updated as required. KPI Student Satisfaction results will continue to be monitored for improvement.
2. ESL Supports	Will conduct a qualitative survey on the effectiveness of this online module. Currently investigating options to track online usage for reporting purposes.
3. Faculty Professional Development	The number of faculty learning opportunities provided and number of participating faculty will be tracked and reported. Qualitative data will be obtained using surveys and focus groups for evaluation purposes. Google Analytics will be used to monitor usage.
4. Faculty Professional Development	The number of contract faculty participating in the online orientation course will be tracked and reported. Qualitative data will be obtained using surveys and focus groups for evaluation purposes.
5. Technology in Teaching & Learning	The need for, and number of, replacement desktop computers and faculty laptops will continue to be tracked and reported.

Student Success: Student Retention Rates

MYAA Report Back 2008-09

Referring to your approved Multi-Year Action Plan, please report on the 2008-09 retention target achieved by your institution. If your institution has not achieved your proposed results, please explain the variance and your planned improvement activities in the column provided.

	Proposed 2008-09 Retention Target	Retention Rate Achieved	Explain Variance between Proposed and Achieved Results (if applicable) and Any Improvement Activities You Expect to Take
1 st to 2 nd Year	> 70% (07-08 78.4%)	77.9%	Target – over 70% or exceed system-wide average
2 nd to 3 rd Year	> 80% (07-08 85.5%)	81.5%	Target – over 80% or exceed system-wide average
3 rd to 4 th Year	n/a		

If you would like to provide any other comments, please do so in the following space:

N/A

MYAA Transition Year 2009-10

Pending advice from HEQCO from the development of student retention measures and targets, we also ask that you continue to track student retention in 2009-10 according to your institution's established practices.

If you would like to provide any other comments, please do so in the following space:

N/A

C. ACCOUNTABILITY

MYAA Report Back 2008-09

Please insert the current internet link to your posted Multi-Year Action Plan and 2007-08 Multi-Year Accountability Agreement Report-Back in the following space:

http://www.durhamcollege.ca/EN/main/about_us/publications.php

This 2008-09 Report-Back document constitutes part of the public record, and as such, should also be made available on your institution's web site. Please ensure that this document is posted at the same location as your Multi-Year Action Plan and 2007-08 Report-Back.

MYAA 2008-09 Report Back Contact	
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APPENDIX A: Summary of consolidated strategies and programs for 2009-10 Transition Year

Increased Participation of Under-Represented Students

Outreach: targeted outreach activities with local community organizations and high schools, or advertising / marketing activities to improve participation of under-represented groups.

Bridging & Pathways: activities to bridge students into PSE (including dual credit programs, academic upgrading and other services) and assist students' pathways between college and university (i.e. credential assessment, advising for transferred students) or into work placements and co-operative programs.

Student Services & Supports: activities including personal and career counselling, academic advising and supports, and cultural programming (i.e. Aboriginal Elders on-site).

Academic Programming: activities to assess or develop programs to ensure accessibility in terms of delivery and / or content, enhance opportunities for under-represented groups, or deliver the program in partnership with other institutions.

Building Capacity: activities focusing on the capacity of the college or university to ensure greater accessibility, including staff training, research and needs assessment of the student population and the identification of barriers.

Quality of the Learning Environment

Academic Programming: program development and quality review processes, and improved program policies and quality audits.

Student Engagement & Satisfaction: activities to increase student engagement through effective educational practices (interaction, cooperation amongst students, active learning, prompt feedback and time on task). Also includes overall assessments of student satisfaction and engagement through designated tools (KPI and other surveys).

Student Services & Supports: academic supports such as tutoring, academic advising and foundational skills (English and Math).

Teaching / Classroom Enhancements: overall enhancements to students' experience inside the classroom through targets for student-faculty ratio, student assessment of teaching and physical classroom upgrades (technology, seating).

Operations: activities to support effective operations, including faculty / staff development, infrastructure / capital and library and technology enhancements.

APPENDIX B: Example of extended / consolidated programs and strategies

Multi-Year Action Plan for 2006-07 to 2008-09

Quality Strategy / Program	Indicator	Results		
Academic Writing Centre	% of 1 st year students using centre	% in 2006-07	% in 2007-08	% in 2008-09
Peer Tutoring Program	# of clients served	# in 2006-07	# in 2007-08	# in 2008-09
Entering Student Retention Strategy	1 st to 2 nd year retention rate	% in 2006-07	% in 2007-08	% in 2008-09

Transition Year 2009-10

Consolidated or extended Quality Strategy / Program	Brief Description
1. Entering Student Success Strategy: Student Services & Supports	We will continue to offer a range of student supports and services to ensure students receive the academic counselling and support they need to succeed in their studies and persist to year two of their program.

Consolidated or extended Quality Strategy / Program	Description of Monitoring and Evaluation of Outcomes
1. Entering Student Success Strategy: Student Services & Supports	In 2009-10 we will continue to monitor the impact of our entering student success strategy through responses on the use and evaluation of student services in our student engagement survey. We will also continue to monitor the overall retention rate for 1 st to 2 nd year students in the long-term to serve as the baseline for a new Multi-Year Action Plan in 2010.