

ANNUAL REPORT

2017-2018



Celebrating another successful year.

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Letter from our president

It's been another tremendous year at Durham College (DC)! Along with wrapping up the last of our 50th anniversary festivities, we celebrated another successful year with our students, employees and more than 86,000 alumni truly making a mark here in Durham Region, across Ontario and around the globe.

From launching our AI Hub in December 2017 and Centre for Craft Brewing Innovation in March 2018 to announcing our first-ever degree program, which will welcome its first cohort of students this September, we are committed to leading the future of post-secondary education and ensuring our students receive the best possible opportunities to enhance their learning, gain real-world experience and succeed in their chosen field.

In addition, we are proud to play a vital role in driving the local economy with a recent study, performed by Economic Modeling Specialists International, indicating that our economic impact on Durham Region is \$913.3 million, which is equal to approximately 4.9 per cent of the area's total gross regional product and 9,558 jobs. This means that one out of every 24 jobs in Durham Region is supported by our activities and our students.

Of course, it's not just our students making an impact. The report found that the accumulated contribution of DC alumni currently employed in the regional workforce is \$725.4 million in added income in the region, equal to 6,260 jobs. Alumni, as you will see in the following pages, who are truly paving the way for the future.

As you review the highlights from the 2017-2018 fiscal year, I hope the many achievements of our students, employees, alumni, business partners, community champions and government supporters demonstrate our positive contribution to the social and economic health of the community we are proud to call home, and far beyond.

While we don't know exactly what the future holds, we do know that as we move into 2018-2019, the college, its people and its partners will continue to collaborate and innovate in order to further cultivate an expanded economy and improved quality of life for everyone.

Personally, I can't wait to see what happens next!

Sincerely,

Don Lovisa
President

Words we live by

Mission – the student experience comes first.

Vision – Durham College is the premier post-secondary destination for students to succeed in a dynamic and supportive learning environment. Our graduates develop the professional and personal skills needed to realize meaningful careers and make a difference in the world.

Values

Integrity and transparency – we behave and communicate sincerely and honestly.

Respect – we treat everyone with dignity, deliver superior service and offer a safe environment.

Equal access and diversity – we embrace diversity, ensure accessibility and champion all learners.

Personal and team accountability – we do what we say we will do and are creative and innovative in how we conduct our business.

Collaboration – we create opportunities to work together to foster learning and achieve success.

Goals

Our students – to provide students with the best possible learning experience.

Our people – to optimize the experience and expertise of our people and help them make the best possible contribution toward the student experience.

Our business – to manage resources responsibly and ensure that we are financially and environmentally sustainable, demonstrate good governance and are leaders in the support of outstanding teaching and learning.

Our community – to contribute and respond to the economic, social and environmental well-being of our community.

Infographics/numbers:

- Top GTA Employer
- Canada's Greenest Employer
- Top 50 Research College
- 9th consecutive balanced budget
- 86,000 alumni
- 2,436 employees
- 30,000+ part-time, continuing education and online students
- 2 campuses (Oshawa and Whitby)
- 12,400+ full-time post-secondary and apprenticeship students
- 1 learning site (Pickering)
- 4 satellite locations (Bowmanville, Oshawa, Port Hope and Uxbridge)
- 1,445 international students
- \$913+ million economic impact on Durham Region
- 9,558 jobs supported in Durham Region

Innovating together for a sustainable future

As DC celebrated 50 amazing years in 2017, it also marked a significant step into the college's future with advancements in research, technology, experiential learning, programming, partnerships, and so much more.

The college has truly leapt into a new era where the future of education is driven by innovation and collaboration and advances in new technologies are breaking down global, cultural and economic barriers to transform business and industry. As part of our commitment to this new wave of learning, the college is strategically focused on the role of technology; from shaping its programs and the student experience to its impact on applied research, business and industry partners, the community, employees and graduates.

DC professor and lead researcher, Amit Maraj and his team are at the hub of technology – literally – with the college's new Applied Research in Artificial Intelligence for Business Solutions (AI Hub), which according to Maraj, "is already leading to breakthrough technology in artificial intelligence (AI) designed to improve future operations and efficiencies and open the doors for companies to make an important contribution to the global economy."

In the meantime, Allison Hector-Alexander, director of the college's Office of Diversity, Inclusion and Transitions, understands that technology is also creating an increasingly interconnected and empathetic global society. "We are recognizing the enormity of what's going on around us and how we support each other globally via technology. There is a critical need for society to take a closer look at self-care, in the midst of global events."

This commitment to universal collaboration is only amplified by The Global Class, which sees DC use technology in creative ways to connect students, faculty, thought leaders, subject matter experts and visionaries from around the world together to share ideas and generate synergies in areas such as technology, business and industry, while bringing meaningful discussion about diversity and inclusion to the forefront, ensuring a stronger future for everyone.

DC students and graduates have emerged as agents of change with the college committed to joining them in their mission to solve major issues such as climate change. The college recently received \$14.9 million in funding to support its Simcoe Geothermal Field Project, a multi-year initiative at the Oshawa campus to create a net-zero carbon footprint in existing campus buildings via a geothermal field, new central plant and piping network. This complements the extraordinary work of alumnus Brent Lessard, a 2014 DC Mechanical Engineering Technology graduate and co-founder of rLoop, a think-tank and talent resource, that is using new technology in sustainable and renewable energy transmission and storage to help solve transportation issues and mitigate climate change. "This kind of technology was unparalleled before now," said Lessard. "I can't wait to see what kind of advances we'll see in five to 10 years."

From the new AI Hub and Centre for Craft Brewing Innovation to the launch of its first degree program and the new Centre for Collaborative Education (CFCE), both available to students in September 2018, DC is well-positioned for future growth and development. These incredible advances speak to the momentum with which DC is launching into its next 50 years. We hope you will join us for the ride!

Advances in AI promote shift in technology toward helping others

Future thoughts from: Amit Maraj, professor, School of Business, IT & Management and lead researcher, DC AI Hub

It's becoming clear that society is moving toward a 'together is stronger approach' with global innovation and collaboration using technology to augment solutions to problems previously unsolvable across a broad scope of fields.

New programs are being tailored to meet emerging market needs including an overall increase in advanced diploma and graduate certificate programs in areas including AI and Data Analytics that convey the breadth of programming DC has to offer. In addition, new innovation centres such as the AI Hub provide unique value propositions that continue to enhance DC's strong reputation for collaboration and promote interaction among faculty and students, not only in the classroom but via a student experience that opens the door to meaningful careers.

"Technology is taking an unprecedented shift from creating efficiencies in our daily lives toward the purpose of helping others," said Amit Maraj, professor, School of Business, IT & Management and lead researcher, DC AI Hub. "The focus is now on developing AI in areas of robotics hardware built in to the human body, and software in areas such as closed captioning to improve mobility and accessibility for people with disabilities. In addition, incredible opportunities exist for organizations to create unique value propositions with every business having the potential to mine and collect data for use in purposeful decision-making."

One of the fastest-growing areas of technology and a burgeoning hotbed in Toronto and Montréal, Maraj feels AI will have a major societal and economic impact in the future with DC's AI Hub poised to play a key role in providing business and industry across the province with opportunities to collaborate on the development of AI technology. This includes working with Maraj, who has led more than a dozen AI research projects at DC and is dedicated to ensuring that research continues to be an important part of the student experience.

Engaging dialogue and empowering advocates of diversity, inclusion and mental health

Future thoughts from: Allison Hector-Alexander, director, Office of Diversity, Inclusion and Transitions

As society continues to explore student awareness and self-advocacy of mental health issues and the ways they are impacted by technology, specifically through social media exposure, a shift from teacher-centred to more student-centred learning is taking place and creating greater opportunities for students to enhance their own learning.

According to Allison Hector-Alexander director, Office of Diversity, Inclusion and Transitions, this shift is coupled with a growing expectation from students that diversity be reflected not only in program curriculum, but through increased discussion about equity and empathy in the workplace and broader community to prepare students and graduates to give a powerful voice to marginalized groups.

At DC, where she strives to ensure all students feel welcomed and supported through diverse programs that promote student health and well-being, as well as safety, meaningful discussion around diversity and inclusion is taking place. "DC's Global Class is creating open dialogue and global awareness of diversity, inclusion, mental health, and other issues, and the college will continue to explore ways to engage and build communities; using virtual platforms to enable these conversations," said Hector-Alexander.

The college is also moving to equip its expert faculty with the tools to not only recognize but appropriately guide students who need additional supports. "DC is expanding its processes to ensure that students, faculty and staff feel valued, accepted and celebrated, but, most importantly, listened to in a meaningful way," she added.

An excellent example is the importance DC places on Indigenizing its campuses and curriculum to enable Indigenous students to become the voice of their communities, which also builds on the college's Indigenization Council, formed in 2017.

As a leader in diversity and inclusion, Hector-Alexander, supported by the college, is working closely with the community to cultivate these principles through workshops, while using technology to foster DC's commitment to producing confident graduates who are ready for the current and future workplace.

Cultivating global expertise to forge the next path

Future thoughts from: Brent Lessard, 2014 Mechanical Engineering Technology graduate and co-founder of rLoop

As new tech companies emerge, breaking down geographical and physical barriers, there are more opportunities for broader participation and the creation of an unprecedented global workforce that can contribute to the rapid development of computer and engineering hardware in critical areas.

According to Brent Lessard, 2014 Mechanical Engineering Technology graduate and co-founder of rLoop, technology is moving toward more developments in augmented reality and virtual reality, machine learning, AI and robotics with the potential for humankind to make more rapid leaps in society, across cultures and in politics while helping to solve global challenges such as climate change. "With these kinds of developments, we can rapidly accelerate the rate of innovation in both software and hardware, and we want to be at the forefront of opportunities to contribute to this kind of high-impact progress."

As co-founder of rLoop, a non-profit, crowd-funded, online think tank and talent resource that brings together experts from around the world to develop new technologies and solve global engineering challenges, Lessard has used collaborative technology to bring the organization to unbelievable heights with more than 1,300 researchers from 59 countries working together on the development of the Hyperloop, a revolutionary transportation system designed to move people and cargo great distances at the speed of sound. Once commercialized, the Hyperloop could have a monumental global economic impact by connecting the world like never before, unlocking job markets, transforming the real estate market, and globalizing world travel.

Lessard continues to use the skills and knowledge he gained during his time at DC with rLoop's vision strongly aligned with the college's research theme of 'enabling technologies of the future', with both organizations steadfast in their commitment to enabling experts, educators, and innovators to come together as a global community in order to develop the technologies needed for a more sustainable world.

Building an innovation community, together

Stepping into the future, DC continues to demonstrate innovation through collaboration – both locally and globally – via its applied research agenda and exploration into creating innovation centres across technology, business and industry.

The college's newest learning environments are designed to meet emerging market demands, including the AI Hub and the Centre for Craft Brewing Innovation (CCBI), which positions DC as a leader in the flourishing craft brew market, enabling the college to meet the demands of this growing industry boom by offering brewers access to expertise and state-of-the-art technology while enabling students to gain valuable experience working on applied research brewing projects.

For students who hold a diverse skill set, according to Lessard, the world really will be their oyster moving forward suggesting that "students focus on diversifying their education among distinct interests which will help serve them better in the long run."

So, how does that translate into careers for graduates? From Maraj's perspective, "society will continue to see an uptrend in technology-based careers such as computer programming and coding-related jobs, as they relate to a wide variety of industries including a shift in work culture with more companies empowering autonomy among employees while emphasizing teambuilding in a more relaxed work environment."

Lastly, by promoting collaborative, open dialogue on campus, DC's students will continue to develop a sense of self that will serve them well in their careers, according to Hector-Alexander. "Our graduates recognize their value in the workplace environment, as well as their role in advocating for a seat at the table to bring discussion about empathy and diversity to the forefront."

Whether it's through advancing high-impact technology in leading business and industry, producing graduates ready to develop real solutions to global challenges for a sustainable future or shaping meaningful discussion and cultivating community around issues of diversity, inclusiveness and mental health for a stronger, more resilient humanity, DC is tremendously excited about the endless possibilities to innovate the future, together!

Applied research: bringing ideas to life

One of Canada's Top 50 Research Colleges year after year, and a leader in post-secondary education, DC thrives on innovative applied research conducted in collaboration with industry, students, employees and community organizations via our Office of Research Services, Innovation and Entrepreneurship (ORSIE). This includes our commitment to solving business, technological and social challenges through applied research projects designed to advance the economic prosperity of Durham Region and beyond. In addition, it includes the introduction of advanced resources such as the for AI Hub, which launched in December 2017 and offers small-and-medium-sized enterprises (SMEs) an access point to the rapidly growing field of Artificial Intelligence (AI) and the new Centre for Craft Brewing Innovation, which launched in March 2018 and offers craft brewers access to expertise and state-of-the-art technology, as well as micro-analytical and research services. The following examples showcase only some of the projects ORSIE has engaged in over the past year.

ORSIE success stories

Seventh annual Research Day focuses on advancing innovation and entrepreneurship

In spring 2017, ORSIE hosted its seventh annual Research Day at the college's Oshawa campus, highlighting the leading-edge applied research being conducted by DC in collaboration with industry and institutional and community partners in areas including data analytics, automation and mobile applications. Aimed at exhibiting the significant impact of applied research in the community while demonstrating how DC students increasingly benefit from such learning opportunities, the event featured Ryan Turnbull, founder and president of Eco-Ethonomics Inc., who spoke about the advancement of social innovation and social enterprises in Canada. In addition, the WeTraq, a global tracking device designed to help families stay connected to loved ones living with autism, dementia and Alzheimer's disease was also presented. The credit card-sized device, which remains with a person at risk of wandering so family members can track their whereabouts around the world, was conceptualized by WeTraq and brought to life through collaboration with DC students and faculty.

DC grant program aimed at small businesses

In fall 2017, as part of a grant program launched in partnership with the University of Ontario Institute of Technology (UOIT) and Spark Innovation Centre, the college invited small businesses looking for support to develop products focused on robotics, automation or controls, to tap into ORSIE's local expertise. Through funding from the National Research Council Industrial Research Assistance Program, local companies accessed a variety of services for assistance with the development of a business/marketing plan; modification of control software; and prototype design/development with successful applicants given access to leading research and testing facilities at the shared DC-UOIT Oshawa campus.

DC named one of Canada's Top 50 Research Colleges for fifth consecutive year

In fall 2017, DC was named one of Canada's top 50 research colleges by Research Infosource Inc. for the fifth year in a row, clearly demonstrating the college's calibre in applied research and commitment to solving real-world challenges through innovation and collaboration under four themes – cultivating healthy lives and resilient communities; advancing agriculture, agri-business and tourism; enabling technologies of the future; and enhancing scholarly teaching and learning. In particular, DC is focused on enabling technologies of the future and helping organizations develop, customize and implement state-of-the-art artificial intelligence (AI) systems and practices into business solutions through its new AI Hub.

DC takings leading role in AI research

2017-2018 saw DC take a leading role in AI applied research beginning with the launch of the first-of-its-kind AI Hub at the Oshawa campus in late 2017. Housed within ORSIE, the hub offers SMEs an access point to the rapidly growing field of AI, including access to technical expertise; state-of-the-art facilities and learning platforms; and emerging student leaders. This was followed by the announcement of a partnership between the AI Hub and iCare Home Health (iCare) in winter 2018 to bring advanced AI features to iCare's mobile application for health-care delivery across distances. DC professor Amit Maraj and his team of research assistants, in conjunction with the AI Hub, are working to add AI voice control functionality to iCare's Health Espresso app. Lastly, in winter 2018, ORSIE was awarded \$250,000 through the province's Colleges Applied Research and Development Fund (CARDF) to support the development and adoption of AI in business solutions. Focused on narrow AI (e.g. software that uses technologies such as machine learning, decision support, natural language processing and automation to make business recommendations, autonomously make decisions, or take action in a manner that would be considered intelligent) the CARDF research is designed to help SMEs uncover new business insights while providing intelligent and autonomous solutions designed to increase a company's productivity and growth.

DC signs collaboration agreement with Lakeridge Health

In winter 2018, the college announced a five-year collaboration with Lakeridge Health focused on growing experiential learning, applied research and innovative education to address issues in health care. Under the agreement, the two organizations are collaborating to establish initiatives focused on improving health care; foster partnerships to enable the formulation and potential commercialization of new technologies; co-ordinate joint opportunities in experiential learning, applied research and innovative education; contribute to seminars, workshops and academic initiatives that support the vision of both organizations; and share access to facilities, equipment, systems, information and data.

The agreement supports two of the four themes under ORSIE's research umbrella; enabling technologies of the future and cultivating healthy lives and resilient communities, and aligns with the college's first degree program, the Honours Bachelor of Health Care Technology Management (BHCTM), announced in early 2017.

New Centre for Craft Brewing Innovation launches at DC

In spring 2018, DC announced the opening of the Centre for Craft Brewing Innovation (CCBI) at the Whitby campus. Consisting of a pilot brew line and brew lab purchased using a \$150,000 Applied Research Tools and Instruments grant from the Natural Sciences and Engineering Research Council of Canada, the CCBI offers craft brewers access to expertise and state-of-the-art technology, as well as micro-analytical and research services. Under the direction of an experienced microbiologist and brewmaster, craft brewers can address potential brewing challenges by experimenting with new recipes and flavour profiles, propagating and maintaining yeast strains and conducting scientific analyses to ensure the analytical and microbiological integrity of beer. In addition, students can gain valuable working knowledge via research projects with brewers and applying what they learn in the classroom to address industry issues.

By the numbers:

- Total funding approved: \$1,005,242
- Project funding received in the 2017-2018 fiscal year: \$607,682
- Total amount of industry cash and industry in-kind cash: \$327,560
- Total amount of administration funding: \$70,000
- Total number of projects: 40
- Students involved: 65
- Employees involved: 20
- Top 50 Research College

Success stories

Highlighting the 2017-2018 achievements of our students, our people, our business and our community.

Our students**Alumnus wins provincial accessibility award**

In spring 2017, John Draper, a 2005 graduate of the Journalism program and founder of Together We Rock!, was honoured with the David C. Onley award for Leadership in Accessibility, which recognizes individuals who go above and beyond to raise awareness about accessibility and contribute to a culture of inclusion across the province. A valued alumni guest presenter, he was also honoured as an Alumnus of Distinction in 2007 for his accessibility efforts. While a DC student, Draper wrote for The Chronicle newspaper and Reflections magazine and was a student member of the Canadian Association of Journalists. Diagnosed with cerebral palsy at birth, he uses non-verbal humour to encourage others in doing what they can to help create a world where everyone belongs.

Fine Arts students paint milestones for Canada 150

In June 2017, students from the Fine Arts – Advanced program, housed under the School of Media, Art & Design, were given the opportunity to bring creativity to one of Oshawa's downtown buildings as part of their Community Collaborations course. Students painted on the windows of the Arts Resource Centre near Oshawa City Hall to commemorate Canada's 150th birthday and other milestone anniversaries being celebrated by community partners in 2017, including the college's 50th anniversary, with each student tasked with designing a window that captured an organization's spirit or a certain period from its history.

Dental Hygiene students help individuals in need

In spring 2017, 36 Dental Hygiene students in their fifth semester of study, had the opportunity to utilize their skills while giving back to the community. Joined by seven program graduates and four faculty members, the students provided dental hygiene care to clients of Health Mission Outreach in Brampton. They treated more than 100 people who otherwise would not have had access to basic dental care while practising many of their skills including providing assessments, periodontal debridement, fluoride treatments and oral hygiene instructions. Prior to their work with Health Mission Outreach, students gained real-world work experience treating clients at the college's Dental Hygiene Clinic and through field placements and additional volunteer work, including education and dental screenings at The Refuge youth shelter in Oshawa.

DC alumnus receives Ontario Award for Paramedic Bravery

In spring 2017, the provincial government presented Dominic Rehayem, a graduate of DC's Advanced Care Paramedic program, with the Ontario Award for Paramedic Bravery in honour of a heroic rescue he made in 2015 when working as an advanced care paramedic with the Hastings-Quinte Paramedic Services. In April 2015, Rehayem rescued a man who fell into a river following an all-terrain vehicle (ATV) accident. After a 20-minute ATV search, Rehayem found the man freezing on the other side of the river. He then provided him with his own clothing, strapped the man to his body and swam back across the river. The annual award recognizes paramedics for individual acts of outstanding courage.

Alumnus wins Ontario Premier's Award

In fall 2017, Brent Lessard, a 2014 graduate of DC's Mechanical Engineering Technology program, was honoured with an Ontario Premier's Award, which acknowledges the social and economic contributions college graduates make to the province and throughout the world. Lessard was recognized for his leadership in revolutionizing the future of transportation via rLoop, a non-profit, crowd-funded and sourced online think tank and talent resource that was founded in 2014. Connecting the rLoop team, which is comprised of 1,100 members from more than 50 countries, Lessard and his team are focused on the development of a conceptual, high-speed transportation system called Hyperloop that propels people or cargo from place to place at the speed of sound in a low-pressure tube using sustainable and cost-efficient energy.

DC students win competition hosted by Canoe Restaurant

In November 2017, five Centre for Food (CFF) students won a student series competition hosted by Canoe Restaurant in Toronto as part of Canada's 150 celebrations. The competition asked entrants to create a video answering the question, what does Canadian food mean to you. The winning video was submitted by Casey Chessman (Horticulture – Food and Farming), Tamara Green, Khadijah Hosein and Emilie Woytowich (Advanced Baking and Pastry Arts) and Ikra Ijaz (Hospitality – Hotel and Restaurant Operations Management), and was inspired by Green's Indigenous heritage and the diverse backgrounds of all team members. The team used the Three Sisters (corn, beans and squash) as an analogy for Canada's multiculturalism and its positive impact on the evolution of Canadian cuisine.

DC student earns trip to Rockwell Automation Fair

In winter 2018, Jordan Jolicoeur, a third-year Electromechanical Engineering Technology program student, won a career-launching, all-expenses-paid trip to the annual Rockwell Automation Fair in Houston, Texas, courtesy of industry leader Westburne Electric (Westburne). He spent two days networking with experts in the field and gaining valuable insight into future career options. Westburne initially approached DC about sponsoring a student based the reputation of its Electromechanical Engineering Technology program, which is ranked number one in the province for knowledge and skills, quality of learning experience, graduate satisfaction, and graduation rate. Jolicoeur, the only student sent by Westburne to the fair, was selected based on his grade point average and a testimonial as to why he should attend.

MAD student represents DC at international design competition

In winter 2018, Evgenia Nazarenko, a third-year Graphic Design student, tested her skills at an international level while representing DC at the Young Designers Award Competition held in California. Nazarenko was the sole Canadian participant at the annual, invitation-only event, which showcases the extraordinary talents of college students studying packaging and design. Following the competition, Nazarenko's work was showcased in California during the month of February.

DC students present AI project on Parliament Hill

In winter 2018, students, faculty researchers and representatives from [ORSIE](#) participated in Colleges and Institutes Canada's (CICan) annual Applied Research Symposium where they presented an [Interactive Accessibility Assistant using AI during a special showcase on Parliament Hill](#). Initially funded by DC, the Interactive Accessibility project was launched to develop software for accurate closed captioning of teaching materials to improve accessibility offerings and learning experiences for students at the college. The solution was developed by integrating several signal- and language- processing AI architectures and incorporating sound and natural-language AI processing in a new and unique way.

Culinary Management graduate wins bronze at Chef Ireland 2018

Victoria Rinsma, a recent graduate of the [Culinary Management program](#), [earned a bronze medal at Chef Ireland 2018](#), part of the [Chef Ireland Culinary Competitions](#), which took place in Dublin in winter 2018. Representing the Institute of Technology Tralee's (ITT) Hotel, Culinary Arts and Tourism Department, Rinsma was part of a four-person team that competed across three categories, winning a bronze medal in the Irish Beef Fillet competition open class. While studying at DC, Rinsma was part of the winning team at the [2016 Taste Canada Cook the Books competition](#) and received DC's Gold Medal Award 2017, which honours the college's top culinary student. Her success and passion for food led her to pursue a three-year Bachelor of Arts in Culinary Arts at ITT, a long-standing partner of DC.

DC-student newspaper recognized by Ontario Community Newspaper Association

In April 2017, [The Chronicle](#), the college's newspaper and website produced by students and faculty in the [Journalism – Mass Media](#) program, was recognized by the [Ontario Community Newspaper Association's 2017 Better Newspapers Competition](#). In addition, [The Chronicle website](#) was a finalist in the Best College or University Newspaper Website category.

Students wow at Teaching City Hackathon

In spring 2018, a team of DC students finished second in the first-ever Teaching City Hackathon. Held on International Open Data Day, the event saw 10 teams of [Oshawa-based post-secondary students compete](#) for a chance to win \$1,500 by proposing a solution to a public policy challenge focused on improving residential rental housing in Oshawa. Members of the DC team, known as P.A.M., received a \$750 prize for their solution; a website focused on the inclusivity of Oshawa's most marginalized populations.

Our people

DC employees go global via Leave for Change program

Three DC employees represented the college on a global scale [as part of the first cohort of the Leave for Change program](#) under Uniterra, Canada's largest international volunteer co-operation program. Dale Burt, a professor with the School of Justice & Emergency Services; Cosette Kazarian, SharePoint officer, Communications and Marketing; and Kim Sharpe, program assistant, School of Continuing Education, turned their vacations into short-term leaves and transferred their unique skills and experience to projects in developing countries. Burt trained faculty in the School of Economics at Danang University in Danang, Vietnam during July 2017; Kazarian worked in a marketing and communications advisor role with the Ruhunu Tourism Bureau in Galle, Sri Lanka in January 2018; and Sharpe worked with the National Youth Federation Nepal in Kathmandu, Nepal in June 2018.

DC awards sixth honorary credential to Edith Alger

In summer 2017, the college awarded Edith Alger with its sixth honorary credential during spring convocation. With the college's honorary credential recognizing individuals who have made outstanding contributions to the advancement of DC, Durham Region and/or beyond in the areas of leadership, innovation and partnerships, Alger, a long-time Oshawa resident and community philanthropist, received her diploma in Community Development. A former member of the DC Board of Governors, Alger served on the DC President's Advisory Committee, providing insight into the initial partnership between the college and UOIT.

Celebration of Excellence and Distinction

In summer 2017, DC welcomed guests to the CFF for the college's first-ever Celebration of Excellence and Distinction in recognition of the achievements and successes of DC alumni, employees and community partners during the college's 50th anniversary year. Guests reconnected with fellow Alumni of Distinction winners and recipients of the Founder's Cup, President's Award of Excellence, Employee Awards of Excellence, Honorary Credential and Emeritus Award.

DC athletic therapist recognized for life-saving actions

In summer 2017, Saul Behrman, an athletic therapist with the Campus Health Centre, received the Canadian Athletic Therapists Association (CATA) Merit Award for his actions during a Durham Lords basketball game in winter 2017. The award recognizes CATA members who, through their immediate actions, save a life, prevent serious injury or perform outstanding emergency service. Behrman leapt into action to provide emergency medical attention to a referee, working alongside a visiting student athletic therapist from Centennial College to stabilize him and the Campus Emergency Response Team until paramedics arrived.

DC Indigenizes its curricula

In summer 2017, DC faculty Indigenized the curricula for several academic programs including Broadcasting – Radio and Contemporary Media; Police Foundations; and Protection, Security and Investigation in response to specific calls to action included in the final Truth and Reconciliation Commission of Canada report, released in 2015. Faculty worked closely with Aboriginal student advisors and visiting Elders in the college's Aboriginal Student Centre to significantly increase the Indigenous content of their programs for the 2017-2018 academic year. This change is designed to give students a better grasp of Canada's shared history and issues connected to Indigenous communities in order to inform how they approach and work within their chosen fields.

DC president named Business Person of the Year

In fall 2017, DC president Don Lovisa was named Business Person of the Year by the Greater Oshawa Chamber of Commerce at the Business Excellence Awards. Held each year to recognize the success and outstanding contributions of companies and individuals within the Greater Oshawa business community, the awards honour individuals and/or businesses in several categories. In naming Lovisa Business Person of the Year, the award jury considered his strengths in all areas of business as well as his leadership within the community.

DC employees volunteer with St. Vincent Pallotti's Kitchen

Continuing a tradition of volunteerism that began in 2016, DC employees contributed more than 700 volunteer hours to St. Vincent's Kitchen over the past year. The DC team worked in the kitchen once a month during regular working hours, providing assistance with meal preparation, set up, serving, and clean up while fostering the college's strong connection to the local community.

2017 campus Holiday Food Drive supports 150 families

The 2017 campus Holiday Food Drive was another resounding success, providing hampers and financial assistance to 150 DC and UOIT student families in need. In December 2017, the campus community donated non-perishable food items, contributed financially toward the purchase of fresh food, and helped to pack and deliver hampers. The annual event is organized by the college, university, the Kinsmen Club of Oshawa, the UOIT Student Union and Durham College Students Inc.

International Development Week held in February

In winter 2018, the college joined individuals and organizations for Global Affairs Canada's International Development Week (IDW). With the theme of Partners for a Better World, which aligns with DC's newly launched Internationalization and Global Engagement Plan, the college's International Education office conducted a full week of Internationalization@Home activities for employees and students, ranging from professional development sessions and informative brown bag lunches to social events. Established in 1991, IDW is a Canadian tradition that encourages nationwide participation in building a better, more inclusive, peaceful and prosperous world.

DC employee represents Canada at FISU Games

In summer 2017, Christopher Cameron, sports information and special events co-ordinator for DC and UOIT, joined Team Canada in Taipei, Taiwan as a communications officer as part of the 2017 International University Sports Federation Summer Universiade delegation. Cameron handled several tasks for Team Canada including social media, media releases and photography.

Two DC employees honoured by Enactus Canada

In spring 2017, Jay Fisher, a professor with the School of Business, IT & Management, and Lindsey Jeremiah, the entrepreneurship co-ordinator for ORSIE, were inducted as John Dobson Enactus Fellows at the Enactus Canada National Competition in Vancouver, British Columbia. The award is given to faculty advisors who have made outstanding contributions as mentors and coaches. In addition, Fisher also received Enactus Canada's Rookie Faculty Advisor of the Year award for providing support and leadership to the EnactusDC team. The award is presented to a new faculty advisor who, during the past academic year, has made an outstanding contribution as a mentor and coach to students involved in the Enactus program on their campus.

DC raises record-breaking amount for United Way

In spring 2017, employees came together to raise \$25,032 in support of United Way Durham Region through the college's annual United Way campaign. Funds were collected via several different payment methods including DC's third annual United Way Table Challenge and a Corkscrews for the Cause fundraiser.

Our business

CFF welcomes first apiary to campus

In summer 2017, the CFF became home to hundreds of honey bees when the college's first apiary arrived on campus. In support of the college's field-to-fork vision, the apiary is expanding the sustainability and growth already in place at the CFF via a pollinator garden, greenhouses, fruit and vegetable fields and an arboretum. It's a win-win as the bees are helping the college's crops to flourish while DC does its part to protect the honey bee population. A honey yield is expected for sale this year at Pantry, for use in food and drink items at Bistro '67 and in the CFF's labs.

Provincial government invests \$1.9 million in legacy funding

In spring 2017, DC received \$1.9 million in legacy funding as part of an Ontario government investment in colleges across the province to celebrate the 50th anniversary of the Ontario college system. The idea of partnering with the government to establish a legacy fund of \$50 million for 50 years, was proposed by Don Lovisa, president of DC and chair of the Colleges Ontario 50th anniversary task force, to benefit Ontario's colleges in a meaningful way. DC is using a portion of the funds to construct a two-storey galleria at the Whitby campus, providing much needed touchdown space and collaboration zones for the campus's more than 2,000 full-time students.

Bistro '67 named one of Canada's 150 best neighbourhood gems

In spring 2017, Bistro '67, the college's full-service, teaching-inspired restaurant, was named one of the 150 Best Neighbourhood Gems in Canada by OpenTable, the world's leading provider of online restaurant reservations. OpenTable developed its list of unique local restaurants that define neighbourhoods across the country in honour of Canada's 150th birthday with the reservation provider drawing upon more than 480,000 reviews for more than 2,000 restaurants. The list highlights unique establishments, from quaint European-style cafés to sizzling Asian kitchens and everything in between, including Bistro '67.

DC named one of Canada's Greenest Employers

In spring 2017, DC was named one of Canada's Greenest Employers as part of a 2017 editorial competition organized by the Canada's Top 100 Employers project. The designation recognizes employers that lead the nation in creating a culture of environmental awareness including unique environmental initiatives or programs; environmental footprint reduction; employee involvement in environmental programs; and whether environmental initiatives are linked to public identity in terms of attracting new people to an organization. DC was recognized for its Living Green initiative and participation as an early signatory to the Pan Canadian Protocol for Sustainability along with additional environmental features found within the college's buildings. This includes its 350-panel photovoltaic rooftop solar array, geothermal heating and cooling system and centralized building automation system that monitors multiple campus buildings.

TD Bank Group donates \$100,000 to CFCE

In spring 2017, TD Bank Group (TD) announced a \$100,000 contribution to support the construction of the CFCE at the Oshawa campus. The donation was directed toward the college's Centre for Indigenous Peoples as well as the green construction elements being incorporated throughout the building, reflecting TD's commitment to environmental practices and Indigenous Peoples and communities. Once constructed, the CFCE will offer larger, more natural space for Indigenous students, employees and community members that will accommodate traditional practices such as smudging and provide increased access to modern learning. The green construction elements will include the unique TD Green Roof, a living wall, solar panels and low-light fixtures.

DC receives Silver STARS rating

In summer 2017, DC received a silver rating from the Sustainability Tracking Assessment and Rating System (STARS), offered through the Association for the Advancement of Sustainability in Higher Education, for its on-campus sustainability initiatives. The comprehensive rating tool compares the sustainability initiatives of participating colleges and universities including education and research; operations; planning and administration; and engagement with each category holding a percentage-based score. With environmental responsibility a key focus of the college's Sustainability Committee and Living Green initiative, the college continually implements changes to increase its green activities and operationalize sustainability programs including the use of solar panels, geothermal heating and cooling, co-mingle waste bins and low-flow toilets. DC previously achieved a bronze STARS rating in 2012.

First four-year degree program

In summer 2017, the college announced that its first degree program, the Honours Bachelor of Health Care Technology Management (HCTM), would launch in fall 2018. The first program of its kind in Canada, the HCTM program aims to address an identified need in the health-care sector for professionals with a hybrid skill set in medical technologies, life sciences and business practices. Students will develop knowledge in the principles of health-care management and business practices; the management of biomedical technology; safety; and regulatory and legislative requirements to support industry standards and positive patient outcomes. Learning will occur in the classroom, laboratories and the field, preparing graduates to bridge the gap between health-care business management, clinical practices and the comprehensive technological requirements related to the planning, procurement and management of biomedical equipment.

DC celebrates 50 amazing years with Homecoming Weekend

In fall 2017, 2,000 community members helped DC celebrate its 50th anniversary during Homecoming Weekend. The event saw students – past, present and future – join DC employees and retirees, and their families, for three fun-filled days of music, meals and memories to commemorate the milestone birthday. The event kicked off with live music from local soul band Professors of Funk and rising Canadian country music star Eric Ethridge. Media personalities Steve Paikin, host of TV's *The Agenda*, spoke to a packed room about former premier and Ontario college system founder Bill Davis, and TSN's Kate Beirness, former voice of the Durham Lords, gave the keynote address at the DC Sports Hall of Fame induction ceremony. Additional activities included Family Day festivities and a Party Through the Decades, which took partygoers back in time and offered a live performance from singer-songwriter Colin James.

DC recognized by Enbridge for energy conservation efforts

In fall 2017, DC received a plaque and energy retrofit rebate cheque from Enbridge Gas Distribution (Enbridge) in recognition of the successful energy conservation initiatives under the college's Conservation and Demand Management Plan, in conjunction with its overall commitment to reducing its carbon footprint. This includes the implementation of Demand Controlled Ventilation in the CFF, which allows the building's systems to automatically adjust the amount of air exchange inside by controlling the amount of fresh air coming in and exhaust air leaving. This reduction in air exchange translates to lower energy usage by decreasing the amount of air that requires heating, cooling, humidification or dehumidification.

DC signs first-of-its-kind agreement with Canada's leading cannabis health-care service

In winter 2018, DC and Emblem Corp. (Emblem), on behalf of health and education subsidiary GrowWise Health Limited (GrowWise), signed a memorandum of understanding (MOU) to begin the integration of cannabis-related learning into many of DC's post-secondary programs and professional development courses. The MOU marks the first-ever agreement between a cannabis education service and a post-secondary institution in the province and builds on DC's highly successful Medical Cannabis Fundamentals for Business Professionals course, introduced by the School of Continuing Education, in collaboration with GrowWise, in 2017. It will also enable the college to offer work placements with cannabis industry partners; open the door for eventual applied research opportunities; and identify applied research and experiential learning opportunities in the medical and recreational cannabis industries.

DC receives \$14.7 million in funding to combat climate change

In March 2018, DC received \$14.7 million in funding from the provincial government through the Greenhouse Gas Campus Retrofits Program, part of the Ministry of Advanced Education and Skills Development's five-year Climate Change Action Plan 2016-2020. This includes \$9.1 million to fund the new Simcoe Geothermal Field project at the Oshawa campus, part of a multi-year initiative to create a net-zero carbon footprint in existing campus buildings by using reclaimed land to install a geothermal field, and a new central plant and piping network. The college is using \$1.45 million to complete upgrades of existing facilities and \$4.1 million is in the form of an eligible interest-free loan with its uses still being explored. The geothermal field and new heat pump plant will become a living lab in many programs to address new green-energy technologies and careers.

Personal video conferencing introduced at Campus Health Centre

In spring 2017, the college introduced personal computer video conferencing (PCVC) through the Campus Health Centre (CHC) for students referred to a psychiatrist by a CHC doctor, enabling them to access faster, more convenient mental health care. Delivered through a partnership with the Ontario Telemedicine Network, DC is one of the first colleges in Ontario to adopt this technology. Students use PCVC in a private room at the CHC to connect directly with a psychiatrist in a hospital via webcam, receiving a one-time, secure consultation to determine a recommended care plan. This eliminates the wait and travel time typically associated with an off-campus service provider.

DC launches new website

In fall 2017, DC launched a new website that provides users with an intuitive and engaging online experience and enables the college to share pertinent information while connecting with current and prospective students, parents, employees and community and industry partners. New site features include a mobile-first design; social and multi-media connectivity; and an improved website filtering function that enables users to better narrow down their program searches based on areas of interest, program length, admission requirements, courses offered and cost.

DC launches new enrolment management plan

With the post-secondary landscape continually evolving, the college launched its new enrolment management plan (EMP) in winter 2018. The plan considers a variety of external factors (e.g. changing student demographics, competition in a growing global market and changing government policy) and the need to address them in a meaningful way. This includes identifying goals and objectives for the college's enrolment, retention, graduation and employment, and providing a solid foundation for the development and operation of strategies designed to meet and achieve both over the next three years.

Gold and diamonds from Durham residents for DC

In fall 2017, DC was recognized with several Readers' Choice awards, receiving diamond for Continuing Education; Trade School; Durham College Employment Services; and Bistro '67 as well as gold for Kid's Camps. The annual Readers' Choice nominees are chosen by residents who select their favourite businesses for the products and services they offer in Ajax, Pickering, Whitby, Oshawa and Clarington.

DC creates stand-alone Service Animal Policy and Procedure

In fall 2017, DC created a new Service Animal Policy and Procedure in recognition of the growing number of students relying on the support of service animals to help with a wide range of exceptionalities, needs and challenges. While many people are aware of guide dogs to help individuals who are visually impaired, there is increasing reliance on service animals to assist those with less visible exceptionalities. As part of DC's accommodation evolution, the college's Accessibility Committee drafted its first stand-alone Service Animal Policy and Procedure to ensure compliance with the Accessibility for Ontarians with Disabilities Act while furthering inclusivity for students, employees and visitors.

DC publicly launches Building Something Amazing capital campaign

In fall 2017, DC publicly launched the Building Something Amazing fundraising campaign in support of the CFCE. After receiving funding from all levels of government, DC was tasked with raising an additional \$5 million to complete the construction of the new centre and, after reaching 75 per cent of its goal, launched a public campaign to raise the remaining \$1.2 million. When completed, the multi-level CFCE will provide 75,000-square-foot of space and serve as an educational access point for students while bringing together local, Indigenous and global community groups and members of key business sectors.

DC completes 50th anniversary celebrations

The end of 2017 marked the completion of DC's 50th anniversary celebrations. With the college recognizing five decades of tremendous success in partnership with students, employees, graduates, business partners, the community, and beyond, it hosted several events and activities during the latter half of 2017. These included the ongoing DC Brewing Memories Coffee Tour, which brought coffee and treats to 50 workplaces that employ DC graduates for a chance to hear their success stories and learn where their career paths have taken them; 50 Acts of Kindness, a project that challenged all students, employees, alumni, retirees, classes, programs, departments and schools to go into the community and make a difference through kindness; and Homecoming weekend, a two-day celebration including a decade-themed dance featuring Canadian rock star Colin James.

Our community

DC hosts black male empowerment conference on campus

In May 2017, DC welcomed 300 guests to campus as host of The Cypher: Black Male Empowerment Conference, an initiative of the Durham District School Board (DDSB). The conference provided black male students from grades 8 to 10 with the opportunity to learn about future academic pathways and positive transitions while experiencing the college's unique learning environment. Students also met with community leaders, including award-winning spoken word poet and conference keynote speaker, Dwayne Morgan and DDSB alumni youth speaker, Francis Asheri, who won the TD Scholarship for Community Leadership in 2014. Throughout the day, students also participated in a variety of presentations from DDSB alumni, teachers and community members.

DC signs MOU to help Oshawa become world's first TeachingCity

In summer 2017, DC, UOIT, the University of Toronto's Faculty of Applied Science and Engineering and the Canadian Urban Institute, [signed a memorandum of understanding \(MOU\) to work together to help Oshawa become the world's first TeachingCity](#). Throughout the project, the MOU signatories, along with local and regional partners, will develop the city as a living laboratory to address and study complex urban issues and identify opportunities with a goal to position Oshawa as a city focused on experiential learning, applied research and innovative teaching partnerships.

North Oshawa Farmers' Market held at DC

From summer to fall 2017, DC hosted the North Oshawa Farmers' Market every second Sunday at the Oshawa campus with the market offering a wide variety of local produce, meats, pastries and other goods.

North American Indigenous Games participants call DC home

In summer 2017, more than 400 participants at the 2017 [North American Indigenous Games \(NAIG\)](#) called DC home as participants, including competitors, coaches, families and organizers, stayed at the college's residences for the duration of the event. Presented by the City of Toronto, NAIG hosted more than 5,000 participants, 2,000 volunteers and countless spectators for 14 sport categories held at world-class venues located across the Greater Toronto Area.

DC's global class hosts fake news summit

In April 2017, employees, students and the community participated in an international student summit called [Stopping the Spread of Fake News – Our Role and Responsibility](#). Craig Silverman, media editor for BuzzFeed News, and more than 90 post-secondary students from three locations around the world participated in an important discussion about the impact of fake news on democracy with Silverman leading the discussion from BuzzFeed's head office in New York City. Participants also reflected on their own role and responsibility in the spread of fake news and began to craft solutions to address this urgent social concern.

DC launches sustainability assessment and green office challenge

As part of its ongoing commitment to environmental responsibility, the [DC Sustainability office](#) launched two new initiatives to encourage sustainable behaviours during 2017-2018 – a campus-wide sustainability assessment and the Green Office Challenge. The assessment evaluated how offices operate with the environment in mind and the challenge encouraged offices to work as teams to increase sustainable practices and reduce the college's impact on the environment. Following each sustainability assessment, offices had the opportunity to sign up to receive a sustainability starter kit and bronze, silver or gold ratings were awarded at the end of the challenge.

Sports shorts

2017-2018 marked another successful year for the DC athletic department including:

- Women's basketball player Lindsay Panchan, women's volleyball player Allison Marshall and men's volleyball player Harrison Wood being named DC athletes of the year at the 47th annual Athletic Banquet.
- DC introducing women's rugby sevens as a varsity sport and men's rugby making its return.
- Women's volleyball alumna Jenn Bowers representing Canada at the World Masters Games in New Zealand, competing in both the javelin and sprint events.
- The Department of Athletics, in conjunction with the college's 50th anniversary celebrations, highlighting the 50 greatest achievements in Lords history.
- The induction of the 1996-97 men's basketball, 1996-97 women's basketball, 2002 to 2005 women's softball and 2007-08 women's soccer teams into the DC Sports Hall of Fame.
- DC hosting the top intercollegiate baseball teams in the country for the second straight year at the 2017 Canadian College Baseball National Championship.
- DC men's golf team winning bronze at the OCAA golf championship, placing on the podium for the first time since 2014.
- DC hosting the 2017 PING Canadian Collegiate Athletic Association (CCAA) Golf Championship at Royal Ashburn Golf Course.
- Women's basketball alumna Lindsay Panchan being signed to Bergische Loewen of Damen-Basketball-Bundesliga's (DBBL) second division in Germany.
- Women's softball player Marina Christie being named the OCAA softball batting champion, becoming the first player from DC to receive the honour since 2012.
- Men's baseball player Brodie Harkness becoming the first Durham Lord to be named OCAA pitcher of the year.
- The women's softball team winning its third straight OCAA championship.
- Women's soccer player Bailey Colangelo winning the overall rookie of the year at the OCAA women's soccer championship awards, becoming the first Lord to receive this honour since 2008.
- Bruce Cullen, captain of the men's soccer team being named a CCAA All-Canadian, the 11th in the history of the college's men's soccer program.
- The men's soccer team making history by winning its first championship title since 1997.
- Men's volleyball player Erik Janssen becoming the team's all-time points leader with 794 in his OCAA career.
- DC basketball and volleyball student-athletes earning seven OCAA all-star awards.

International success stories

DC selected as a lead institution for Kenya Education for Employment Program

In summer 2017, DC was selected as the lead institution to support the capacity-building goals of the Kenya Education for Employment Program (KEFEP) via a three-year partnership with Olds College (Olds) and Algonquin College (Algonquin). The result of the joint proposal by all three institutions, the project began in May and will conclude in September 2020 with funding being provided via a \$880,000 contribution from Colleges and Institutes Canada (CICan) and a \$231,968 in-kind contribution from DC, Olds and Algonquin, for a total of 1.1 million. As project lead, DC is working with Kitale National Polytechnic and the Eldoret National Polytechnic in Kenya, providing support to its institutional leadership and assisting with the implementation of Kenya's technical and vocational education and training reforms. KEFEP is a five-year initiative focused on strengthening and supporting technical and vocational education and training in Kenya that is funded through Global Affairs Canada.

DC chosen for a second KEFEP partnership

In summer 2017, DC was selected for a second partnership in support of KEFEP as part of a Canadian consortium being led by Humber College in conjunction with Vancouver Island University and Selkirk College. The four institutions will collaborate with three Kenyan institutions, Kisumu National Polytechnic, Kisii National Polytechnic and Sigalagala National Polytechnic to support their goal to develop a Renewable Energies program.

DC welcomes more than 700 international students to orientation

In fall 2017, DC welcomed more than 700 new international students from 52 countries across the world to International Student Orientation where they learned about the many services and supports available to them as they began their post-secondary journey in Canada. Students received guidance on how to adapt to the college environment, attended workshops on finding part-time work in Canada and the Canadian classroom, learned how to find local housing, and gained information about building a future in Canada. They also participated in the Race Around DC event, a fun twist on the traditional campus tour, inspired by The Amazing Race Canada complete with clues, mini-challenges and checkpoints at key campus locations designed to familiarize them with all DC has to offer.

DC completes partnership in Guyana

In fall 2017, DC's three-year Caribbean Education for Employment: Driving World Connections project, supported by Colleges and Institutes Canada and Global Affairs Canada, came to a successful conclusion during a closing ceremony in Georgetown, Guyana. A DC contingent travelled to Georgetown to participate in the ceremony, which was also attended by Guyana's Minister of Education Nicolette Henry who emphasized the importance of technical and vocational education and training to Guyana. Project initiatives included structured training for Guyanese faculty to modernize their automotive curriculum, technical training on new equipment, capacity-building in applied teaching strategies, support for the Government Technical Institute (GTI) to build sustainable relationships with internal and external stakeholders and fostering the growth of the leadership and change management skills of GTI's administrative team.

DC hosts Kenyan education delegation

In fall 2017, DC hosted four days of workshops for delegates from five Kenyan national polytechnics as part of its participation in KEFEP. A diverse, cross-sectional group of college employees delivered workshops on leadership and change management; gender mainstreaming; industry engagement; and program advisory committees. A vital component of DC's internationalization strategy, KEFEP is a strong example of partner-driven capacity-building projects that work toward sustainable results and professional development opportunities for all parties.

DC launches dedicated app for prospective international students

In spring 2018, the college pioneered a mobile application for those looking to study in Canada as part of its commitment to providing the best possible international student experience. The Durham Assist app, developed in partnership with Canadian developer Maple Assist Inc. and three other Canadian colleges, is a one-stop shop for students, providing the information they need to know about studying in Canada, and at DC. Currently being piloted with potential and new students coming from India, the application is designed to streamline communication between the college and international students, simplify the application and study permit process, ensure students are better prepared for the cultural and academic transition to Canada, and support transportation and arrival planning and services. DC's international team opted for a mobile application to improve student service based on the ever-increasing prevalence of smartphones around the world.

International highlights:

- More than 1,400 international students from 61 countries were studying at DC as of January 2018 with that number expected to grow to 1,700 by September 2018.
- Continuing its strong commitment to support international training and education, more than 50 employees delivered hundreds of workshops at DC and abroad with 60 employees participating in international professional development and capacity-building workshops on campus and in Peru, Guyana, Vietnam, Barbados and Kenya.
- More than 43 international partners or prospective partners were hosted on campus between April 2017 and March 2018.
- Through collaboration between the Human Resources and International Education departments, DC employees participated in Leave for Change, offered through UNITERRA, Canada's largest international volunteer co-operation program. Three employees participated in this unique personal and professional development opportunity in 2017 in countries including Sri Lanka, Vietnam and Nepal. Three more employees will participate in 2018-2019.
- DC's international education abroad bursary program provided support to three students participating in learning experiences in China. In 2018, education abroad opportunities will continue in China, Kenya, Sweden, Brazil and Peru, among other countries.
- Partnerships were developed with partner academic institutions in Ireland, Peru, England, Scotland, Denmark, Netherlands, Belgium, Germany and Spain.
- Fourteen international students received Academic Excellence Scholarships for achieving top marks in their program of study.

A look ahead

CFCE to open in 2018

The CFCE, one of DC's most significant legacy projects, is on track to open in fall 2018. The new multi-level, 75,000-square-foot-facility will serve as an educational access point for students while bringing together local, Indigenous and global community groups and members of key business sectors. In addition to offering global, open and collaborative learning and social spaces, it will house departments such as the School-College-Work Initiative and affiliated Centre for Success program; the Centre for Indigenous Peoples; the Office of Student Diversity, Inclusion and Transitions; the Spark Centre; FastStartDC; the Durham College Spa; health and science facilities; and foundations programs.

Simcoe Geothermal Field project

The Simcoe Geothermal Field project will allow DC to make a direct, positive impact on the health and future of the environment and students as part the college's actions to support sustainable and environmentally responsible practices across all aspects of its operations. It will also provide new experiential learning opportunities to students with the geothermal field and heat pump plant acting as a living lab that will be incorporated into a wide variety of program curricula to address new green-energy technologies and careers.

Durham College Spa

The Durham College Spa will open at the Oshawa campus in September 2018. Housed within the CFCE, this fully functioning spa, open to the public, will provide students with the opportunity to work directly with clients as well as behind the scenes on logistics, management, marketing and more. DC Spa will offer services including manicures and pedicures, waxing, facials, body treatments and corrective makeup techniques, enabling students to apply the skills gained in the classroom on actual clients, under the guidance of professionals.

Proposed second degree program

DC has proposed consent for a second degree to the Ministry of Advanced Education and Skills Development for the college's anticipated launch of the program in fall 2020. The proposed Honours Bachelor of Behavioural Science degree program has been referred to, and is currently under review by, the Postsecondary Education Quality Assessment Board, the college degree quality assurance body. Meant to improve opportunities for academic preparation in the field of behavioural sciences, the Honours Bachelor of Behavioural Science will provide students with the knowledge and skills needed to work effectively with individuals of all ages and across a variety of settings. Competencies will be developed through a broad perspective within the field of psychology, coupled with in-depth knowledge related to applied behaviour analysis and cognitive behaviour therapy. The program will also focus on developing the ability to investigate theory and research, and apply methods founded in behavioral concepts and principles to real-life situations.

The college's first-ever degree program, an Honours Bachelor of Health Care Technology Management, will begin in fall 2018.

Long space plan for Whitby campus

As part of DC's plan to make the best use of space on campus, a space planning project is underway at the Whitby campus to confirm or adjust how spaces are allocated and used in existing buildings while considering the following: increasing enrolment; evolving program offerings; and ongoing student experience and operational issues. The project is also designed to account for how the Whitby campus might grow in the long-term, including planned changes to the municipal and regional road networks that serve the campus; parking capacity; and the potential for new buildings including a residence. The aim of the plan is to provide pathways and/or a decision framework that addresses the space allocation pressures and functional challenges while informing changes through concerted re-allocations, renovations or other options that can be implemented over time.

College Quality Assurance Audit Process audit

In 2017-2018, DC took part in an external review of the processes it follows to ensure program quality and compliance with the College Quality Assurance Audit Process (CQAAP). An institutional-level process that involves the regular and cyclical review of the quality assurance mechanisms of all 24 Ontario colleges, the CQAAP standards provide the framework for assessing how well quality assurance mechanisms meet the established standards in several different areas. Eighteen months following the college's final audit report, it will report on the status of its commitments.

Addressing community needs and urban issues

DC will continue to be a thought leader, responding to community needs by addressing and studying urban issues as it works to advance its role as a community hub. This includes engaging key employers in order to advance strategic development and innovation in the region by leading and participating in initiatives such as the Idea Summit, which leverages key corporate partners to stimulate investment and innovation, as well as its leading role in helping the City of Oshawa become a TeachingCity in conjunction with UOIT, the Canadian Urban Institute and the University of Toronto's Civil Engineering department.

Applied research, entrepreneurship and innovation

The college will continue to grow its culture of applied research, entrepreneurship and innovation including encouraging more faculty to engage in collaborative projects with companies, resulting in meaningful economic impact. In addition, DC will offer students the opportunity to participate in these projects to access rich experiential learning opportunities while refining their essential employability skills. DC will also continue to build and deliver entrepreneurship services to provide students with challenging and innovative programming, enabling them to imagine, explore and create solutions with commercialization potential, including providing a new home for FastStartDC, an entrepreneurship service designed to help students develop and launch their own businesses, within the CFCE.

Appendices

2017-2018 Durham College Board of Governors

- Dan Borowec, chair of the Board
- Paul Macklin, vice-chair of the Board
- Suzanne Beale
- Ivan DeJong
- Kevin Griffin
- Kristi Honey
- Michele James
- Rahula Khanna
- Bart Lucyk
- Debbie McKee Demczyk
- Heather Quantrill
- Gary Rose
- Steve Stewart
- Jim Wilson
- Don Lovisa, president

DC Leadership Team

- Don Lovisa, president
- Dr. Elaine Popp, vice-president, Academic
- Meri Kim Oliver, vice-president, Student Affairs
- Dr. Scott Blakey, chief administrative officer
- Barbara MacCheyne, chief financial officer

Summary of Advertising and Marketing Complaints Received.
None received.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Year ended March 31, 2018

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements of the Durham College of Applied Arts and Technology (the "College") are the responsibility of management and have been approved by the Board of Governors.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board ("PSAS for Government NPOs"). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Consolidated financial statements are not precise since they include certain amounts based on estimates and judgements. Management has determined such amounts on a reasonable basis in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The College maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the College's assets are appropriately accounted for and adequately safeguarded.

The College's insurance liabilities have been reviewed by management in consultation with its broker. There are no material liabilities in either fact or contingency as at the date of this report.

The Board of Governors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. The Board carries out this responsibility principally through its Audit and Finance Committee.

The Audit and Finance Committee is appointed by the Board of Governors and meets regularly with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities, and to review the consolidated financial statements and the external auditor's report. The Committee reports its findings to the Board for consideration when approving the consolidated financial statements. The Committee also considers, for review and approval by the Board, the engagement or re-appointment of the external auditors.

The consolidated financial statements have been audited by BDO Canada LLP, the external auditors in accordance with Canadian generally accepted auditing standards, on behalf of the Board. BDO Canada LLP has full and free access to the Audit and Finance Committee.



College President



Chief Financial Officer

June 11, 2018

Independent Auditor's Report

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

We have audited the accompanying consolidated financial statements of Durham College of Applied Arts and Technology, which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations, changes in net assets, cash flows and remeasurement gains and losses for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Durham College of Applied Arts and Technology as at March 31, 2018, and the results of its operations, cash flows and remeasurement gains and losses for the year then ended in accordance with Canadian public sector accounting standards.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Mississauga, Ontario
June 11, 2018

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY**Consolidated Statement of Financial Position**

Year ended March 31, 2018, with comparative figures for 2017

	2018	2017
ASSETS		
Current assets:		
Cash	\$ 37,818,184	\$ 33,499,445
Investments (note 2)	26,280,274	16,357,085
Accounts receivable (note 2)	20,165,791	12,274,224
Current portion of long-term receivables (note 3)	602,236	795,276
Inventories	752,069	781,415
Prepaid expenses	191,842	396,451
	85,810,396	64,103,896
Long-term receivables (note 3)	10,123,477	10,817,624
Capital assets (note 4)	195,442,024	176,184,082
	\$ 291,375,897	\$ 251,105,602
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 32,266,995	\$ 25,870,515
Accrued vacation	7,891,176	7,124,755
Deferred revenue (note 5(a))	17,855,037	12,791,747
Current portion of debt (note 6)	3,790,391	3,742,695
	61,803,599	49,529,712
Term debt due on demand (note 6)	35,135,507	37,270,765
	96,939,106	86,800,477
Deferred contributions (note 5(b))	138,285,928	114,236,175
Long-term debt (note 6)	13,739,132	15,299,010
Derivative liability (note 6)	2,024,938	2,806,257
Post-employment, retirement benefits and compensated absences (note 7)	4,557,988	4,712,339
	158,607,986	137,053,781
Net assets:		
Unrestricted		
Operating	(23,469,671)	(21,044,624)
Post-employment, retirement benefits, and compensated absences	(4,557,988)	(4,712,339)
Vacation pay	(7,891,176)	(7,124,755)
	(35,918,835)	(32,881,718)
Invested in capital assets (note 11)	36,064,430	32,441,165
Internally restricted (note 8, note 16)	18,278,171	11,560,448
Endowments (note 8)	15,382,791	14,890,519
	33,806,557	26,010,414
Accumulated remeasurement gains	2,022,248	1,240,931
	35,828,805	27,251,345
Commitments (note 13)		
Contingencies (note 14)		
Guarantees (note 15)		
	\$ 291,375,897	\$ 251,105,602

See accompanying notes to the consolidated financial statements

On behalf of the Board:


 _____ Director


 _____ Director

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Operations

Year ended March 31, 2018, with comparative figures for 2017

	2018	2017
Revenue:		
Grants and reimbursements	\$ 74,965,882	\$ 73,603,614
Student tuition fees	56,571,463	49,192,999
Ancillary operations	12,621,301	12,031,130
Rental Income	10,249,383	9,712,928
Other income	23,952,987	23,531,436
Amortization of deferred capital contributions (note 5(b)(i))	5,843,816	6,048,406
Total revenue	184,204,832	174,120,513
Expenditures:		
Salaries and benefits	108,595,542	105,223,803
Instructional supplies	3,627,357	3,705,846
Contracted services	8,180,919	7,190,978
Utilities, maintenance and taxes	12,475,643	11,847,598
Interest and bank charges	2,480,736	2,706,851
Scholarships and bursaries	2,526,499	2,205,238
Supplies and other expenses	25,140,969	20,246,380
Amortization of capital assets (note 11(b))	13,873,296	14,047,725
Total expenditures	176,900,961	167,174,419
Excess of revenue over expenditures	\$ 7,303,871	\$ 6,946,094

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, 2018, with comparative figures for 2017

								2018
Internally restricted net assets								
	Unrestricted	Invested in capital assets (note 11)	Internally Restricted (note 16)	Foundation	Total internally restricted net assets (note 8)	Endowments (note 8)		Total
Balance, beginning of year	\$ (32,881,718)	\$ 32,441,165	\$ 11,388,550	\$ 171,898	\$ 11,560,448	\$ 14,890,519	\$	26,010,414
Excess of revenue over expenditures	15,329,907	(8,029,480)	-	3,444	3,444	-		7,303,871
Invested in capital assets (note 11(b))	(11,184,998)	11,652,745	(467,747)	-	(467,747)	-		-
Endowment contributions	-	-	-	-	-	492,272		492,272
Transfer (note 16)	(7,182,026)	-	7,182,026	-	7,182,026	-		-
Net changes during the year	(3,037,117)	3,623,265	6,714,279	3,444	6,717,723	492,272		7,796,143
Balance, end of year	\$ (35,918,835)	\$ 36,064,430	\$ 18,102,829	\$ 175,342	\$ 18,278,171	\$ 15,382,791	\$	33,806,557
								2017
Internally restricted net assets								
	Unrestricted	Invested in capital assets (note 11)	Internally Restricted (note 16)	Foundation	Total internally restricted net assets (note 8)	Endowments (note 8)		Total
Balance, beginning of year	\$ (31,878,999)	\$ 30,638,415	\$ 5,254,727	\$ 159,658	\$ 5,414,385	\$ 13,952,337	\$	18,126,138
Excess of revenue over expenditures	14,933,173	(7,999,319)	-	12,240	12,240	-		6,946,094
Invested in capital assets (note 11(b))	(9,802,069)	9,802,069	-	-	-	-		-
Endowment contributions	-	-	-	-	-	938,182		938,182
Transfer (note 16)	(6,133,823)	-	6,133,823	-	6,133,823	-		-
Net changes during the year	(1,002,719)	1,802,750	6,133,823	12,240	6,146,063	938,182		7,884,276
Balance, end of year	\$ (32,881,718)	\$ 32,441,165	\$ 11,388,550	\$ 171,898	\$ 11,560,448	\$ 14,890,519	\$	26,010,414

See accompanying notes to the consolidated financial statements.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Cash Flows

Year ended March 31, 2018, with comparative figures for 2017

	2018	2017
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenditures	\$ 7,303,871	\$ 6,946,094
Items not affecting cash:		
Amortization of capital assets	13,873,296	14,047,725
Amortization of deferred capital contributions	(5,843,816)	(6,048,406)
Change in non-cash working capital:		
Accounts receivable	(7,891,567)	821,663
Inventories	29,346	(73,103)
Prepaid expenses	204,609	10,938
Accounts payable and accrued liabilities	6,396,480	6,974,557
Accrued vacation	766,421	155,297
Post-employment, retirement benefits and compensated absences	(154,351)	(103,391)
Deferred revenue	5,063,290	323,455
	19,747,579	23,054,829
Financing activities:		
Endowment contributions	492,272	938,182
Advances of long-term debt	-	6,384,000
Repayment of long-term debt	(3,647,440)	(11,409,315)
	(3,155,168)	(4,087,133)
Capital activities:		
Contributions received for capital purposes (net of fair market value adjustment)	29,893,569	23,055,674
Purchase of capital assets	(33,131,238)	(13,718,102)
	(3,237,669)	9,337,572
Investing activities:		
Decrease in long-term receivables	887,186	766,320
Increase in investments	(9,923,189)	(1,265,069)
	(9,036,003)	(498,749)
Increase in cash	4,318,739	27,806,519
Cash, beginning of year	33,499,445	5,692,926
Cash, end of year	\$ 37,818,184	\$ 33,499,445
Supplemental cash flow information:		
Interest paid	\$ 1,773,135	\$ 2,003,700

See accompanying notes to the consolidated financial statements.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Remeasurement Gains and Losses

Year ended March 31, 2018, with comparative figures for 2017

	2018	2017
Accumulated remeasurement gains at beginning of year	\$ 1,240,931	\$ 638,852
Unrealized gains attributable to:		
Derivative - interest rate swap	781,317	602,079
Net remeasurement gains for the year	781,317	602,079
Accumulated remeasurement gains at end of year	\$ 2,022,248	\$ 1,240,931

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

Durham College of Applied Arts and Technology (the "College") was established as a corporation without share capital, as set out in the Ontario Colleges of Applied Arts and Technology Act. The Corporations Act governs the corporate affairs of the College and became effective April 1, 2003. The College is principally involved in providing post-secondary educational services. Under the Income Tax Act (Canada), the College is considered a registered charity and, accordingly, is exempt from income taxes, provided certain requirements of the Income Tax Act (Canada) are met.

1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES

(a) *Basis of presentation*

The consolidated financial statements of the College have been prepared by management in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board ("PSAB for Government NPOs"). These consolidated financial statements reflect the assets, liabilities, revenues and expenses of the College and its subsidiary Durham College Foundation (the "Foundation"). 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.

Tuition fees are recognized as income to the extent that the related courses and services are provided within the fiscal year of the College.

Ancillary revenues, including parking, bookstore, rental, contract training and other sundry revenues, are recognized when products are delivered or services are provided to the student or client, the sales price is fixed and determinable, and collection is reasonably assured.

Unrestricted contributions are recognized as revenue when received or receivable.

Externally restricted contributions, other than endowment contributions, are recognized as revenue in the year in which the related expenses are recognized.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES (continued)

Restricted contributions 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 endowed net assets.

Investment income earned on endowment funds which is recognized as a direct increase in net assets when the related expense occurs. 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.

(c) *Financial Instruments*

The College classifies its financial instruments as either fair value or amortized cost. The College's accounting policy for each category is as follows:

Fair value

This category includes derivatives and equity instruments quoted in an active market. The College has designated its fixed income instruments that would otherwise be classified into the amortized cost category at fair value as the College manages and reports performance of it on a fair value basis.

They are initially recognized at cost and subsequently carried at fair value. Changes in fair value are recognized in the consolidated statement of remeasurement gains and losses until they are realized, when they are transferred to the consolidated statement of operations. Changes in fair value on restricted assets are recognized as a liability until the criterion attached to the restrictions has been met.

Transaction costs related to financial instruments in the fair value category are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the consolidated statement of operations. On sale or settlement, the amount held in accumulated remeasurement gains and losses associated with that instrument is removed from net assets and recognized in the consolidated statement of operations.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES (continued)

Amortized cost

This category includes accounts receivable, long-term receivables, accounts payable and accrued liabilities, term debt due on demand and long-term debt. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets, except for contributions, which are recognized at fair value.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Writedowns on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the writedown being recognized in the consolidated statement of operations.

(d) *Capital assets*

Purchased capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments that extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the College's ability to provide services or the value of future economic benefits associated with the capital asset is less than its net book value, the carrying value of the capital asset is reduced to reflect the decline in the asset's value. Any unamortized deferred capital contribution amount related to the capital asset is recognized in revenue in the statement of operations, provided that all restrictions have been complied with.

Construction in progress costs are capitalized as incurred. They are transferred to various categories of capital assets and are amortized on a basis consistent with similar assets, once the assets are placed in service.

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

Buildings	40 years
Building improvements	10 years
Equipment and furniture	5 - 10 years
Computer equipment	3 years

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES (continued)

(e) *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 consolidated financial statements do not reflect the assets, liabilities, and results of operations of the various student organizations as they are not controlled by the College.

(g) *Vacation pay*

The College recognizes vacation pay as an expense on the accrual basis.

(h) *Post-employment, retirement benefits and compensated absences*

The College provides defined retirement and post-employment benefits and compensated absences to certain employee groups. These benefits include pension, health and dental, vesting sick leave and non-vesting sick leave. The College has adopted the following policies with respect to accounting for these employee benefits:

- (i) The costs of post-employment future benefits are actuarially determined using management's best estimate of health care costs, disability recovery rates and discount rates. Adjustments to these costs arising from changes in estimates and experience gains and losses are amortized to income over the estimated average remaining service life of the employee groups on a straight line basis.
- (ii) The costs of the multi-employer defined benefit pension are the employer's contributions due to the plan in the period.
- (iii) The cost of vesting and non-vesting sick leave benefits are actuarially determined using management's best estimate of salary escalation, employees' use of entitlement and discount rates. Adjustments to these costs arising from changes in actuarial assumption and/or experience are recognized over the estimated average remaining service life of the employees.
- (iv) The discount used in the determination of the above-mentioned liabilities is equal to the College's internal rate of borrowing.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES (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 recognized in the consolidated statement of operations.

(j) Management estimates

The preparation of consolidated financial statements in conformity with PSAB for Government NPOs 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 consolidated financial statements, and the reported amounts of revenue and expenses during the year. Actual results could differ from these estimates. Areas of key estimation include determination of fair value of investments, impairment allowances, amortization of capital assets, fair value of interest rate swaps, vacation pay and actuarial estimation of post-employment benefits and compensated absences liabilities.

2. FINANCIAL INSTRUMENT CLASSIFICATION

The following table provides cost and fair value information of financial instruments by category. The maximum exposure to credit risk would be the carrying value as shown below.

	2018		
	Fair Value	Amortized Cost	Total
Cash	\$ 37,818,184	\$ -	\$ 37,818,184
Accounts receivable	-	20,165,791	20,165,791
Current portion of long-term receivables	-	602,236	602,236
Investments	26,280,274	-	26,280,274
Long-term receivable	-	10,123,477	10,123,477
Accounts payable and accrued liabilities	-	32,266,995	32,266,995
Current portion of debt	-	3,790,391	3,790,391
Term debt due on demand	-	35,135,507	35,135,507
Long-term debt	-	13,739,132	13,739,132
Derivative liability	2,024,938	-	2,024,938

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

2. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

	2017		
	Fair Value	Amortized Cost	Total
Cash	\$ 33,499,445	\$ -	\$ 33,499,445
Accounts receivable	-	12,274,224	12,274,224
Current portion of long-term receivables	-	795,276	795,276
Investments	16,357,085	-	16,357,085
Long-term receivable	-	10,817,624	10,817,624
Accounts payable and accrued liabilities	-	25,870,515	25,870,515
Current portion of debt	-	3,742,695	3,742,695
Term debt due on demand	-	37,270,765	37,270,765
Long-term debt	-	15,299,010	15,299,010
Derivative liability	2,806,257	-	2,806,257

Investments consist of equity instruments in public companies (2018 - \$11,761,433, 2017 - \$12,203,621), fixed income instruments (2018 - \$4,438,605, 2017 - \$4,153,464) and Guaranteed Investment Certificates (2018 - \$10,080,236, 2017 - \$0). Investments include \$16,026,681 (2017 - \$16,345,147) of investments externally restricted for endowment purposes (see Note 8).

Maturity profile of bonds held is as follows:

	2018			
	Within 1 year	2 to 5 years	6 to 10 years	Over 10 years
Carrying value	\$ 1,339,082	\$ 1,541,674	\$ 1,080,850	\$ 476,999
Percentage of Total	30%	35%	24%	11%

	2017			
	Within 1 year	2 to 5 years	6 to 10 years	Over 10 years
Carrying value	\$ 202,108	\$ 2,606,421	\$ 908,300	\$ 436,635
Percentage of Total	5%	63%	22%	10%

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

2. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities using the last bid price;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	2018			
	Level 1	Level 2	Level 3	Total
Cash	\$ 37,818,184	\$ -	\$ -	\$ 37,818,184
Investments	21,841,669	4,438,605	-	26,280,274
Derivative liability	-	-	2,024,938	2,024,938
Total	\$ 59,659,853	\$ 4,438,605	\$ 2,024,938	\$ 66,123,396

	2017			
	Level 1	Level 2	Level 3	Total
Cash	\$ 33,499,445	\$ -	\$ -	\$ 33,499,445
Investments	12,203,621	4,153,464	-	16,357,085
Derivative liability	-	-	2,806,257	2,806,257
Total	\$ 45,703,066	\$ 4,153,464	\$ 2,806,257	\$ 52,662,787

There were no transfers between Level 1 and Level 2 for the years ended March 31, 2018 and 2017. There were also no transfers in or out of Level 3.

Risk management relates to the understanding and active management of risks associated with all areas of the College's activities and the associated operating environment. Investments are primarily exposed to market, credit, interest rate, foreign currency and liquidity risks. The College has formal policies and procedures that establish target asset mix. The College's policies also require diversification of investments within categories, and set limits on exposure to individual investments.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

2. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure each risk.

(i) *Market risk:*

The value of equity securities changes with stock market conditions, which are affected by general economic and market conditions. Fluctuation in the market exposes the College to a risk of loss.

The College is exposed to this risk through its equity holdings within its investment portfolio. At March 31, 2018, a 10.00% movement in the stock markets with all other variables held constant would have an estimated effect on the fair values of the College's equities of \$917,035 (2017 - \$1,014,587).

(ii) Credit, interest rate and maturity risk:

Credit risk is the risk of financial loss to the College if a debtor fails to make payments of interest and principal when due. The College is exposed to this risk relating to its cash, debt holdings in its investment portfolio, long-term receivables and accounts receivable. The College holds its cash accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the College's cash accounts are insured up to \$100,000 (2017 - \$100,000).

The investment policy of the Foundation operates within the confines of the Trustees Act which places limitations on the composition of the investment portfolio.

Accounts receivable and long-term receivables are ultimately due from students and UOIT. Credit risk is mitigated by financial approval processes before a student is enrolled and the highly diversified nature of the student population.

The College measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is set up based on the College's historical experience regarding collections.

The amounts outstanding at year-end were as follows:

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

2. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

	2018						
	Total	Current	Past Due				
			1-30 days	31-60 days	61-90 days	91 - 120 days	
Government receivables	\$ 11,420,487	\$ 11,420,487	\$ -	\$ -	\$ -	\$ -	
Student receivables	2,668,470	-	81,323	89,194	383,243	2,114,710	
Other receivables	6,592,447	3,937,212	1,172,329	753,027	664,329	65,550	
Gross receivables	20,681,404	15,357,699	1,253,652	842,221	1,047,572	2,180,260	
Less: impairment allowances	(515,613)	-	-	-	-	(515,613)	
Net receivables	\$ 20,165,791	\$ 15,357,699	\$ 1,253,652	\$ 842,221	\$ 1,047,572	\$ 1,664,647	

	2017						
	Total	Current	Past Due				
			1-30 days	31-60 days	61-90 days	91 - 120 days	
Government receivables	\$ 3,960,945	\$ 3,960,945	\$ -	\$ -	\$ -	\$ -	
Student receivables	1,933,774	-	131,874	74,433	266,889	1,460,578	
Other receivables	6,546,343	3,693,807	1,919,350	556,154	39,176	337,856	
Gross receivables	12,441,062	7,654,752	2,051,224	630,587	306,065	1,798,434	
Less: impairment allowances	(166,838)	-	-	-	-	(166,838)	
Net receivables	\$ 12,274,224	\$ 7,654,752	\$ 2,051,224	\$ 630,587	\$ 306,065	\$ 1,631,596	

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates.

The College is exposed to this risk through its interest bearing investments and debt.

The College mitigates interest rate risk on its term debt through a derivative financial instrument that exchanges the variable rate inherent in the term debt for a fixed rate (see Note 6). Therefore, fluctuations in market interest rates would not impact future cash flows and operations relating to the term debt.

The College's bond portfolio has interest rates ranging from 1.25% to 6.50% (2017 - 1.25% to 6.50%) with maturities ranging from April 16, 2018 to December 1, 2045 (2017 - March 12, 2018 to December 1, 2045).

At March 31, 2018, a 1.00% fluctuation in interest rates, with all other variables held constant, would have an estimated impact on the fair value of bonds and the interest rate swap of \$nil and \$82,156 respectively (2017 - \$218,363 and \$105,656). The College's term debt as described in Note 6 would not be impacted as the inherent variable rate of the debt has been fixed with the use of the aforementioned derivative interest rate swap.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

2. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

(iii) Foreign currency risk:

Foreign currency risk arises when the value of securities denominated in a currency other than Canadian dollars is affected by changes in the value of the Canadian dollar in relation to the value of the currency in which the security is denominated. 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, 2018 were approximately \$5,392,662 (2017 - \$5,085,932) stated in Canadian dollars.

(iv) Liquidity risk:

Liquidity risk is the risk that the College will not be able to meet all cash outflow obligations as they come due. The College mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise. The following table sets out the contractual maturities (representing undiscounted contractual cash-flows of financial liabilities):

		2018			
		Within 6 months	6 months to 1 year	1 - 5 years	> 5 years
Accounts payable and accrued liabilities	\$	32,310,060	\$ -	\$ -	\$ -
Debt		1,979,187	1,811,204	15,944,387	32,930,252
	\$	34,289,247	\$ 1,811,204	\$ 15,944,387	\$ 32,930,252

		2017			
		Within 6 months	6 months to 1 year	1 - 5 years	> 5 years
Accounts payable and accrued liabilities	\$	25,870,515	\$ -	\$ -	\$ -
Debt		1,904,781	1,837,914	19,613,710	32,956,066
	\$	27,775,296	\$ 1,837,914	\$ 19,613,710	\$ 32,956,066

The College is also exposed to liquidity risk on its line of credit described in Note 6.

Derivative financial liabilities mature as described in Note 6.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

3. LONG-TERM RECEIVABLES

(a) Student levy receivable for student centre

During the year, a new student association, Durham College Students Incorporated, was created and the previous Durham College Student Association (DCSA) was dissolved. The remaining receivable of \$308,944 from the DCSA was deemed uncollectible and therefore written off and recorded as a reduction in other income during the year.

(b) Student levy receivable for campus wellness and recreation centre

Includes a receivable from future student levies as approved by the Durham College Student Association Incorporated, with a long-term portion of \$9,759,088 (2017 - \$10,239,860) and a current portion of \$480,772 (2017 - \$456,781) for the financing of a new Campus Wellness and Recreation Centre ("the Centre"). It is repayable from an annual special levy on student fees and bears interest equal to the debt incurred to construct the Centre (Note 6). The receivable is secured by the variable rate mortgage due on demand with underlying swap on the Centre.

(c) Other long-term receivable

Includes an unsecured interest-free receivable from the University of Ontario Institute of Technology, with a long-term portion of \$364,389 (2017 - \$485,852) which is repayable at a fixed amount of \$121,463 annually until September 2021.

4. CAPITAL ASSETS

			2018	2017
	Ending Cost	Accumulated Amortization	Net book Value	Net book Value
Land	\$ 4,521,201	\$ -	\$ 4,521,201	\$ 4,521,201
Buildings	224,406,262	95,703,938	128,702,324	134,313,843
Building Improvements	62,023,845	43,271,583	18,752,262	19,563,537
Equipment and furniture	83,202,163	72,543,329	10,658,834	9,841,762
Computer equipment	32,074,625	28,725,375	3,349,250	3,122,841
Construction-in-progress	29,458,153	-	29,458,153	4,820,898
	\$ 435,686,249	\$ 240,244,225	\$ 195,442,024	\$ 176,184,082

Construction in progress relates to various ongoing capital projects that are not yet complete. In the current year, construction in progress is primarily related to the Centre For Collaborative Education, an academic building, scheduled to be substantially completed in May 2018. The College has a commitment with a third-party contractor to construct the building. As at March 31, 2018, outstanding commitments are \$8,764,049.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

4. CAPITAL ASSETS (continued)

The College will receive \$35 million in funding from the provincial and federal governments in relation to the project subject to the terms and conditions of the agreement.

5. DEFERRED CONTRIBUTIONS

(a) *Deferred revenue*

Deferred revenue represents grants - \$2,086,132 (2017 - \$450,341), tuition fees - \$6,094,960 (2017 - \$4,999,610) and other revenue - \$9,673,945 (2017 - \$7,341,796) 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.

		2018		2017
Balance, beginning of year	\$	111,860,430	\$	95,668,133
Contributions received		30,355,331		22,240,703
Less amounts amortized to revenue		(5,843,816)		(6,048,406)
Balance, end of year	\$	136,371,945	\$	111,860,430

(ii) Foundation

		2018		2017
Balance, beginning of year	\$	2,202,510	\$	1,460,539
Transfers		(95,639)		(1,110)
Net investment income (loss) and deferred contributions		43,477		1,177,870
Scholarships & Bursaries		(386,101)		(434,789)
Balance, end of year	\$	1,764,247	\$	2,202,510

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

5. DEFERRED CONTRIBUTIONS (continued)

(iii) Expenses of future periods

Deferred contributions represent unspent restricted donations for scholarships and bursaries.

		2018		2017
Balance, beginning of year	\$	173,235	\$	100,235
Contributions received		80,501		205,000
Disbursements		(104,000)		(132,000)
Balance, end of year	\$	149,736	\$	173,235
Total deferred contributions	\$	138,285,928	\$	114,236,175

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

6. DEBT

	<u>2018</u>	<u>2017</u>
2.06% secured mortgage on the Whitby campus, repayable in monthly instalments of \$41,231 principal and interest, due November 2031.	\$ 5,892,077	\$ 6,261,830
3.123% unsecured mortgage on student residence, repayable in semi-annual instalments of \$753,625 principal and interest, due February 2024.	4,094,381	4,705,781
2.67% unsecured mortgage due on demand on student residence, repayable in monthly instalments of \$200,000 principal and interest, due July 2031, interest rate renewal in June 2019.	27,077,549	28,595,475
2.87% unsecured loan due on demand to finance the Student Centre, repayable in monthly instalments of \$18,587 principal and interest, due October 2018.	91,943	308,942
Variable rate secured mortgage due on demand, 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.	10,239,860	10,696,641
2.46% unsecured mortgage on student residence, repayable in monthly instalments of \$52,702 principal and interest, due July 2027, interest rate renewal in July 2022.	5,269,220	5,743,801
	52,665,030	56,312,470
Less current portion	3,790,391	3,742,695
Less term debt due on demand	35,135,507	37,270,765
	\$ 13,739,132	\$ 15,299,010

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

6. DEBT (continued)

2019	\$	3,790,391
2020		3,808,060
2021		3,925,204
2022		4,044,253
2023		4,166,870
Thereafter		32,930,252
	\$	52,665,030

Interest expense on long-term debt of \$1,773,135 (2017 - \$2,003,700) is included in interest and bank charges.

The long-term debt is secured by assets of the College.

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 5.38% on an initial principal amount of \$14,000,000 over the 25 year life of the mortgage.

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, 2018, the College had utilized nil (2017 - nil) 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 with a temporary bulge up to \$6,000,000 during May 1 to August 30 and December 1 to January 15 each year.

The facility bears interest at prime on the \$1,000,000 portion and prime plus 0.50% on the excess. At March 31, 2018, the College had utilized nil (2017 - nil) of the operating line of credit.

The College has entered into Irrevocable Standby Letters of Credit with a Canadian chartered bank. The letters of credit consist of \$177,200 bearing interest at 1.20%, \$15,000 bearing interest at 1.20% and \$43,025 bearing interest at 0.40%.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

7. POST-EMPLOYMENT, RETIREMENT BENEFITS AND COMPENSATED ABSENCES LIABILITY

The following tables outline the components of the College's post-employment and retirement benefits and compensated absences liabilities and related expenses:

	2018				
	Post-employment Benefits	Retirement Benefits	Non-vesting sick leave	Vesting sick leave	Total liability
Accrued employee future benefits obligations	\$ 1,134,000	\$ 483,988	\$ 3,616,000	\$ 228,000	\$ 5,461,988
Value of plan assets	(254,000)	-	-	-	(254,000)
Unamortized actuarial gains/(losses)	43,000	-	(698,000)	5,000	(650,000)
Total liability	\$ 923,000	\$ 483,988	\$ 2,918,000	\$ 233,000	\$ 4,557,988

	2017				
	Post-employment Benefits	Retirement Benefits	Non-vesting sick leave	Vesting sick leave	Total liability
Accrued employee future benefits obligations	\$ 1,120,000	\$ 493,339	\$ 3,743,000	\$ 890,000	\$ 6,246,339
Value of plan assets	(162,000)	-	-	-	(162,000)
Unamortized actuarial gains/(losses)	71,000	-	(767,000)	(676,000)	(1,372,000)
Total liability	\$ 1,029,000	\$ 493,339	\$ 2,976,000	\$ 214,000	\$ 4,712,339

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

7. POST-EMPLOYMENT, RETIREMENT BENEFITS AND COMPENSATED ABSENCES LIABILITY (continued)

	2018				
	Post-employment Benefits	Retirement Benefits	Non-vesting sick leave	Vesting sick leave	Total expense
Current year benefit cost (recovery)	\$ (89,000)	\$ -	\$ 196,000	\$ 8,000	\$ 115,000
Interest on accrued benefit obligation	2,000	9,867	70,000	5,000	86,867
Amortized actuarial (gains)/losses	(10,000)	-	(3,000)	60,000	47,000
Total expense (recovery)	\$ (97,000)	\$ 9,867	\$ 263,000	\$ 73,000	\$ 248,867

	2017				
	Post-employment Benefits	Retirement Benefits	Non-vesting sick leave	Vesting sick leave	Total expense
Current year benefit cost (recovery)	\$ (28,000)	\$ -	\$ 201,000	\$ 54,000	\$ 227,000
Interest on accrued benefit obligation	2,000	8,614	53,000	20,000	83,614
Amortized actuarial (gains)/losses	(9,000)	-	(67,000)	104,000	28,000
Total expense (recovery)	\$ (35,000)	\$ 8,614	\$ 187,000	\$ 178,000	\$ 338,614

Above amounts exclude pension contributions to the Colleges of Applied Arts and Technology pension plan, a multi-employer plan, described below.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

7. POST-EMPLOYMENT, RETIREMENT BENEFITS AND COMPENSATED ABSENCES LIABILITY (continued)

Retirement Benefits

CAAT Pension Plan

Full-time employees of the College are members of the Colleges of Applied Arts and Technology Pension Plan (the "Plan"), which is a multi-employer jointly sponsored defined benefit plan for eligible employees of the public colleges and other employers of Onatrio. Other than regular full-time employees may elect to join the Plan on or any time after their date of hire. The College makes contributions to the Plan equal to those of the employees. Contribution rates are set by the Plan's governors to ensure the long term viability of the Plan.

Any pension surplus or deficit is a joint responsibility of the members and employers and may affect future contribution rates. The College does not recognize any share of the Plan's pension surplus or deficit. The most recent actuarial valuation filed with pension regulators as at January 1, 2018 indicated an actuarial surplus of \$2.3 billion. The College made contributions to the Plan of \$9,532,966 in 2018 (2017 - \$9,560,931), which has been included in the salaries and benefits expenditures in the consolidated statement of operations.

Post-Employment Benefits

The College extends post employment life insurance, health and dental benefits to certain employee groups subsequent to their retirement. The College recognizes these benefits as they are earned during the employees' tenure of service. The related benefit liability was determined by an actuarial valuation study commissioned by the College Employer Council.

The major actuarial assumptions employed for the valuations are as follows:

a) Discount rate

The present value as at March 31, 2018 of the future benefits was determined using a discount rate of 2.60% (2017 – 2.00%).

b) Drug Costs

Drug costs were assumed to increase at a 8.00% rate for 2018 and decrease proportionately thereafter to an ultimate rate of 4.00% in 2034.

c) Hospital and other medical

Hospital and other medical costs were assumed to increase at 4.00% per annum in 2018 (2017 – 4.00%).

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

7. POST-EMPLOYMENT, RETIREMENT BENEFITS AND COMPENSATED ABSENCES LIABILITY (continued)

Medical premium increases were assumed to increase at 6.80% per annum in 2018 and decrease proportionately thereafter to an ultimate rate of 4.00% in 2034 for fiscal 2018.

d) Dental costs

For the fiscal 2018 disclosure, dental costs and premiums were assumed to increase at 4.00% per annum (2017 – 4.00%).

e) Retirement rates

3.10% per annum starting at eligibility for reduced pension, increasing to 16.00% per annum after reaching eligibility for unreduced pension, with the remainder at age 65.

Compensated Absences

Vesting Sick Leave

The College has provided for vesting sick leave benefits during the year. Eligible employees, after 10 years of service, are entitled to receive 50.00% of their accumulated sick leave credit on termination or retirement to a maximum of 6 months' salary. The program to accumulate sick leave credits ceased for employees hired after March 31, 1991. The related benefit liability was determined by an actuarial valuation study commissioned by the College Employer Council.

Non-Vesting Sick Leave

The College allocates to certain employee groups a specified number of days each year for use as paid absences in the event of illness or injury. These days do not vest and are available immediately. Employees are permitted to accumulate their unused allocation each year, up to the allowable maximum provided in their employment agreements. Accumulated days may be used in future years to the extent that the employees' illness or injury exceeds the current year's allocation of days. Sick days are paid out at the salary in effect at the time of usage. The related benefit liability was determined by an actuarial valuation study commissioned by the College Employer Council.

The assumptions used in the valuation of vesting and non-vesting sick leave are the College's best estimates of expected rates of:

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

7. POST-EMPLOYMENT, RETIREMENT BENEFITS AND COMPENSATED ABSENCES LIABILITY (continued)

For fiscal 2018 disclosure and benefits cost:

	<u>2018</u>	<u>2019</u>	<u>Thereafter</u>
Wage and salary escalation - support staff	1.50%	1.00%	1.00%
Wage and salary escalation - academic	2.00%	2.00%	2.00%
Discount rate	2.60%		

The probability that the employee will use more sick days than the annual accrual and the excess number of sick days used are within ranges of 0.00% to 24.00% and 0 to 44.3 days respectively for age groups ranging from 20 and under to 65 and over in bands of 5 years.

8. RESTRICTED NET ASSETS

Internally restricted

Capital Investments: These funds are expendable for major capital expenditures for the future. Income earned is expendable.

Capital Investments – Residence: These funds are expendable for major capital refurbishments. Income earned is expendable.

Operating Contingency: These funds are expendable for future unforeseen operating expenditures. 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 Support (“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.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

8. RESTRICTED NET ASSETS (continued)

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

	2018	2017
OSOTF (Note 9)	\$ 5,114,099	\$ 4,955,561
OTSS (Note 10)	6,288,465	6,093,518
Other	3,980,227	3,841,440
	\$ 15,382,791	\$ 14,890,519

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

9. 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 Consolidated Financial Statements

Year ended March 31, 2018

9. ONTARIO STUDENT OPPORTUNITY TRUST FUNDS (continued)

(a) OSOTF I:

	2018	2017
Schedule of Changes in Endowment Fund Balance		
Endowment fund balance, beginning of year	\$2,479,576	\$2,407,463
Preservation of capital	79,328	72,113
Endowment fund balance, end of year	\$2,558,904	\$2,479,576
Schedule of Changes in Expendable Funds Available for Awards		
Expendable balance, beginning of year	\$ 401,948	\$ 299,631
Realized investment income (loss)	16,566	159,224
Bursaries awarded	(55,717)	(56,907)
Expendable balance, end of year	362,797	401,948
Number of bursaries awarded	60	32
Market value of endowment	\$3,259,738	\$3,360,989

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

9. ONTARIO STUDENT OPPORTUNITY TRUST FUNDS (continued)

(b) OSOTF II:

	2018	2017
Schedule of Changes in Endowment Fund Balance		
Endowment fund balance, beginning of year	\$ 2,475,982	\$ 2,403,758
Preservation of capital	79,213	72,224
Endowment fund balance, end of year	\$ 2,555,195	\$ 2,475,982
Schedule of Changes in Expendable Funds Available for Awards		
Expendable balance, beginning of year	\$ 401,591	\$ 299,170
Realized investment income (loss)	16,541	158,979
Bursaries awarded	(55,636)	(56,558)
Expendable balance, end of year	362,496	401,591
Number of bursaries awarded	60	32
Market value of endowment	\$ 3,255,238	\$ 3,356,078

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

10. 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:

	2018	2017
Schedule of Changes in Endowment Fund Balance		
Endowment balance, beginning of year	\$ 6,093,518	\$ 5,916,037
Preservation of capital	194,947	177,481
Endowment fund balance, end of year	\$ 6,288,465	\$ 6,093,518
Schedule of Changes in Expendable Funds Available for Awards		
Expendable balance, beginning of year	\$ 1,015,772	\$ 747,226
Realized Investment income (loss)	42,841	407,743
Bursaries awarded	(136,923)	(139,197)
Expendable balance, end of year	\$ 921,690	\$ 1,015,772
Number of Bursaries awarded	147	78
Market value of endowment	\$ 8,040,876	\$ 8,292,014

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

11. INVESTED IN CAPITAL ASSETS

(a) Investment in capital assets represents the following:

	2018	2017
Capital assets - net book value	\$ 195,442,024	\$ 176,184,082
Less amounts financed by deferred capital contributions (Note 5(b)(i))	(136,371,945)	(111,860,430)
Add unspent deferred capital contributions	19,419,521	13,733,343
Less amount financed by debt	(42,425,170)	(45,615,830)
Investment in capital assets	\$ 36,064,430	\$ 32,441,165

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

	2018	2017
Amortization of deferred capital contributions	\$ 5,843,816	\$ 6,048,406
Amortization of capital assets	(13,873,296)	(14,047,725)
	\$ (8,029,480)	\$ (7,999,319)
Net change in investment in capital assets:		
Purchase of capital assets	\$ 33,131,238	\$ 13,718,102
Amounts funded by:		
Deferred capital contributions (Note 5(b)(i))	(30,355,331)	(22,240,703)
Unspent deferred capital contributions	5,686,178	13,733,343
Repayment of debt	3,190,660	4,591,327
	\$ 11,652,745	\$ 9,802,069
	\$ 3,623,265	\$ 1,802,750

12. SERVICE COSTS

Durham College provides certain administrative services to the University of Ontario Institute of Technology ("University") 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.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

12. SERVICE COSTS (continued)

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 have continued to review the remaining services to formalize service level agreements where collaboration is required. During 2011, a master service level agreement was signed and service level agreements for three departments were finalized. During 2012, a subsequent Memorandum of Agreement in Principle was signed with the remaining service level agreements to be finalized in 2015. In March 2015, a new Service Level Agreement was signed further clarifying the expectations and obligations of each party. The Agreement is effective April 1, 2015 and shall continue until terminated in writing by the Parties in accordance with the Agreement or until April 1 of any year in which there are no Services to be provided under any Work Description Document.

13. COMMITMENTS

Premises and equipment

Future minimum lease payments, exclusive of taxes and operating costs, for premises and equipment under operating leases at March 31, 2018 are as follows:

2019	\$	555,557
2020		530,089
2021		519,566
2022		526,822
2023		388,765
Thereafter		97,755
	\$	2,618,554

14. CONTINGENCIES

The College is involved in various legal actions that are within the normal course of operations. 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.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2018

15. 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. The outstanding balance of the debenture debt on the financial statements of the University of Ontario Institute of Technology at March 31, 2018 was \$170,061,233 (2017 - \$175,501,181).

16. INTERNALLY RESTRICTED NET ASSETS

The College, by resolution of the Board of Governors, internally restricts amounts from net assets as follows:

	Balance, Beginning of Year	Additions	Transfers, Adjustments, Disbursements	Balance, End of Year
Capital Investments	\$ 11,000,000	\$ 7,000,000	\$ (467,747)	\$ 17,532,253
Capital Investments - Residence	388,550	182,026	-	570,576
Other	171,898	3,444	-	175,342
	\$ 11,560,448	\$ 7,185,470	\$ (467,747)	\$ 18,278,171

2017-2018 Business Plan overview

Building on the accomplishments of the past 50 years, the 2017-2018 fiscal year was full of success stories, setting the tone for the future and everything DC is poised to accomplish – both internally and externally, within Durham Region and beyond. A review of the 2017-2018 Business Plan indicates a commitment from the entire campus community to develop and execute a significant number of actions and activities designed to strengthen DC's academic operations, build on its rapidly growing international platform, provide new opportunities for employees, cultivate and grow existing partnerships while making new ones, and more.

Of the 61 actions and objectives outlined in the 2017-2018 Business Plan, 45 have been completed and 12 are on track to be completed into the 2018-2019 fiscal year.

Achieving the objectives outlined in the annual Business Plan each year is critical to the success of the college's three-year strategic plan. The Ontario Minister's Binding Policy Directive for Annual Reports requires each college to summarize the results of its business plan from the previous year in their annual report in recognition of the importance of these objectives to post-secondary institutions. Highlights of DC's achievements are as follows:

Our students

- Implemented recruitment and enrolment strategies to achieve DC established targets with the college's overall enrolment target exceeding the anticipated two per cent increase and international enrolment increasing 36 per cent over the 2017-2018 budget with a 73 per cent increase (2,791 students) over three terms compared to 2016-2017.
- 1,445 international students from 61 countries are now studying at DC.
- In support of the Truth and Reconciliation Commission, Aboriginal student advisors/coaches continued to meet with faculty to discuss why it is necessary to increase Indigenous content with Indigenous curriculum added to several programs including nursing, journalism and media, justice and more.
- Access to quality student services was expanded with 116 students currently registered in FastStart's extracurricular learning initiative IdeaEngine, an online intake course offered via DC Connect. Fifty of these students were new to FastStart as of September 2017, representing a 127 per cent increase in year-to-date registrations.
- Four students are scheduled to go to Kenya in June 2018 under KEFEP as part of the college's commitment to developing and implementing a new process for international work-integrated learning.
- A new Academic Plan was launched in January 2018.
- The accuracy of the college's alumni database was increased by three per cent, representing 2,280 records. A communication plan for new graduates was developed with an e-campaign generating 600 new updates to the alumni database within one week and 1,200 updates in total.

Our people

- In support of employee development, a new employees' site was launched via the Centre for Employees (ICE), the college's Intranet, in January 2018, with links to the legislated training requirements, policies, procedures, guides, resources and other team sites to support new employees.
- A professional development program for middle management employees was researched and designed including the recommendation of external management development programs such as the Colleges and Institutes Canada (CICan) Leadership Institute, Chair Academy Foundation and the Ontario College Management Academy as well as internal programs focused on DC processes, coaching, performance plans and reviews, recruitment, and managing in a unionized environment.
- Mental health first aid training was expanded for employees with 243 faculty participating in mental health first aid training since April 2017, with 376 faculty trained in total since 2011.

Our business

- System changes were implemented to the Ontario Student Assistance Program (OSAP) and financial aid including delivering the ministry's 'Net Tuition' pilot program within the given timeframe, allowing students and families access to information regarding the total amount of support available when applying for post-secondary studies and showing students their outstanding balance after all OSAP aid and institutional aid was applied.
- Construction for the CFCE progressed on schedule and on budget.
- The Whitby campus entrance was enhanced through the college's 50th Anniversary Commemorative Fund with completion expected by May 2018.
- Renovations and enhancements continued at the Oshawa campus to support continuity in programs and services with the squash court (G Wing) renovated to provide three additional classrooms and two program labs.

Our community

- The college continued to advance its applied research partnerships, including achieving a five per cent increase in external funding over the previous year; initiating 38 funded applied research projects; and developing 31 new partnerships in areas including AI, craft beer, and agriculture.
- 50th anniversary celebrations were completed with more than 2,000 people attending Homecoming Weekend events; the College Ontario mobile exhibit, DC's Athletic Banquet and Hall of Fame Induction Ceremony and alumni varsity games.
- The DC-UOIT Strategic Fund was supported into a second year with 11 proposals received via the Innovative Initiatives Fund with four projects selected and \$211,912 in total funding awarded.
- DC's donor base was not only retained but grew with members engaged in current projects and initiatives. Eighty per cent of the fundraising goal for the college's current capital campaign was achieved and \$375,000 in verbal commitments is outstanding.
- The college's inaugural donor impact report was completed.