

WE ARE DC



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Letter from our president

With each passing year, it's a thrill to watch the evolution of the Durham College (DC) community! From the humble roots of our Simcoe building at the Oshawa campus to the grand opening of our Centre for Collaborative Education (CFCE) in October 2018 and everything in between, our on- and off- campus communities have made, and continue to make, a tremendous impact here in Durham Region, across Ontario and around the world.

As we continue to grow and evolve to meet the demands of our students and the community, there is one particular highlight from this past year that I'd like to note — the 25th anniversary of our Whitby campus. The former home of the Cadbury Chocolate Factory, DC purchased the land in 1992 with the Whitby campus officially opening its doors in 1993, immediately realizing our vision for a training facility that would champion the skilled trades, apprenticeship and real-world learning opportunities essential to advancing our local, provincial and national economies.

For more than two decades the campus has flourished, supporting economic development and job creation in our local community, and beyond. Now, as we work to secure funding for our next expansion, which will feature a new 60,000 sq. ft. centre that will double the college's industrial skilled trades training capacity and focus on high-priority industries such as elevating devices and trades including electricians, crane operators and millwrights as well as emerging areas such as boilermakers, we look forward to meeting employer and apprentice demand in addition to creating new job opportunities on campus.

In fact, we've already begun. In January we celebrated the completion of our first-ever Boiler Lab, which was created in partnership with Ontario Power Generation (OPG) to fill specific roles related to OPG's Darlington Refurbishment Project, Canada's largest clean energy initiative, while providing an incredible experiential learning opportunity for our students.

As we look to the future of DC, I invite you to review the highlights from our 2018-2019 fiscal year and share in our excitement for all we have done. I am truly amazed at the many achievements of our students, employees, alumni, business partners, community advocates and government supporters, and how they promote and advance the social and economic health of our many communities, here at home and across the globe.

Together, we are DC!

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.

We are DC: celebrating community on campus and beyond

At Durham College (DC), we've come a long way. From one building to two sprawling campuses, six community employment service locations and a learning site, we've evolved into a strong community of learners, educators, supporters and ambassadors working collaboratively to build a better future for all.

Our students and employees come from all walks of life, each adding a unique thread to our shared tapestry of diversity in teaching and learning. We have formed partnerships that have taken us across the world and back to ensure our students have the best experiential learning opportunities, while our leadership as a post-secondary institution continues to make a significant impact on the local economy. And while we've come a long way, no matter how much we change – because we have, and no matter how much we grow – because we will, one thing we will always be is a community.

Together, we are DC.

The following stories highlight just a few of the ways we supported the social and economic well-being of our collective society during the 2018-2019 fiscal year as we continue to evolve as a modern hub of innovation that is redefining the meaning of post-secondary education.

Our students

The heart of DC is, and always has been, our students. Their unique talents and perspectives foster a campus that is rich in innovation, culture and collaboration. A place where their tremendous abilities are leveraged by strong experiential learning opportunities and supported by kinship that sees them make a positive impact and elevate our community – on- and off of campus.

DC students excel at provincial and national skills competitions

In May and June, DC students rocked the podiums at both at the [29th annual Skills Ontario](#) and [24th annual Skills Canada](#) competitions. Working independently and in teams, they earned a total of seven medals in the areas of carpentry, auto service technology, baking, culinary arts, horticulture and landscape, plumbing and automobile technology. Their exceptional performance demonstrates their aptitude for not only meeting, but exceeding, the demand for skilled trades workers post-graduation combined with the strong potential for them to become leaders in their fields. In addition to the hard work and dedication of the students themselves, their success is a testament to the top-quality programs offered at DC, which includes support from a strong community of mentors.

Project Lord Ridgeback: two-day disaster simulation provides real-world learning opportunity for students

At DC, we feel strongly that community is rooted in the concept of collaboration to support the greater

good. With that in mind, in February, we hosted [Project Lord Ridgeback](#), a massive two-day disaster simulation that mimicked a ‘mass-casualty explosion’ scenario. One hundred and seventy-five DC students across 17 programs, joined by their peers from campus partner, Ontario Tech University, participated in this one-of-a-kind experiential learning opportunity, which was choreographed to mimic authentic workplace demands. The exercise enabled students to gain a better understanding of how members of emergency services, health and social services, legal services and the media work together during a crisis while developing the interprofessional skills required to lead, protect and inform our community during a real-world emergency.

Students foster connection to community through innovation and visual arts

Our students are talented beyond measure, and in November and December received an opportunity to share their skills directly with the community. In collaboration with peers from other post-secondary institutions, a group of DC students participated in a student showcase at [City Idea Lab](#) where they were tasked with co-designing a solution to better engage youth in local priority neighbourhoods. Fine Arts graduate Leana Anderson [also debuted her new mural during the showcase](#), which followed the installation of a [public art mural](#) at Oshawa City Hall that was created by 16 DC [Fine Arts](#) students. Involving students in community initiatives enables them to make meaning connections while sparking fresh ideas to address urban issues – experiences that provide mutual benefits to both students and society.

Our people

At DC, our employees are incredible. Each day they come together and share their expertise with a passion and dedication to enriching the student experience, while going the extra mile as leaders, advocates and mentors who continually enhance the lives of others within the greater community.

Award-winning professor leverages music community to enrich the student learning experience

[Music Business Administration and Music Business Management](#) Professor Jeff Dalziel is regarded as one of the top multi-genre music producers in Canada, and was [recently named 2018 Record Producer of the Year by the Canadian Country Music Association](#). With his success only matched by his commitment to the student experience, his career spans nearly two decades and under the banner of his own company, [DIESELMUSIC](#), he has made numerous connections within the music industry, which he leverages to provide his students with real-world expertise and prepare them for success.

From major label presidents and artist and repertoire reps, to songwriters and artist managers, Dalziel draws top industry players to campus where he has helped to create the best music business learning environment in the country.

Director of Athletics and local sports advocate inducted into Oshawa Sports Hall of Fame

In addition to his role as director of Athletics at DC, Ken Babcock gives back to the community well beyond campus. He has coached for Baseball Oshawa since 2005 and served as its president since 2012. He was also a member of the organizing committee for the 2000 Ontario Summer Games, the 2008 Ontario Special Olympics Spring Games as well as the baseball portion of the 2015 Toronto Pan-Am Games. In recognition of his extraordinary career, [in January, Babcock was announced as a 2019 Oshawa Sports Hall of Fame inductee](#). Under his mentorship, the Durham Lords have achieved 42 provincial gold medals and 105 overall Ontario Colleges Athletic Association medals and five gold and 22 overall Canadian Colleges Athletic Association medals.

DC employee and community pillar recognized for leadership

As director of [DC's Office of Student Diversity, Inclusion and Transitions](#), Allison Hector-Alexander's influence on campus is extensive, while also reaching the greater community. Instrumental in bringing the college's Black History Month Professional and Mentorship Development Day to life, in partnership with the Congress of Black Women for Black Students in colleges and high schools, [in February, her efforts were recognized with the 2019 Madiba Award](#). The award acknowledges a Durham Region leader of African ancestry who embodies the values, vision and commitment of Nelson Mandela to overcoming barriers. Hector-Alexander has also created programming for residents who face barriers to accessing higher education and is an advocate for women who are survivors of abuse, at-risk and street-involved youth and new immigrants.

DC professor spearheading innovative project to end youth homelessness

A community is only as strong as its most vulnerable members, and in Durham Region there is a group of young people known as "Trusteed Youth" who are at an increased risk of school dropout, generational and persistent poverty, mental illness, social exclusion and homelessness. To provide these youth with meaningful support and uplift our community as a whole, [DC professor Lorraine Closs is leading a team of researchers to develop an innovative, youth-designed housing hub model](#). In partnership with several community organizations, this unique project will provide safe housing for youth living on their own, mental health support, an opportunity to participate in sports and recreation, employment and financial empowerment and education advancement opportunities.

Our business

At DC, we are committed to the ongoing advancement of our community, on campus and beyond, which is evident in the way we optimize our resources and exponentially grow our campus to meet the evolving demands of the local marketplace and our students. As leaders in supporting outstanding teaching and learning, we have created spaces, partnerships and opportunities that elevate post-secondary education to the next level.

Centre for Collaborative Education opens as community hub of teaching and learning

[In October, more than 200 people attended the grand opening of the CFCE](#) at the Oshawa campus, a community hub that connects students, employers, industry and business in the spirit of collaboration, support and advancement. With cutting-edge labs, entrepreneurial, maker and touchdown space and inclusive learning environments, this incredible building is also home to the [360Insights Entrepreneurial Centre](#), which aims to build a local community of entrepreneurs; the [Durham College Spa](#) where students and community members mutually benefit from experiential learning in the form of affordable spa and wellness treatments; the [First Peoples Indigenous Centre](#), which honours and serves First Nations, Métis and Inuit students; [the Global Class](#), which connects our student community to communities across the world; and more.

Whitby campus 25th anniversary; a celebration of serving the community

[In December, DC celebrated the 25th anniversary of its Whitby campus](#), which has championed skilled trades, apprenticeship and real-world learning opportunities essential to advancing our local, provincial and national economies for over two decades. Home to thousands of post-secondary students as well as more than 100 high school Ontario Youth Apprentices, the Whitby campus continues to build on our

tradition of experiential learning – a staple at this campus – through DC’s state-of-the-art Skilled Trades Centre, the School of Continuing Education and Corporate Training Services, in the fields and learning labs of the [W. Galen Weston Centre for Food](#) and at [Bistro ‘67](#), the college’s teaching-inspired restaurant.

DC and OPG partner to support energy leaders of tomorrow

[A partnership between the college and Ontario Power Generation \(OPG\) to fund the college’s first-ever Boiler Lab](#) at the Whitby campus is a perfect example of industry and post-secondary coming together to deliver valuable training opportunities and meet the future needs of our evolving community. In January, DC and OPG celebrated the completion of the lab, which allows students to gain specific insight into the work they will do in their field post-convocation. This knowledge will enable them to graduate with the precise skills required to transition seamlessly into employment with an emphasis on supporting the staffing needs of OPG that are essential to the successful completion of its Darlington Refurbishment Project, Canada’s largest clean energy initiative.

Our community

Along with a thriving on-campus community, DC is a proud member of a much larger community of stakeholders and ambassadors. Through our collaborative efforts, we continue to create opportunities that enhance access to programming in order to support, elevate and advance students of all ages and industry alike to achieve greater social and economic good.

One-stop online shop provides valuable service to local business community

[DC Solutions for Business](#) was launched to help grow our local economy by helping businesses evolve to meet the demands of today’s market. In April, the college took this unique service online, making it even easier for business owners to connect with an innovative suite of services designed to help them reach their organizational goals. Through nine complementary departments, DC experts work seamlessly with employers to provide customized solutions including talent acquisition, skills training and upgrading, research and development, meeting and banquet facilities, funding procurement, and charitable giving that will take their business to the next level.

Whitby campus expansion expected to meet demand in high-priority industries

As a community evolves so must the institutions that support it. With that in mind, [the process to secure funding to expand DC’s Whitby campus is underway](#) as we work to support the Town of Whitby as a community partner through economic development and job creation. Focused on high-priority industries such as elevating devices, trades including electricians, crane operators and millwrights and emerging areas such as boilermakers, it will feature a new 60,000 sq. ft. centre, which will double our capacity for skilled trades training to meet both employer and apprentice demand and helping to deliver more local jobs and support a prosperous future for all.

Durham District School Board partnership formed to support community of learners at secondary level

In a true community, no one gets left behind. In March, [DC signed a memorandum of understanding \(MOU\) with the Durham District School Board \(DDSB\)](#) to further partner on transitions, outreach and access programming for secondary school students. The MOU will enable DC to support current and prospective students who need assistance overcoming barriers that may be preventing them from

considering, accessing or pursuing a post-secondary education. This includes one-on-one coaching, mentoring and dynamic programming. Through greater access to DDSB schools, DC will be able to [reach, include, support and elevate \(RISE\)](#) secondary school students and encourage them to pursue their education beyond high school.

Applied research: solving industry and social challenges through innovation and collaboration

One of Canada's Top 50 Research Colleges for six years running, Durham College (DC) is a leader in innovative applied research – solving industry and social challenges through innovation and collaboration via our [Office of Research Services, Innovation and Entrepreneurship \(ORSIE\)](#).

Committed to addressing the needs of a technology-driven knowledge economy, ORSIE engages with industry, employees, students, and the community-at-large on research projects that are designed to support, transform and advance economic prosperity in Durham Region and beyond. This includes taking on 41 social innovation, artificial intelligence (AI) and other industry-led applied research projects during 2018-2019 and placing 60 students as research assistants.

In addition, the [Hub for Applied Research in Artificial Intelligence for Business Solutions \(AI Hub\)](#) was opened, offering industry partners access to technical expertise, state-of-the-art facilities and platforms, and student talent. Specifically, the hub is studying how narrow AI can help small- and medium-sized enterprises uncover new insights while providing intelligent and autonomous solutions that help increase their efficiency and development.

The following examples showcase just some of the projects that ORSIE has engaged in over the past year.

DC hosts eighth annual Research Day

In May 2018, the DC [Office of Research Services, Innovation and Entrepreneurship](#) (ORSIE) hosted [its eighth annual Research Day](#). Held at the Oshawa campus, it showcased faculty, student researchers and industry partners; introduced attendees to the [Hub for Applied Research in Artificial Intelligence for Business Solutions](#) (AI Hub) and the [Centre for Craft Brewing Innovation](#); and highlighted applied research projects in areas of significance to the local and provincial economies.

This included ORSIE's work with industry partner iCare Home Health Services (iCare), who demonstrated Health Espresso, an artificial intelligence (AI)-enabled global tracking device for distant health-care delivery that is the first of its kind in the world. One of the first partners to collaborate with the AI Hub, iCare is working with DC to bring advanced AI features to Health Espresso through the support of a Natural Sciences and Engineering Research Council grant.

The event included the 3MARC challenge, a competition that sees students engaged in applied research communicate the importance of their work and findings in only three minutes, and the AI Entrepreneurship challenge, a pitch contest in which competitors highlight the power of AI in unique and innovative business applications for a chance to win a cash prize and support from the DC FastStart team.

DC named one of Canada's Top 50 Research Colleges for sixth year in a row

In November 2018, DC was once again named one of [Canada's Top 50 Research Colleges](#) by Research Infosource Inc., a Canadian research and development intelligence company. The announcement marks the sixth consecutive year the college has been included on the list, which is informed by data on research income, research intensity, research partnerships and projects at colleges across the country.

DC receives more than \$2 million in applied research funding from NSERC

In November 2018, ORSIE announced approval for \$2.24 million in funding from the Natural Sciences and Engineering Research Council of Canada (NSERC) through its College and Community Innovation (CCI) program and College and Community Social Innovation Fund (CCSIF). The funding is being used over five years to further enhance the capacity of the college's Hub for Applied Research in Artificial Intelligence for Business Solutions (AI Hub), which has already established itself as a leader in artificial intelligence through a number of innovative applied research projects. Specifically, the grant will allow the hub to engage more faculty, students and industry partners in collaborative projects to improve business innovation, develop talent and contribute to local technological advancement.

The college also received \$240,000 from CCSIF over a two-year period with the grant being used to support a social innovation project focused on developing a unique and scalable housing model for youth living on their own in Durham Region.

DC AI Hub hosts Tech Talks on campus

In October 2018, DC hosted Tushar Singh, chief executive officer of Minute School, at the Hub for Applied Research in Artificial Intelligence for Business Solutions (AI Hub) for a Tech Talk on special needs education and artificial intelligence (AI). The event was part of an ongoing speaker series to highlight the growing field of AI including exploring business trends and possibilities in AI research and design. During the talk, the City of Oshawa also announced a sponsorship commitment for future Tech Talks related to cyber security, health care and real estate with the city providing \$3,000 in financial support and assistance, garnering engagement from local and external businesses and stakeholders.

The college then hosted its fourth Tech Talk in January 2019 with a two-hour event focused on real estate from an industry standpoint and how AI has started to disrupt the market including key points around data integrity, privacy, security and regulation. Held at the AI Hub, the event saw more than 90 professionals from the AI and real estate industries attend presentations by Tim Hudak, chief executive officer of the Ontario Real Estate Association, Mustafa Abbasi, president and chief revenue officer of Zolo, Absar Beg, president of Lifelong Group of Companies, and Gary Fooks, chief executive officer and mortgage broker for 8Twelve Mortgage Corporation. Housed within the Office of Research Services, Innovation and Entrepreneurship, the AI Hub offers small- and medium-sized enterprises a much-needed access point to the rapidly growing field of AI.

Enactus DC connects with local high schools

In November 2018, five DC students travelled to St. Mary Catholic Secondary School in Pickering to break ground on the first phase of the college's Grassroots project. The initiative is part of Enactus DC, a club of student leaders looking to make a positive economic and social impact on society that was introduced in 2016 through FastStartDC. In partnership with the Durham District Catholic School Board (DDCSB), Grassroots aims to educate elementary and secondary school students about food-related issues in a sustainable outdoor education environment.

The St. Mary's project led high school students as they built micro-greenhouses and planted a fruit tree orchard with the cold frames for the micro-greenhouses designed by DC's [Horticulture – Food and Farming](#) and [Building Construction Technician](#) students. Future Grassroots plans include continuing to work with St. Mary and the DDCSB to build an accessible food and farming hub that will help students learn about plants, food production, climate, sustainability, regeneration and resiliency.

In January 2019, the DC [Enactus team](#) also hosted [100 high school students from Monsignor Paul Dwyer and Monsignor John Pereyma Catholic secondary schools](#) for its inaugural [Side Hustle Summit](#). This one-day entrepreneurship conference, designed for students in a Ministry of Education [Specialist High Skills Major \(SHSM\)](#) program, is an Enactus DC social innovation project that aims to motivate and empower young adults to pursue entrepreneurship while providing practical strategies for social media and website building. The conference kicked off with keynote speaker Dan Cole, a DC alumnus and founder of RandomTens, and offered workshops focused on entrepreneurial thinking, personal branding and development, using social media for business, and rapid website deployment.

ORSIE by the numbers:

- Total funding approved: \$1,782,558
- Project funding received in the 2018-2019 fiscal year: \$794,387
- Total amount of industry cash and industry in-kind cash: \$736,060
- Total amount of administration funding: \$252,111
- Total number of projects: 53
- Students involved: 89
- Employees involved: 35
- Top 50 Research College

Success stories

Highlighting the 2018-2019 achievements of our students, our people, our business and our community.

Our students

DC students Deanna Chaikalis and Matthew Vella win fire safety awards

In April 2018, Deanna Chaikalis and Matthew Vella, graduates of the college's [Firefighter – Pre-service, Education and Training program](#) were [recognized at the Canadian Fire Safety Association \(CSFA\) annual education forum](#). The duo returned to DC to take the [Fire and Life Safety Systems Technician program](#) and gain higher qualifications to further develop their critical thinking skills in the field of fire safety.

Chaikalis received the Mircom Group Award, valued at \$500, for having exceptional overall skills focused on fire detection systems, codes, fire protection system design and practical labs. Vella was recognized with the Siemens Canada Award, valued at \$1,000, for his outstanding performance in fire detection, codes, fire protection system design, practical lab skills and AutoCAD.

Big win for journalism at DC; program, website and student awarded at Better Newspapers Competition

In April 2018, the college's [Journalism – Mass Media](#) program [took home first place honours at the Ontario Community Newspaper Association's \(OCNA\) annual Better Newspapers Competition](#). In addition, [The Chronicle](#) website was awarded Best College/University Newspaper Website, and Toby Van Weston, a 2017 graduate of the [Journalism – Mass Media](#) program, won the Student Feature Writing category for a two-page [story on the water quality issues on Scugog Island](#), earning praise for running a local angle on a national-scale story.

DC Horticulture Technician students participate at Landscape Ontario Congress

In January 2019, a team of the college's [Horticulture Technician](#) students participated in the [2019 Landscape Ontario Congress](#), an annual trade show and conference for Canada's horticultural and landscape professionals.

With a goal to bring a classmate's vision of a tranquil outdoor garden room from design to reality, their work was featured as part of the Canada Blooms Campus: Student Feature Gardens exhibit. Designed by second-year student Amanda Steinberg, the DC installation featured extensive woodwork, including a wooden accent wall, and a secret waterfall. Her design and the students' participation at the event were part of an assignment for the Sustainable Garden Concepts and Design course with the students given just two days to construct the installation.

DC Culinary Management students take home awards at 2018 Student Chef Challenge

In October 2018, two teams of second-year [Culinary Management](#) students [took home multiple awards at the 2018 Student Chef Challenge](#), hosted at the W. Galen Weston Centre for Food.

Sponsored by Ontario Sheep Farmers and Mushrooms Canada, the challenge saw students from Durham, Fleming and Centennial colleges prepare and present three internationally inspired lamb and mushroom dishes to a panel of industry judges. Working with faculty mentors who guided them through the finer aspects of butchery, the students tested their expertise in recipe development techniques with DC's Team A winning second place overall and Team B recognized for Best Butchery Skills.

The challenge gave students the opportunity to expand their learning beyond the classroom, receive valuable feedback from judges and begin the process of building a name for themselves in the industry. Recipes from the competition will be featured in a future cookbook being jointly published by Ontario Sheep Farmers and Mushrooms Canada, with the students receiving credit for their contributions.

Dental Hygiene and Personal Support Worker students engage in collaborative learning in support of senior population

In June 2018, the [School of Health & Community Services](#) held a 90-minute interdepartmental workshop to offer [Dental Hygiene](#) (DH) and [Personal Support Worker](#) (PSW) students a hands-on learning experience designed to encourage collaboration between the two programs.

Ten DH and 15 PSW students focused on best practices related to oral care and mobility for seniors with the groups taking turns guiding each other in techniques to benefit the senior population. The PSW students facilitated a discussion and training related to safe techniques for transferring clients to and from a wheelchair to a dental chair, and the DH students reviewed the components essential to maintaining a healthy and clean mouth, including a demonstration of proper mouth care. The workshop concluded with a debriefing session for each group that allowed participants to share their feedback on

how this unique and collaborative experience allowed them to gain specialized, situational knowledge in their field.

DC students raise \$20,000 for Durham Outlook through Hockey Helps the Homeless

For the third year in a row, DC students came together for the Hockey Helps the Homeless tournament in support of [Durham Outlook](#), a soup kitchen serving Durham Region's most vulnerable residents.

Organized by DC [Sport Management](#) students during their fourth semester, the tournament, held in March 2019, was one of several held nationwide to enable hockey lovers to skate alongside their peers while making a difference in the lives of Canadians experiencing homelessness. The DC tournament was facilitated through a Sport and Event Marketing class with students brainstorming about the event before the start of the semester including applying for co-chair positions the fall prior. Students worked together to form sub-committees that focused on game day operations, sponsorship and player recruitment and marketing, allowing them to apply their skills and interests to the planning, organization and execution of a real-world sporting event.

[More than \\$20,000](#) was raised with a cheque presented to Durham Outlook by Nadine Lamarche, program co-ordinator for DC's [Sport Administration and Sport Management programs](#), and her students in April 2019.

Our people

DC presents at Harvard University

In March 2019, DC joined the Ivy League when Ashley Marshall, a professor with the [School of Interdisciplinary Studies](#), and Allison Hector-Alexander, director of the [Office of Student Diversity, Inclusion and Transitions](#), [presented at the Black Portraiture colloquium on African American culture hosted by Harvard University's Hutchins Center for African and African American Research.](#)

Based on Marshall's project on Critical Race Theory, namely anti-black racism, she was invited to present alongside leaders in the field of critical race studies and subsequently asked her mentor, Hector-Alexander, to join her as a conference panelist.

Marshall and Hector-Alexander shared their experiences as women of Jamaican and Dominican Republic descent including presenting their ideas about racial representation as an integral part of the learning environment. With a focus on the need for post-secondary institutions to emphasize how formative culture is for students, including how students and educators can benefit from increased engagement, Marshall explored the role of teachers in grooming her into the communications professional she is today with Hector-Alexander discussing the volume of work still required to make campuses more inclusive.

The conference also enabled Marshall and Hector-Alexander to bring innovative ideas back to DC to further exemplify how the college cares about its faculty and students by supporting anti-racism, anti-oppression and anti-brutality, both inside and outside the classroom.

Leave for Change participants complete their mandates

During 2018-2019, four DC employees selected by Uniterra to represent the college as part of the Leave for Change program [completed their mandates](#). The program enables DC employees to transform vacation time into professional and personal development opportunities with Dale Burt, a professor with the [Mediation – Alternative Dispute Resolution Graduate Certificate program](#) with the [School of Justice & Emergency Services](#), Cosette Kazarian, an intranet specialist with the Communications and Marketing department, Kim Sharpe, a program assistant with the [School of Continuing Education](#) and [Rebecca Milburn](#), principal, Whitby campus, [School of Skilled Trades, Apprenticeship & Renewable Technology](#) and [Centre for Food](#), spending three to four weeks in developing countries.

During their time abroad, employees are paired with professionals from non-governmental organizations in their host countries and contribute their skills and expertise to a development project.

To date, Burt has worked with Danang University in Danang, Vietnam as a teaching methodology advisor; Kazarian spent four weeks in Colombo, Sri Lanka where she worked with the University of Vocational Technology, helping to enhance their communications and marketing vehicles/materials; Sharpe travelled to Kathmandu, Nepal where she worked with the National Youth Federation of Nepal to train their members; and Milburn worked as an advisor for the Centro de servicio para la capacitación y desarrollo (CAPLAB) in Lima, Peru as well as a workshop facilitator for several local CETPROs and Institutes, providing training focused on professional career development and improving the economic and social well-being of youth. Three more employees are scheduled to participate in the program during 2019-2020.

Gold and silver for DC at 2018 CIG Awards of Excellence

In April 2018, Durham College was recognized with two [Colleges and Institutes Canada \(CIG\) Awards of Excellence in recognition of best practices from institutions across the country and individual leadership and achievements](#).

The awards were presented during the association's annual conference in Victoria, B.C. with Naqi Hyder, a second-year [Paralegal](#) student, and officer and transitional manager for Durham College Students Inc. (DCSI), recognized with the gold award for Leadership Excellence for Students. Amit Maraj, a professor with the [School of Business, IT & Management](#), and principal investigator for numerous applied research projects, was also recognized, receiving the silver award for Leadership Excellence for Faculty.

Career development outreach co-ordinator publishes article on national CERIC Blog

In December 2018, Devon Turcotte, a career development outreach co-ordinator with the college's Career Development office, published an article on the national blog for CERIC, an organization dedicated to advancing career development in Canada. The article focused on [how to talk to children about determining their career path](#).

DC proudly hosts another successful United Way campaign

In spring 2018, DC employees once again came together to raise funds in support of United Way (UW) Durham Region and the many UW health and social services agencies serving our community's most vulnerable individuals and families. More than \$20,000 was raised through several different fundraising methods held across the campus.

DC community continues to volunteer at St. Vincent's Kitchen

During 2018-2019, the DC community proudly continued its tradition of volunteering with St. Vincent's Kitchen, a non-profit organization that has been providing meals to lower-income and homeless patrons in Oshawa for more than 25 years. With selected employees giving their time on the first Thursday of every month, more than 1,500 hours were donated to assist with tasks ranging from peeling potatoes and cutting dinner rolls to cooking, serving meals and doing dishes.

Our business

DC named one of Canada's 2018 Greenest Employers

[In April 2018, DC was named one of Canada's Greenest Employers](#) for the second consecutive year. The designation recognizes employers who create remarkable workplaces that minimize the environmental impact of their operations and, in the process, attract a new generation of talented employees and customers.

The college's focus on sustainability is formalized in its current Business, Strategic, and Campus Master plans and includes multiple programs involving employees and students in environmental stewardship. For example, the Living Green initiative, which consists of 20 to 30 employees, is working to enhance the sustainability of campus operations and planning, administration, curriculum, research, innovation and stakeholder engagement. Students also contribute creative ideas and solutions aimed at advancing campus sustainability initiatives through the Student Green Team.

Additional examples of the college's commitment to environmental stewardship include environmental management programs, green events and transportation-focused initiatives that further DC's commitment to sustainability. The college's building footprint also includes a number of green features such as a 350-panel photovoltaic rooftop solar array, a geothermal heating and cooling system, a centralized building automation system that monitors multiple campus buildings and [Bistro '67's Green Restaurant](#) certification. Additionally, the grounds at the [W. Galen Weston Centre for Food](#) feature outdoor fruit, vegetable and herb gardens, native plantings and pollinator gardens.

360insights supports entrepreneurship through donation to Building Something Amazing campaign

In July 2018, DC announced a commitment from [360insights](#) to help build a local community of entrepreneurs and world-class students [via a significant donation to the college's Building Something Amazing capital campaign](#).

The funds were used to help complete construction of the new [Centre for Collaborative Education](#) (CFCE), and specifically, the 360insights Entrepreneurship Centre, which opened in Fall 2018.

Named in honour of the company's generosity, the 360insights Entrepreneurship Centre is home to FastStartDC, a program that helps students and youth develop valid business ideas and plans to take their products and services to market quickly and successfully. The Building Something Amazing capital campaign was launched in September 2017 to raise \$5 million to complete construction of the CFCE.

Aboriginal Student Centre renamed First Peoples Indigenous Centre

Following its move into the new [Centre for Collaborative Education](#) (CFCE) in summer 2018, the Aboriginal Student Centre was renamed the First Peoples Indigenous Centre. Established in 2011, the First Peoples Indigenous Centre is also known as Suswaaning Endaajig, Anishnaabe, a nest away from

home, with the centre supporting First Nations, Métis and Inuit students studying at DC through a holistic approach to education that focuses on their physical, mental, emotional and spiritual well-being.

The college embarked on the process to rename the Aboriginal Student Centre with the intent of establishing a name as representative of Indigenous Peoples in Canada as possible. This included engaging with key stakeholders, including Indigenous students, participants of the Cedar Tea Circle and Bawaajigewin Community Circle, local First Nations communities, the Oshawa and Durham Region Métis Council and members of the college's Aboriginal Advisory Circle and Leadership Team in multiple rounds of consultation to arrive at the new name.

DC AI Hub announces partnership with MobileXCo

In January 2019, [the AI Hub announced a partnership with MobileXCo, a marketing services and analytics company](#), focused on using AI and machine learning to help automate MobileXCo's Tether™, a web-based experience marketing platform. During a time when consumers are driven by experiences and brands are looking to connect with clients in interactive and memorable ways, Tether™ helps companies close the gap between promotion-type marketing activities and understanding how those activities contribute to sales by linking campaign participation and engagement to point-of-sale transactions.

The four-phase project is aiming to automate as much of the receipt data extraction, organization and analysis as possible, resulting in a more streamlined and less labour-intensive solution that inherently delivers incremental, data-based value. DC faculty and student-research assistants from the [Computer Programming Analyst](#) and [Data Analytics for Business Decision Making](#) programs are working directly with MobileXCo, enabling them to learn about advanced AI technologies and gain hands-on industry experience in developing real, functional solutions for clients.

DC to launch new programs for September 2019

In Fall 2018, DC announced the launch of several new programs for September 2019. This includes the [Artificial Intelligence Analysis, Design and Implementation \(graduate certificate\)](#), [aimed at tackling the acute shortage of skilled artificial intelligence \(AI\) professionals in Canada, the most significant barrier to AI implementation today](#), and [Carpentry and Renovation Technician \(diploma\)](#), which is designed to give graduates a strong knowledge and understanding of structural renovations, sustainable construction theory and energy-wise construction techniques, as well as foundational business theories and strategies to complement their technical training.

DC launches RISE program to break down barriers to post-secondary education

In August 2018, DC launched the new RISE (Reach, Include, Support and Elevate) program through the Office of Student Diversity, Inclusion and Transitions. Replacing the First-Generation initiative and part of the Ontario Post-Secondary Access & Inclusion Program, RISE aims to ensure equal opportunity exists for all Ontario residents to pursue a post-secondary education. The program and its community partners, including school boards and agencies, supports current or potential students who need assistance overcoming the barriers preventing them from considering, accessing or pursuing post-secondary education. In addition, RISE offers one-on-one coaching to ensure a smooth academic and social transition to the post-secondary environment and facilitates and promotes academic success by providing dynamic programming and making referrals to additional college and community services as required.

DC partners with Molecular Science Corp. to advance cannabis education

In July 2018, DC announced the signing of [a memorandum of understanding \(MOU\) with Molecular Science Corp. \(MSC\)](#) that focuses on student experiential learning placements and collaboration on research initiatives related to the medical and recreational cannabis industry.

The first post-secondary institution to establish an MOU with MSC, under the terms of the agreement, [MSC](#) will provide DC with scientific research context and methodologies as the college expands its new cannabis-related courses and programs including the new [Cannabis Industry Specialization certificate program](#) and two-day [Medical Cannabis Fundamentals for Business Professionals course](#).

In addition, MSC is supporting the college as an advisor on equipment acquisition and the provision of guest speakers to address post-secondary and professional development-level students, and a senior MSC representative has joined DC's cannabis industry Program Advisory Committee.

In turn, DC is providing MSC with access to cannabis-related educational materials and expertise and access to students to fulfil internships and resources for MSC's mobile lab platform.

The partnership represents the third major collaboration between the college and leading organizations in the cannabis industry with agreements also in place with [GrowWise Health Limited](#) and [Ample Organics](#).

DC congratulates research partner Partake Brewing on 2018 World Beer Awards win

In August 2018, [DC congratulated research partner Partake Brewing](#) (Partake) for being recognized by a panel of international judges at the [2018 World Beer Awards](#), which selects the best in internationally recognized styles, awarding and promoting the world's best beers to consumers and trade across the globe.

Partake's pale ale which is based on a recipe that DC's [Centre for Craft Brewing Innovation](#) (CCBI) helped to develop, [was named the best low-alcohol pale beer](#). The collaboration between Partake and DC's Office of Research Services, Innovation and Entrepreneurship (ORSIE) began in October 2016 with a \$25,000 Engage grant from the Natural Sciences and Engineering Research Council (NSERC). The grant enabled ORSIE researchers and the CCBI's brew master to use the CCBI brew lab and line to work with Partake on the development of the winning recipe.

The recognition comes on the heels of several achievements for Partake with the growing craft brewer recently securing a deal on CBC's Dragon's Den based on a recipe for an India Pale, also developed in partnership with the CCBI.

The CCBI, located at the Whitby campus, officially launched in spring 2018 and consists of a pilot brew line and brew lab purchased with a \$150,000 NSERC Applied Research Tools and Instruments grant. It offers craft brewers access to expertise and state-of-the-art technology, as well as micro-analytical and research services.

Enactus DC team shines at 2018 Enactus Canada National Exposition

In May 2018, Ryan Cullen, field co-ordinator for the [Horticulture – Food and Farming](#) program who is also a program alumnus, was [named the John Dobson Enactus Fellow of the Year](#) at the [2018 Enactus Canada National Exposition](#), an annual forum to address social issues through entrepreneurial action. The honour recognizes the outstanding contributions of faculty members as mentors to students involved in the Enactus teams at their respective colleges.

The [Enactus Durham College](#) team also showcased its [Grassroots](#) project during the exposition including its outdoor education food facility, which is creating an accessible food and farming hub in Durham Region in partnership with St. Mary High School in Pickering.

Our Community

DC Paramedic students volunteer at 2019 Ontario Parasport Games

In February 2019, 18 DC students and alumni from the [Paramedic program](#) volunteered as first aid providers for the Durham Region 2019 Ontario Parasport Games.

Hosted by the Region of Durham, in partnership with the Ministry of Tourism, Culture and Sport, the games welcomed more than 500 athletes, coaches, guides, and support personnel with athletes competing in 11 parasports at eight different venues across the region.

In addition to experiences such as this, DC's Paramedic students are exposed to ongoing clinical and field placement opportunities during their time at the college, which enables them to become highly skilled first responders and compassionate caregivers who meet community members' emergent and non-emergent health needs.

DC awards seventh honorary credential to Kent Farndale

In June 2018, DC [awarded its seventh honorary credential to Kent Farndale](#) during spring convocation. The honorary credential is given to individuals who make an outstanding contribution in several areas to support the advancement of the college, Durham Region and beyond. Farndale was awarded a diploma in Community Development for her passion for volunteerism and civic advancement, which has been a driving force behind many local developments and initiatives.

Farndale's history of civic involvement began when she successfully campaigned to retain and restore Port Perry Town Hall. This was followed by extensive philanthropic endeavours including the fostering of partnerships between countless organizations that contribute to the education, health and culture of Durham Region including a fundraising campaign to build the R.S. McLaughlin Durham Regional Cancer Centre at Lakeridge Health Oshawa, the My Health, My Hospital campaign and championing the expansion of the Community Memorial Hospital in Port Perry.

A keen supporter of DC, Farndale, and her now late husband, established the Douglas and Kent Farndale Culinary Award in 2012 and contributed to the capital campaign to build the W. Galen Weston Centre for Food.

DC hosts Young Women in Science, Technology and Trades Conference

In October 2018, DC, in partnership with Ontario Power Generation, [hosted more than 550 girls from several regional school boards in grades 7 to 9](#) for programming aimed at connecting young women with careers in science, technology and skilled trades.

The two-day conference featured keynote presentations from serial inventor and speaker Ann Makosinski and entrepreneur and HGTV designer Jo Alcorn. Students participated in hands-on workshops while taking advantage of DC's facilities and innovative learning spaces.

A selection of unique programming was offered throughout the conference, including workshops that allowed attendees to write code, test out a welding simulator, build robots, create a sheet metal candle holder, patch and plug a tire and frame a wall. Students also performed scientific experiments in industry-grade laboratories including conducting an acid-base titration and testing water to simulate how water plant operators test chlorine levels in drinking water.

DC hosts FIRST® Robotics Competition

In March 2019, [DC hosted more than 1,000 of the province's brightest young minds, along with their mentors, family, friends and fellow robot enthusiasts, at the FIRST® Robotics Competition Ontario District Durham College event.](#)

2019 marked the fifth year the college has hosted the competition, which gives high school students an opportunity to demonstrate their technological and engineering skills by operating complex, 140-pound robots that they design and build in only six weeks. Students have fun while gaining real-world engineering experience, developing leadership skills and learning to work as a team under pressure and tight timelines.

Winners of the event moved on to the *FIRST®* Ontario Provincial Championship in early April where they competed for a spot at the World Championships held in Detroit, Michigan.

DC hosts The Cypher: Black Male Empowerment Conference at Oshawa campus

In May 2018, DC hosted [The Cypher: Black Male Empowerment Conference](#) for the second year in a row with more than 300 students from grades 8 to 10 learning about empowerment, mental health and eliminating barriers to success while experiencing a post-secondary learning environment.

A Durham District School Board initiative, the conference aims to provide Durham Region students with an opportunity to learn about future academic pathways, employment opportunities and positive transitions. The agenda also included workshops about planning for the future and developing new skills, numerous activities, networking opportunities and discussions with teachers, community leaders and mentors about the supports required for a bright and healthy future.

DC celebrates national Indigenous Peoples Day

In June 2018, DC celebrated National Indigenous Peoples Day by raising the Mississaugas of Scugog Island First Nations flag at the Oshawa and Whitby campuses. A celebration of Indigenous Peoples' culture and heritage, the day offered students and employees an opportunity to become better acquainted with the cultural diversity of First Nations, Inuit and Métis Peoples, discover the unique accomplishments of Indigenous Peoples in fields as varied as agriculture, the environment and the arts, and celebrate their significant contribution to Canadian society. In response to the Truth & Reconciliation Calls to Action, DC has also developed an Indigenization Council comprised of key members of the college who have established working groups to Indigenize the college as a collective.

DC receives \$1 million donation from The W. Garfield Weston Foundation to support farming operations

In January 2019, [DC announced a \\$1 million donation from The W. Garfield Weston Foundation](#) to fund the expansion of the college's farming operations at the W. Galen Weston Centre for Food (CFF).

The success of the [Horticulture Technician](#) and [Horticulture – Food and Farming](#) programs over the last two years has resulted in a doubling of enrolment and a greater demand for fresh foods from the field. The donation is supporting the construction of a post-harvest and storage facility, a greenhouse expansion and the implementation of container farming, all of which will increase and better process the CFF's food production, allow for experimentation of newer agriculture practices, and provide students with new experiential learning opportunities.

DC celebrates new TeachingCity Hub in Oshawa's downtown core

In May 2018, DC, in conjunction with the City of Oshawa, the Canadian Urban Institute, Trent University Durham Greater Toronto Area, Ontario Tech University, and the University of Toronto's Faculty of Applied Science & Engineering, celebrated the first year of TeachingCity with the [opening of the TeachingCity Hub](#).

Located in the downtown Oshawa core, the hub is a dedicated space for facilitating TeachingCity projects with DC and the City's education and research partners, including students and employees. It also provides opportunities for TeachingCity partners to share access to facilities, resources and equipment, and includes office, classroom and open lab space. An open-concept area is being used for TeachingCity partnership meetings, collaborative learning opportunities and co-design.

Sport shorts

2018-2019 marked another successful year for the DC athletics department:

- Women's soccer player, Bailey Colangelo, and men's soccer player, Bruce Cullen, were named DC's athletes of the year at the 48th annual athletic banquet.
- DC hosted the 9th annual academic luncheon to celebrate the academic accomplishments of our student-athletes during the 2017-2018 season with 38 student-athletes recognized with Ontario Colleges Athletic Association (OCAA) All-Academic awards, surpassing the previous record of 28 set in 2017-2018 and 2014.
- The men's golf team represented DC at the Canadian University/College Championship in Chilliwack, BC.
- The college was named host of the 2019 Canadian Collegiate Athletic Association (CCAA) men's soccer championship, marking the 15th time DC has hosted a national championship.
- The women's soccer team won its first pre-season match on the newly renovated Vaso's Field, which is equipped with FIFA-certified artificial turf, the first of-its-kind at a Canadian post-secondary institution.
- [Del Pathmanathan](#), lead assistant coach and recruitment co-ordinator for the men's basketball team, was welcomed to the coaching staff of the Sri Lanka U18 national team participating in the Youth Olympic Games in Buenos Aires, Argentina.

- Assistant softball coach [Rosemary Theriault](#) and her family presented the second annual Gerry Theriault Memorial Bursary to [Ashley Black](#) and [Sarah Seifried](#), in honour of Rosemary's late husband who was an avid supporter and long-time volunteer with the Durham Lords program.
- The women's rugby team played its first OCAA sevens match and earned the team's first conference victory later in the season.
- DC won the 2018 OCAA softball championship and made history by becoming the first program to win a 20th OCAA league championship and the only women's softball team to win four straight OCAA gold medals.
- Following the men's rugby team return to conference play after last playing in 1996, the Lords captured the OCAA championship banner, marking the first time in the program's history.
- Women's soccer head coach [Alex Bianchi](#) and men's soccer coach [Dave Ashfield](#) both won 2018 OCAA coach of the year, marking the first time Bianchi and Ashfield have received the honour in the same year.
- Former women's basketball player [Lindsay Panchan](#) signed her second professional contract, the first with Bergische Loewen in Germany and second with Lemvig Basket of Dameligaen, First League Denmark.
- Women's volleyball player [Pasha Ormerod](#) was recognized with the Premier's Award for Indigenous Youth Excellence in Sport in her home province of British Columbia.
- DC sport business management graduate, decorated student-athlete and international scholar Shannon Galea became a game plan specialist with the Canadian Olympic Committee.
- The women's volleyball team parlayed its undefeated 2018-2019 regular season campaign into five all-star awards, two all-rookie nods and one major award in addition to winning an OCAA bronze medal.
- Women's volleyball coach [Tony Clarke](#) was honoured as OCAA East Coach of the Year, marking his third time receiving the honour in his five years leading the women's volleyball program.
- DC announced four inductees into its Sports Hall of Fame, including Lords volleyball alum Sandy Abram, softball alum Stacey Fertile, and two former coaches, Gail Reid and Jim Anderson.

International education success stories

DC embarks on third mission to Kenya

In June 2018, [DC embarked on its third mission to Kenya](#) as part of the Kenya Education for Employment Program (KEFEP), a five-year project facilitated by Colleges and Institutes Canada (CICan) and funded by Global Affairs Canada. Nine DC students and employees attended the KEFEP partner forum hosted by CICan in Nairobi, Kenya, which brought together Kenyan and Canadian institutional partners; organizations and institutions from Tanzania, Uganda, Ethiopia, Malawi, Zambia, Zimbabwe; and Technical and Vocational Education and Training stakeholders. Following the forum, Joanne Spicer, DC's global learning facilitator and a professor in the Victimology graduate certificate program, led gender-mainstreaming workshops with partner institutions from across Kenya.

DC welcomes new international students to campus

Since August 2018, DC has welcomed more than 1,000 new international students from 62 countries, with a current international enrolment of 2,100 students from 65 countries.

The highest number of the college's international students come from India, Vietnam, Jamaica, Nigeria, Kenya, Brazil, Sri Lanka, China and Mexico with DC also engaged in developing new markets for

international recruitment, such as Russia, Ukraine, Indonesia, Colombia, Ecuador, Kazakhstan, Peru, Uganda, Mauritius and Zambia.

In addition to generating revenue, international students contribute to the creation of a dynamic culture of diverse perspectives and experience in the classroom, which is an important aspect of DC's strategy for Internationalization@Home, one of the four pillars of the college's Internationalization and Global Engagement Plan.

DC signs agreements with two German post-secondary institutions

In October 2018, DC signed two General Agreements of Cooperation with Friedrich Alexander University Erlangen-Nuremberg (FAU) and Technische Hochschule Nürnberg Georg Simon Ohm (THN) in Germany. The agreements are designed to provide opportunities for international collaboration and stimulate educational, professional and intercultural activities and projects among students and faculty within FAU's Department of Mechanical Engineering, THN's School of Engineering and DC's School of Science & Engineering Technology. Specifically, DC is working with FAU and THN to explore exchange opportunities for students, staff and faculty; facilitate curriculum exchange for distance learning and training programs; and identify opportunities for conducting applied research in industrial and community development, and teaching and learning.

DC hosts screening of Kenya documentary

In November 2018, the DC International office, in collaboration with Colleges and Institutes Canada (CICan), premiered the Kenya Education for Employment Program (KEFEP) documentary, which was produced by four DC students and two professors.

The crew, made up of Journalism – Mass Media Professor Danielle Harder and Video Production Professor Jennifer Bedford, in conjunction with four students from the School of Media, Art & Design, spent three weeks in Kenya interviewing CICan-KEFEP partners and stakeholders as part of a two-phase documentary on the progress of the KEFEP project from beginning to end. More than 120 guests from the college and local community, including the principal secretary from Kenya's State Department of Vocational and Technical Education and the deputy high commissioner of Kenya to Canada, gathered in the Global Class at the Centre for Collaborative Education for the screening of the film. In addition to the screening, the premiere featured a photo exhibit, interactive KEFEP stations produced by first and second-year Journalism – Mass Media students and a #DCinKenya crew question and answer panel session.

DC celebrates International Development Week

In February 2019, DC hosted an International Development Week, a national initiative that seeks to inspire Canadians, in particular youth, to learn more about and contribute actively to global issues and initiatives. The theme of the week was *Together for Equality*, and featured events that focused on the 17 Sustainable Development Goals (SDGs) adopted by all United Nations member states in 2015.

Activities included a non-profit marketplace in The Pit, which gave students the opportunity to connect with local and international non-governmental organizations (NGOs); a screening of the movie *I Am*, a documentary discussing global challenges and how to address them; and a discussion with DC graduates living and working overseas that was facilitated in the college's Global Class. The week culminated with a screening of the Kenya Education for Employment Program (KEFEP) documentary, and a panel

discussion detailing the 52 interviews that were held with KEFEP partners, stakeholders and beneficiaries and the challenges associated with collecting 40 hours of footage in a foreign country.

DC goes abroad for experiential learning

In October 2018, 10 culinary students and two professors from the college's [W. Galen Weston Centre for Food](#) travelled to Peru for an experiential learning opportunity that included learning about and practicing Peruvian cuisine. This fall, the faculty-led classroom will once again take place in Peru with eight students and two faculty members.

In addition, between January and March 2019, a professor and a student participated in a teaching and learning experience in Spain with additional institutional partnerships and opportunities for faculty-led classrooms, international exchanges, summer programs and international field placements for Fall 2019 also in progress with partners in Peru, Chile, Brazil, Spain, Russia and Rwanda.

DC launches Co-Pilots program

In January 2019, the International office launched the [Co-Pilots program](#), a free intercultural engagement program that pairs students from two different cultural backgrounds together to navigate cultural events and activities, learn from another and form new friendships. Aimed at addressing one of the primary goals of DC's Internationalization and Global Engagement Plan – to promote opportunities for collaboration involving international and domestic students inside and outside the classroom – the program saw 10 co-pilots enroll for Winter 2019 with 17 new students enrolled for September 2019. Students who complete all of the program's requirements receive a certificate of completion and co-curricular credit for developing new intercultural skills.

In addition to the Co-Pilots program, an international student volunteer program was launched during 2018-2019 with 40 international students assisting at several on-campus events including International Orientation, International Development Week, and Lunar New Year and Holi celebrations.

DC approaches finish line in Vietnam

Following the 2017 launch of a new Pharmaceutical and Food Science Technology program with the college's international partner Hau Giang Community College (HGCC) in Vietnam, DC staff and faculty have continued to support HGCC with the development of student service action plans and additional curriculum resources. During 2018-2019, HGCC, in collaboration with DC, implemented improvements to its student application process, expanded social media connections, established a greening strategy across campus and incorporated gender equity into its programming. As DC approaches the final year of this five-year project, HGCC continues to look for ways to transfer the college's best practices to other program areas and practices college wide.

A look ahead: DC's new Strategic Plan

With DC nearing the final year of its 2017-2020 Strategic Plan, the college has embarked on the exciting process to develop a new strategy that will redefine who we are as an evolving institution and guide our decisions and actions through to 2023. This includes the ways in which we will continue to achieve our mission, realize our vision and remain true to the shared values and goals we strive to uphold each day.

Linked to the goals outlined in both our Academic Plan and Strategic Mandate Agreement with the Ministry of Training, Colleges and Universities, our new Strategic Plan will incorporate the many elements that enable us to provide top-quality experiential learning opportunities to our students, positively contribute to the broader community and support our employees while continuing to align our priorities and goals with the college's four pillars: our students, our people, our business and our community.

The process to develop our new Strategic Plan began with a comprehensive online survey focused on our mission, vision and values that was made available to our key internal and external stakeholders from March 18 to 31, 2019. More than 700 respondents took part in the survey, providing feedback on the language used in the current plan and suggestions for improvement or clarification. In addition to the survey, several focus groups have also been held with additional sessions planned for 2019-2020. These interactive sessions are providing our stakeholders with an additional opportunity to offer even more insight into our current strategic plan while helping us determine our future mission, vision, values and goals.

All of the feedback gathered will then be compiled, reviewed and incorporated into the new plan, which will then be shared with the DC community in Spring 2020.

Renewing our strategic plan is always an exciting time as it allows us to reflect on our vision to ensure that we are heading in the right direction and confirm that our mission is focused and serves all of our stakeholders. Once our new plan is completed, we will review all of our other strategic documents to ensure consistency and alignment with the new plan – charting our course for the next three years as we work together, on and off of campus, to support our students and the community.

Appendices

2018-2019 Durham College Board of Governors

[Paul Macklin](#), chair of the Board
[Ivan DeJong](#), vice-chair of the Board
Elizabeth Cowie
Suzanne Beale
[Kevin Griffin](#), academic staff advisor
Michele James
Gail Johnson Morris
Navleen Kaur, student governor
Robert Lanc
Bart Lucyk
[Debbie McKee Demczyk](#)
Kenneth Michalko
[Heather Quantrill](#)
Gary Rose
[Steve Stewart](#)
[Jim Wilson](#)
[Don Lovisa, president](#)

Durham College 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.

2018-2019 Business Plan overview

Building on the accomplishments of the previous fiscal year, 2018-2019 marked another successful year for DC with our students, employees and alumni continuing to make their mark in Durham Region and across the world.

A review of the 2018-2019 Business Plan reflects the dedication of our campus community to identify, develop and implement numerous activities to ensure the success of our students, including our commitment to offering experiential learning and co-op opportunities and advancing student entrepreneurship to support the needs of the local economy and labour market through collaboration with our community partners; provide new opportunities for employees; increase DC's positive reputation, including providing leadership to the college system; and grow and maintain our community and business partnerships while fostering new ones.

With the majority of actions detailed in the 2017-2018 business plan complete, all 24 objectives were achieved.

Achieving the objectives outlined in the annual Business Plan each year is critical to the success of the college's three-year strategic plan with the Ontario Minister's Binding Policy Directive for Annual Reports requiring 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 established targets with DC's domestic enrolment target exceeded by 2.5 per cent.
- Developed new admissions and recruitment systems to support a greater diversity of international students by country and program area with DC's international student population currently represented by 64 countries.
- Implemented the Career Ready Fund initiative to create new and enhanced experiential learning opportunities with more than 14 opportunities initiated to benefit more than 300 students in six academic schools.
- Launched seven new programs in Fall 2018 including Cosmetic Techniques and Management, Esthetician – Spa Management, Data Analytics for Business Decision Making, Civil Engineering Technology, Civil Engineering Technician, Bachelor of Health Care Technology and Management and Power Engineering Techniques.
- Developed and launched a Health Promotion Strategy, including creating and facilitating wellness workshops to increase student resiliency.

Our people

- Supported employee development through new initiatives in cultural safety training comprised of in-person sessions and online modules as well as the creation of a platform to provide live virtual meetings to discuss issues related to diversity, equity and inclusion.
- Engaged external partners with on-campus events and connected to members of DC's Corporate Council including the AI Hub Tech Talks, international film screenings and the Whitby Chamber Business Summit.

Our business

- Provided leadership to the college system by advocating for systemic priorities during the provincial budget recommendation period.
- Participated in technical updates with the Province of Ontario and CO regarding tuition and ancillary fee changes in Winter 2019.
- Completed several capital projects including the addition of new artificial turf at Vaso's field, renovations to both the L and B wings, and the initial stage of construction of the geothermal field and new Energy Innovation Centre.
- Completed a new facility (architectural) renewal program, effectively updating and modernizing space on campus.

Our community

- Successfully completed Year 1 of a five-year NSERC grant supporting the AI Hub.
- Partnered with the community Justice HUB to provide an accessible, central location for legal and social service agencies to offer wrap-around services to low income and precariously employed residents.
- Continued to support community partners and initiatives including receiving approval from the Law Society of Ontario to implement a 14-week semester at the Community Justice Hub with nine Paralegal students being sent for placement.
- Collaborated with Durham Region Social Services, the Youth Coaching Program, Project Youth Opportunities and the Enactus and York/Durham Crown Ward Education Championship Team.
- Partnered with Community Care Centre Durham to deliver dental services to low-income families.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Year ended March 31, 2019

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

May 27, 2019

Independent Auditor's Report

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

Opinion

We have audited the consolidated financial statements of Durham College of Applied Arts and Technology (the "College"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statement of operations, consolidated statement of net assets, consolidated statement of cash flows and consolidated statement of remeasurement gains and losses for the year ended March 31, 2019, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the College as at March 31, 2019, and its consolidated results of its operations, its consolidated cash flows, and its consolidated remeasurement gains and losses for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

Independent Auditor's Report (Continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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

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

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

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Mississauga, Ontario
May 27, 2019

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Financial Position

Year ended March 31, 2019, with comparative figures for 2018

	2019	2018
ASSETS		
Current assets:		
Cash	\$ 40,147,530	\$ 37,818,184
Investments (note 2)	27,737,940	26,280,274
Accounts receivable (note 2)	13,887,861	21,209,855
Current portion of long-term receivables (note 3)	627,487	602,236
Inventories	872,260	752,069
Prepaid expenses	215,316	191,842
	83,488,394	86,854,460
Long-term receivables (note 3)	9,495,989	10,123,477
Capital assets (note 4)	227,954,275	195,442,024
	\$ 320,938,658	\$ 292,419,961
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 40,038,356	\$ 33,311,059
Accrued vacation	8,653,270	7,891,176
Deferred revenue (note 5(a))	18,099,482	17,855,037
Current portion of debt (note 6)	3,804,203	3,790,391
	70,595,311	62,847,663
Term debt due on demand (note 6)	32,891,526	35,135,507
	103,486,837	97,983,170
Deferred contributions (note 5(b))	142,750,230	138,285,928
Long-term debt (note 6)	12,182,301	13,739,132
Derivative liability (note 6)	2,104,561	2,024,938
Long-term liability (note 7)	2,200,000	-
Post-employment, retirement benefits and compensated absences (note 8)	4,686,695	4,557,988
	163,923,787	158,607,986
Net assets:		
Unrestricted		
Operating	(24,623,626)	(23,469,671)
Post-employment, retirement benefits, and compensated absences	(4,686,695)	(4,557,988)
Vacation pay	(8,653,270)	(7,891,176)
	(37,963,591)	(35,918,835)
Invested in capital assets (note 12)	47,999,535	36,064,430
Internally restricted (note 9, note 17)	25,817,159	18,278,171
Endowments (note 9)	15,732,306	15,382,791
	51,585,409	33,806,557
Accumulated remeasurement gains	1,942,625	2,022,248
	53,528,034	35,828,805
Commitments (note 14)		
Contingencies (note 15)		
Guarantees (note 16)		
	\$ 320,938,658	\$ 292,419,961

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, 2019, with comparative figures for 2018

	2019	2018
Revenue:		
Grants and reimbursements	\$ 83,752,580	\$ 74,965,882
Student tuition fees	75,196,296	56,571,463
Ancillary operations	13,296,821	12,621,301
Rental income	10,177,179	10,249,383
Other income	27,422,894	23,952,987
Amortization of deferred capital contributions (note 5(b)(i))	6,695,483	5,843,816
Total revenue	216,541,253	184,204,832
Expenditures:		
Salaries and benefits	125,541,135	108,595,542
Instructional supplies	4,314,159	3,627,357
Contracted services	8,190,356	8,180,919
Utilities, maintenance and taxes	12,628,800	12,475,643
Interest and bank charges	2,423,955	2,480,736
Scholarships and bursaries	3,230,682	2,526,499
Supplies and other expenses	26,929,347	25,140,969
Amortization of capital assets (note 12(b))	15,853,482	13,873,296
Total expenditures	199,111,916	176,900,961
Excess of revenue over expenditures	\$ 17,429,337	\$ 7,303,871

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, 2019, with comparative figures for 2018

2019									
	Internally restricted net assets					Total internally restricted net assets	Endowments	Total	
	Unrestricted	Invested in capital assets (note 12)	Internally Restricted (note 17)	Foundation					
Balance, beginning of year	\$ (35,918,835)	\$ 36,064,430	\$ 18,102,829	\$ 175,342	\$ 18,278,171	\$ 15,382,791	\$ 33,806,557		
Excess of revenue over expenditures	26,582,486	(9,157,999)	-	4,850	4,850	-	17,429,337		
Invested in capital assets (note 12(b))	(11,311,144)	21,093,104	(9,781,960)	-	(9,781,960)	-	-		
Endowment contributions	-	-	-	-	-	349,515	349,515		
Transfer (note 17)	(17,316,098)	-	17,316,098	-	17,316,098	-	-		
Net changes during the year	(2,044,756)	11,935,105	7,534,138	4,850	7,538,988	349,515	17,778,852		
Balance, end of year	\$ (37,963,591)	\$ 47,999,535	\$ 25,636,967	\$ 180,192	\$ 25,817,159	\$ 15,732,306	\$ 51,585,409		
2018									
	Internally restricted net assets					Total internally restricted net assets	Endowments	Total	
	Unrestricted	Invested in capital assets (note 12)	Internally Restricted (note 17)	Foundation					
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 12(b))	(11,184,998)	11,652,745	(467,747)	-	(467,747)	-	-		
Endowment contributions	-	-	-	-	-	492,272	492,272		
Transfer (note 17)	(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		

See accompanying notes to the consolidated financial statements.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Cash Flows

Year ended March 31, 2019, with comparative figures for 2018

	2019	2018
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenditures	\$ 17,429,337	\$ 7,303,871
Items not affecting cash:		
Amortization of capital assets	15,853,482	13,873,296
Amortization of deferred capital contributions	(6,695,483)	(5,843,816)
Change in non-cash working capital:		
Accounts receivable	7,321,994	(7,891,567)
Inventories	(120,191)	29,346
Prepaid expenses	(23,474)	204,609
Accounts payable and accrued liabilities	6,727,297	6,396,480
Accrued vacation	762,094	766,421
Post-employment, retirement benefits and compensated absences	128,707	(154,351)
Deferred revenue	244,445	5,063,290
	41,628,208	19,747,579
Financing activities:		
Endowment contributions	349,515	492,272
Repayment of long-term debt	(3,787,000)	(3,647,440)
	(3,437,485)	(3,155,168)
Capital activities:		
Contributions received for capital purposes (net of fair market value adjustment)	11,159,785	29,893,569
Purchase of capital assets	(46,165,733)	(33,131,238)
	(35,005,948)	(3,237,669)
Investing activities:		
Decrease in long-term receivables	602,237	887,186
Increase in investments	(1,457,666)	(9,923,189)
	(855,429)	(9,036,003)
Increase in cash	2,329,346	4,318,739
Cash, beginning of year	37,818,184	33,499,445
Cash, end of year	\$ 40,147,530	\$ 37,818,184
Supplemental cash flow information:		
Interest paid	\$ 1,597,081	\$ 1,773,135

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, 2019, with comparative figures for 2018

	2019	2018
Accumulated remeasurement gains at beginning of year	\$ 2,022,248	\$ 1,240,931
Unrealized (losses) gains attributable to:		
Derivative - interest rate swap	(79,623)	781,317
Net remeasurement gains for the year	(79,623)	781,317
Accumulated remeasurement gains at end of year	\$ 1,942,625	\$ 2,022,248

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2019

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, 2019

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 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, 2019

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 consolidated 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, 2019

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, 2019

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.

	2019		
	Fair Value	Amortized Cost	Total
Cash	\$ 40,147,530	\$ -	\$ 40,147,530
Accounts receivable	-	13,887,861	13,887,861
Current portion of long-term receivables	-	627,487	627,487
Investments	27,737,940	-	27,737,940
Long-term receivable	-	9,495,989	9,495,989
Accounts payable and accrued liabilities	-	40,038,356	40,038,356
Current portion of debt	-	3,804,203	3,804,203
Term debt due on demand	-	32,891,526	32,891,526
Long-term debt	-	12,182,301	12,182,301
Derivative liability	2,104,561	-	2,104,561

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2019

2. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

	2018		
	Fair Value	Amortized Cost	Total
Cash	\$ 37,818,184	\$ -	\$ 37,818,184
Accounts receivable	-	21,209,855	21,209,855
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	-	33,311,059	33,311,059
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

Investments consist of equity instruments in public companies (2019 - \$13,849,656, 2018 - \$11,761,433), bonds (2019 - \$3,520,405, 2018 - \$4,438,605) and Guaranteed Investment Certificates (2019 - \$10,367,879, 2018 - \$10,080,236). Investments include \$17,201,790 (2018 - \$16,026,681) of investments externally restricted for endowment purposes (see Note 8).

Maturity profile of bonds held is as follows:

	2019				
	Within 1 year	2 to 5 years	6 to 10 years	Over 10 years	Total
Carrying value	\$ 52,477	\$ 2,617,909	\$ 781,476	\$ 68,543	\$ 3,520,405
Percentage of Total	1%	75%	22%	2%	

	2018				
	Within 1 year	2 to 5 years	6 to 10 years	Over 10 years	Total
Carrying value	\$ 1,339,082	\$ 1,541,674	\$ 1,080,850	\$ 476,999	\$ 4,438,605
Percentage of Total	30%	35%	24%	11%	

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2019

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).

	2019			
	Level 1	Level 2	Level 3	Total
Cash	\$ 40,147,530	\$ -	\$ -	\$ 40,147,530
Investments	24,217,535	3,520,405	-	27,737,940
Derivative liability	-	-	2,104,561	2,104,561
Total	\$ 64,365,065	\$ 3,520,405	\$ 2,104,561	\$ 69,990,031

	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

There were no transfers between Level 1 and Level 2 for the years ended March 31, 2019 and 2018. 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, 2019

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, 2019, 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 \$1,043,496 (2018 - \$917,035).

(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, bonds, 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 (2018 - \$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. All other College investments not held within the Foundation operate within the constraints of the Ministry's Binding Directive on Banking, Investments and Borrowing which puts limits on the bond portfolio including portfolio composition limits, issuer type limits, bond quality limits, aggregate issuer limits, corporate sector limits and general guidelines for geographic exposure.

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 are as follows:

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2019

2. FINANCIAL INSTRUMENT CLASSIFICATION (continued)

	2019						
	Total	Current	Past Due				
			1-30 days	31-60 days	61-90 days	91 - 120 days	
Government receivables	\$ 4,469,376	\$ 4,469,376	\$ -	\$ -	\$ -	\$ -	
Student receivables	3,359,048	-	40,844	74,372	351,636	2,892,196	
Other receivables	7,732,911	6,055,918	978,953	566,490	8,565	122,985	
Gross receivables	15,561,335	10,525,294	1,019,797	640,862	360,201	3,015,181	
Less: impairment allowances	(1,673,474)	-	-	-	-	(1,673,474)	
Net receivables	\$ 13,887,861	\$ 10,525,294	\$ 1,019,797	\$ 640,862	\$ 360,201	\$ 1,341,707	

	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	3,712,533	-	113,141	124,092	533,190	2,942,110	
Other receivables	6,592,448	3,937,212	1,172,329	753,027	664,330	65,550	
Gross receivables	21,725,468	15,357,699	1,285,470	877,119	1,197,520	3,007,660	
Less: impairment allowances	(515,613)	-	-	-	-	(515,613)	
Net receivables	\$ 21,209,855	\$ 15,357,699	\$ 1,285,470	\$ 877,119	\$ 1,197,520	\$ 2,492,047	

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 a portion of its term debt through a derivative financial instrument that exchanges the variable rate inherent in a portion of 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% (2018 - 1.25% to 6.50%) with maturities ranging from October 7, 2019 to December 1, 2045 (2018 – April 16, 2018 to December 1, 2045).

At March 31, 2019, 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 \$73,226 respectively (2018 - \$82,156). 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, 2019

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, 2019 were approximately \$5,726,779 (2018 - \$5,392,662) 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):

		2019			
		Within 6 months	6 months to 1 year	1 - 5 years	> 5 years
Accounts payable and accrued liabilities	\$	40,038,356	\$ -	\$ -	\$ -
Debt		1,942,237	1,861,966	19,724,617	25,349,210
	\$	41,980,593	\$ 1,861,966	\$ 19,724,617	\$ 25,349,210

		2018			
		Within 6 months	6 months to 1 year	1 - 5 years	> 5 years
Accounts payable and accrued liabilities	\$	33,311,059	\$ -	\$ -	\$ -
Debt		1,979,187	1,811,204	15,944,387	32,930,252
	\$	35,290,246	\$ 1,811,204	\$ 15,944,387	\$ 32,930,252

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, 2019

3. LONG-TERM RECEIVABLES

(a) 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 \$9,253,063 (2018 - \$9,759,088) and a current portion of \$506,024 (2018 - \$480,772) for the financing of a new Campus Recreation and Wellness 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.

(b) Other long-term receivable

Includes an unsecured interest-free receivable from the University of Ontario Institute of Technology, with a long-term portion of \$242,926 (2018 - \$364,389) which is repayable at a fixed amount of \$121,463 annually until September 2021.

4. CAPITAL ASSETS

	2019		2018	
	Ending Cost	Accumulated Amortization	Net book Value	Net book Value
Land	\$ 4,521,201	\$ -	\$ 4,521,201	\$ 4,521,201
Buildings	269,472,854	99,936,538	169,536,316	128,702,324
Building improvements	79,366,432	47,530,762	31,835,670	18,752,262
Equipment and furniture	90,729,179	75,729,277	14,999,902	10,658,834
Computer equipment	35,433,049	30,938,379	4,494,670	3,349,250
Construction-in-progress	2,566,516	-	2,566,516	29,458,153
	\$ 482,089,231	\$ 254,134,956	\$ 227,954,275	\$ 195,442,024

Construction in progress relates to various ongoing capital projects that are not yet complete. Included in construction in progress is \$2,200,000 related to a residence building at the Whitby campus that will be a leased tangible capital asset upon completion in September 2019 (note 7).

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2019

5. DEFERRED CONTRIBUTIONS

(a) *Deferred revenue*

Deferred revenue represents grants - \$2,005,170 (2018 - \$2,086,132), tuition fees - \$7,580,623 (2018 - \$6,094,960) and other revenue - \$8,513,689 (2018 - \$9,673,945) 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.

		2019	2018
Balance, beginning of year	\$	136,371,945	\$ 111,860,430
Contributions received		11,219,561	30,355,331
Less amounts amortized to revenue		(6,695,483)	(5,843,816)
Balance, end of year	\$	140,896,023	\$ 136,371,945

(ii) Foundation

		2019	2018
Balance, beginning of year	\$	1,764,247	\$ 2,202,510
Transfers		(120,150)	(96,089)
Net investment income (loss) and deferred contributions		634,081	43,927
Scholarships & Bursaries		(498,950)	(386,101)
Balance, end of year	\$	1,779,228	\$ 1,764,247

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2019

5. DEFERRED CONTRIBUTIONS (continued)

(iii) Expenses of future periods

Deferred contributions represent unspent restricted donations for scholarships and bursaries.

		2019		2018
Balance, beginning of year	\$	149,736	\$	173,235
Contributions received		92,700		80,501
Disbursements		(167,457)		(104,000)
Balance, end of year	\$	74,979	\$	149,736
Total deferred contributions	\$	142,750,230	\$	138,285,928

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2019

6. DEBT

	<u>2019</u>	<u>2018</u>
2.06% secured mortgage on the Whitby campus, repayable in monthly instalments of \$41,231 principal and interest, due November 2031.	\$ 5,514,972	\$ 5,892,077
3.123% unsecured mortgage on student residence, repayable in semi-annual instalments of \$753,625 principal and interest, due February 2024.	3,463,738	4,094,381
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.	25,380,100	27,077,549
Variable rate secured mortgage due on demand, with an underlying swap fixing the rate at 5.38% on the Campus Recreation and Wellness Centre, due in November 2032, interest and principal paid monthly.	9,759,088	10,239,860
2.46% unsecured mortgage on student residence, repayable in monthly instalments of \$52,701.47 principal and interest, due July 2027, interest rate renewal in July 2022.	4,760,132	5,269,220
2.87% unsecured loan due on demand to finance the Student Centre, repaid during the year.	-	91,943
	48,878,030	52,665,030
Less current portion	3,804,203	3,790,391
Less term debt due on demand	32,891,526	35,135,507
	\$ 12,182,301	\$ 13,739,132

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2019

6. DEBT (continued)

2020	\$	3,804,203
2021		3,921,254
2022		4,040,196
2023		4,162,703
2024		4,288,805
Thereafter		28,660,869
	\$	48,878,030

Interest expense on long-term debt of \$1,597,081 (2018 - \$1,773,135) is included in interest and bank charges.

The College has 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 fair value of the interest rate swap, in favour of the counterparty, of \$2,104,561 (2018 - \$2,024,938) is recorded in the consolidated statement of financial position with the fluctuations in fair value being recorded in the consolidated statement of remeasurement gains and losses.

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, 2019, the College had utilized \$nil (2018 - \$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, 2019, the College had utilized \$nil (2018 - \$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, 2019

7. LONG-TERM PAYABLE – WHITBY RESIDENCE

The College has entered into an alternative financing arrangement for the construction and operation of a student residence in Whitby. Under the terms of the agreement, the partner is responsible for constructing, maintaining and operating the student residence in exchange for monthly payments over the period of 69 years. At the end of the period, the legal title of the building will transfer to the College. The building is currently under construction and is expected to be completed by September 1, 2019. As at March 31, 2019, the estimated percentage completion of the project results in construction in progress of \$2,200,000 and a corresponding financial liability.

8. 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:

	2019				
	Post-employment Benefits	Retirement Benefits	Non-vesting sick leave	Vesting sick leave	Total liability
Accrued employee future benefits obligations	\$ 1,197,000	\$ 616,695	\$ 3,734,000	\$ 199,000	\$ 5,746,695
Value of plan assets	(223,000)	-	-	-	(223,000)
Unamortized actuarial gains/(losses)	28,000	-	(857,000)	(8,000)	(837,000)
Total liability	\$ 1,002,000	\$ 616,695	\$ 2,877,000	\$ 191,000	\$ 4,686,695

	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

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2019

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

	2019				
	Post-employment Benefits	Retirement Benefits	Non-vesting sick leave	Vesting sick leave	Total expense
Current year benefit cost	\$ 93,000	\$ -	\$ 192,000	\$ 9,000	\$ 294,000
Interest on accrued benefit obligation	3,000	10,648	96,000	6,000	115,648
Amortized actuarial (gains)/losses	(9,000)	-	(14,000)	1,000	(22,000)
Total expense	<u>\$ 87,000</u>	<u>\$ 10,648</u>	<u>\$ 274,000</u>	<u>\$ 16,000</u>	<u>\$ 387,648</u>

	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)	<u>\$ (97,000)</u>	<u>\$ 9,867</u>	<u>\$ 263,000</u>	<u>\$ 73,000</u>	<u>\$ 248,867</u>

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, 2019

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

Retirement Benefits

CAAT Pension Plan

All full-time employees of the College, and any part-time employees who opt to participate, 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 public colleges in Ontario and other employers. 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. Since the Plan is a multi-employer plan, the College's contributions are accounted for as if the plan were a defined contribution plan with the College's contributions being expensed in the period they come due.

Any pension surplus or deficit is a joint responsibility of the members and employers and may affect future contribution rates related to full-time members. The College does not recognize any share of the Plan's pension surplus or deficit as insufficient information is available to identify the College's share of the underlying pension assets and liabilities. The most recent actuarial valuation filed with pension regulators as at January 1, 2019 indicated an actuarial surplus of \$2.6 billion. The College made contributions to the Plan and its associated retirement compensation arrangement of \$10,356,270 in 2019 (2018 - \$9,532,966), which has been included 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, 2019 of the future benefits was determined using a discount rate of 2.20% (2018 – 2.60%).

b) Drug Costs

Drug costs were assumed to increase at a 8.00% rate for 2019 and decrease proportionately thereafter to an ultimate rate of 4.00% in 2040.

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2019

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

c) *Hospital and other medical*

Hospital and other medical costs were assumed to increase at 4.00% per annum in 2019 (2018 – 4.00%).

Medical premium increases were assumed to increase at 6.80% per annum in 2019 and decrease proportionately thereafter to an ultimate rate of 4.00% in 2040 for fiscal 2019.

d) *Dental costs*

For the fiscal 2019 disclosure, dental costs and premiums were assumed to increase at 4.00% per annum (2018 – 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, 2019

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

For fiscal 2019 disclosure and benefits cost:

	<u>2019</u>	<u>2020</u>	<u>Thereafter</u>
Wage and salary escalation - support staff	2.00%	2.00%	2.00%
Wage and salary escalation - academic	2.00%	2.00%	2.00%
Discount rate	2.20%		

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.

9. RESTRICTED NET ASSETS

Internally restricted (Note 17)

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 to the student residences. 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, 2019

9. RESTRICTED NET ASSETS (continued)

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

	2019	2018
OSOTF (Note 10)	\$ 5,165,818	\$ 5,114,099
OTSS (Note 11)	6,352,059	6,288,465
Other	4,214,430	3,980,227
	\$ 15,732,307	\$ 15,382,791

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

10. 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, 2019

10. ONTARIO STUDENT OPPORTUNITY TRUST FUNDS (continued)

(a) OSOTF I:

	2019	2018
Schedule of Changes in Endowment Fund Balance		
Endowment fund balance, beginning of year	\$ 2,558,904	\$ 2,479,576
Preservation of capital	25,878	79,328
Endowment fund balance, end of year	\$ 2,584,782	\$ 2,558,904
Schedule of Changes in Expendable Funds Available for Awards		
Expendable balance, beginning of year	\$ 362,797	\$ 401,948
Realized investment income	131,663	16,566
Bursaries awarded	(67,571)	(55,717)
Expendable balance, end of year	426,889	362,797
Number of bursaries awarded	65	60
Market value of endowment	\$ 3,400,190	\$ 3,259,738

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2019

10. ONTARIO STUDENT OPPORTUNITY TRUST FUNDS (continued)

(b) OSOTF II:

	2019	2018
Schedule of Changes in Endowment Fund Balance		
Endowment fund balance, beginning of year	\$ 2,555,195	\$ 2,475,982
Preservation of capital	25,840	79,213
Endowment fund balance, end of year	\$ 2,581,036	\$ 2,555,195
Schedule of Changes in Expendable Funds Available for Awards		
Expendable balance, beginning of year	\$ 362,496	\$ 401,591
Realized investment income	131,472	16,541
Bursaries awarded	(67,473)	(55,636)
Expendable balance, end of year	426,495	362,496
Number of bursaries awarded	64	60
Market value of endowment	\$ 3,395,487	\$ 3,255,238

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2019

11. 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:

	2019	2018
Schedule of Changes in Endowment Fund Balance		
Endowment balance, beginning of year	\$ 6,288,465	\$ 6,093,518
Preservation of capital	63,594	194,947
Endowment fund balance, end of year	\$ 6,352,059	\$ 6,288,465
Schedule of Changes in Expendable Funds Available for Awards		
Expendable balance, beginning of year	\$ 921,690	\$ 1,015,772
Realized Investment income	324,096	42,841
Bursaries awarded	(166,056)	(136,923)
Expendable balance, end of year	\$ 1,079,730	\$ 921,690
Number of Bursaries awarded	159	147
Market value of endowment	\$ 8,386,572	\$ 8,040,876

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2019

12. INVESTED IN CAPITAL ASSETS

(a) Investment in capital assets represents the following:

	2019	2018
Capital assets - net book value	\$ 227,954,275	\$ 195,442,024
Less amounts financed by deferred capital contributions (Note 5(b)(i))	(140,896,023)	(136,371,945)
Add unspent deferred capital contributions	2,260,225	19,419,521
Less amount financed by debt and lease	(41,318,942)	(42,425,170)
Investment in capital assets	\$ 47,999,535	\$ 36,064,430

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

	2018	2018
Amortization of deferred capital contributions	\$ 6,695,483	\$ 5,843,816
Amortization of capital assets	(15,853,482)	(13,873,296)
	\$ (9,157,999)	\$ (8,029,480)
Net change in investment in capital assets:		
Purchase of capital assets	\$ 46,165,733	\$ 33,131,238
Amounts funded by:		
Deferred capital contributions (Note 5(b)(i))	(11,219,561)	(30,355,331)
(Spent)/Unspent deferred capital contributions	(17,159,296)	5,686,178
Repayment of debt	3,306,228	3,190,660
	\$ 21,093,104	\$ 11,652,745
	\$ 11,935,105	\$ 3,623,265

13. 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, 2019

13. 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.

14. COMMITMENTS

Premises and equipment

Future minimum lease payments, exclusive of taxes and operating costs, for premises and equipment under operating leases at March 31, 2019 are as follows:

2020	\$	530,089
2021		519,566
2022		526,822
2023		388,766
Thereafter		97,755
	\$	2,062,998

15. 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

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16. 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, 2019 was \$164,270,307 (2018 - \$170,061,233).

DURHAM COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2019

17. INTERNALLY RESTRICTED NET ASSETS

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

2019				
	Balance, Beginning of Year	Additions	Transfers, Adjustments, Disbursements	Balance, End of Year
Capital Investments	\$ 17,532,253	\$ 17,000,000	\$ (9,470,898)	\$ 25,061,355
Capital Investments - Residence	570,576	316,098	(311,062)	575,612
Operating Contingency	175,342	4,850	-	180,192
	\$ 18,278,171	\$ 17,320,948	\$ (9,781,960)	\$ 25,817,159

2018				
	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
Operating Contingency	171,898	3,444	-	175,342
	\$ 11,560,448	\$ 7,185,470	\$ (467,747)	\$ 18,278,171