Niagara College 2014-2015 Annual Report

June 2015

Contents

Message from the Chair of the Board

I am pleased to present Niagara College's 2014-15 Annual Report.

It has been another exciting year at Niagara College with so many highlights including:

- The opening of the Canadian Food and Wine Innovation Centre and the ground breaking for the Walker Advanced Manufacturing Innovation Centre;
- Successful launch and completion of the first academic year of our campus in Taif, Saudi Arabia;
- Ministry approval for Niagara College to prepare to offer a Bachelor of Business Administration degree in Human Resources;
- Our Junior Culinary Team representing Canada at the 2014 Expogast Villeroy and Boch Culinary World Cup in Luxembourg; and
- Charting the future of Niagara College through TransformNC and Capital Vision 2016 and our Strategic Mandate Agreement.

Niagara College faculty, staff, students and partners should be very proud of your dedication to making Niagara College the place to enrich lives and fulfil dreams. I want to thank everyone for a great year of successes and accomplishments and your dedication to ensuring 2015/16 is another successful year.

To my fellow governors, thank you for your passion and dedication. Your knowledge and expertise are crucial to ensuring Niagara College is on the right path to delivering unparalleled student experience and satisfaction. The past six years on the Niagara College Board of Governors has been an absolute enriching experience.

Allan Schmidt
Chair
Niagara College Board of Governors

Message from the College President

I am pleased to provide the final report on 2014-15 highlighting some of the key accomplishments achieved over the past year including:

- The ground breaking for our 15,000 square foot Walker Advanced Manufacturing Innovation Centre, which will allow Niagara College faculty and students to assist more local small and medium-sized manufacturers with research and innovation projects;

- Navy Captain Rebecca Patterson, a 1987 nursing graduate, being awarded the Premier's Award in the Health Sciences category;

- Successful launch and completion of the first academic year for our campus in Taif, Saudi Arabia;

- Approval by the Ministry of Training, Colleges and Universities (MTCU) for Niagara College to prepare to offer a Bachelor of Business Administration degree in Human Resources;

- The launch of ncTakeOff, an initiative to assist students to make their entrepreneurial dreams a reality;

- Our Junior Culinary Team representing Canada at the 2014 Expogast Villeroy and Boch Culinary World Cup in Luxembourg; and

- Numerous outstanding accomplishments by Niagara College faculty, staff and students.

These accomplishments, along with many others are outlined below under the headings of our three Strategic Priorities: unparalleled student experiences and satisfaction, leading innovation & applied research and operational excellence.

Strategic Priority: Unparalleled Student Experience and Satisfaction

Niagara College continues to emphasize that Unparalleled Student Experience and Satisfaction should be front and centre in what we do on a daily basis. The dedication of our faculty and staff and the quality of our programs and services has allowed Niagara College to remain in the top tier of Ontario colleges for student experience and satisfaction in the Key Performance Indicator (KPI) survey rankings.

Along with classroom work, unparalleled student experience and satisfaction is developed through the opportunities that students have to learn and grow at Niagara College.

These opportunities continue to expand in several areas including:

Co-Curricular Record Program
Student participation in the Co-Curricular Record (CCR) service continued to increase in 2014-15, exceeding the target of a 10% increase in students actively involved in the Get Involved – CCR portal. Average unique daily log-ins are approximately 150 students per day. New organizations were added to the Portal, with more than 63 organizations now actively participating. This year also brought in a record 2,340 individually submitted CCR experiences.

Be World Ready
Student and staff international mobility continued to grow under the expanding Be World Ready campaign. In 2014-15, 340 students participated in international work/study experiences, more than doubling the participation rate from 2013-14. Students participated in international experiences in several countries including Brazil, Chile, China, Dominican Republic, Ecuador, Germany, Jamaica, Peru, South Korea and Spain.

Student Leadership
Leadership programming continued this year, and leveraged momentum started through the initial funding Niagara College received through the Productivity & Innovation Fund to develop a Leadership Exploration and Development program (LEAD) in 2013. Over 125 students in 47 academic program areas were nominated into the program.

KickSTART
In 2014, the CSEL piloted the KickSTART program; a one-day pre-Orientation to help transition students into the Niagara College Community. Of the 143 student participants, 141 have either completed their one-year program or will be returning this September.

ncTakeOff
Fostering the next generation of innovation and entrepreneurship, February 4th marked the official launch of ncTakeOff, an Ontario Centres of Excellence initiative that will expand Niagara College's entrepreneurship activities across all of its programs while increasing student access to experts, mentors, events and opportunities on campus and in the community.

Athletics
The CPI standard for student participation in Campus Recreation activities of 10% was exceeded with 15% participation. The increase in student engagement was driven, in part, by the newly launched #knightslife social media campaign, the launching of our new website (goknights.ca) and our return to the Ontario Colleges Committee on Campus Recreation extramural competition.

Student Mental Health Initiatives
This year saw increased mental health initiatives introduced at Niagara College. Along with on-campus professional counselling services for students, there were a number of campus-wide community events and supports for Niagara College students provided throughout the year. As part of the Yellow Umbrella Project, designed to raise student awareness and eliminate the stigma around mental illness, NCSAC hosted a mental health fair in October 2014 during Canadian Mental Health Awareness week.

Sexual Assault Practice and Protocol
On March 31, 2015, Niagara College joined all Ontario colleges in launching a stand-alone practice on sexual violence and sexual assault. A comprehensive website was released, providing information about sexual violence and instructions for the College community to use when supporting victims of sexual assault. The Niagara College Sexual Violence Task Force will continue to develop resources, student and staff training and community partnerships in support of an informed and safe College community.

Extended Service Hours in Winter 2015
The College introduced extended service hours in the Registrar's Office, Info Centre, Counselling & Disability Services, Libraries, Health Services, Test Centre, Information & Computing Support and Food Services. The libraries at both campuses were designated as information and help centres for students, staff and visitors providing assistance until 10:00 p.m. Monday through Thursday.

This pilot initiative indicated an on-going need for after-hours support, particularly for library services, IT support and food services during the fall and winter terms. The Extended Services model will commence again at the beginning of the Fall 2015 term.

Early Alert System
The College is currently implementing an Early Alert System called Beacon, which will allow the Academic Advisement team to identify and prioritize students most at risk and reach out to those students early in the fall term to offer support. An implementation team has been formed and training is underway with an anticipated launch in August 2015.

<u>Student Achievements</u>

Niagara College students and graduates continue to excel. Here are just some of the examples of our students' achievements from the past year:

- At the June 2014 convocation ceremony, Ron Romeo, a mature student in the Social Service Worker program, received the Governor General's Award for Academic Excellence with an average of 97.95%. He currently works at the Brain Injury Community Re-entry as a Rehab Counsellor.

- Navy Captain Rebecca Patterson, a 1987 nursing graduate, won the Premier's Award in the Health Sciences category. She is a Commander in the Canadian Armed Forces responsible for medical units in Canada and oversaw medical care during conflicts in the Persian Gulf, Croatia, Bosnia and Rwanda. In addition, she served as the National Senior Medical planner for military combat operations in Afghanistan.

- Broadcasting/Radio/Television/Film (BRTF) graduates Dillon Erwin, Madison Garratt & Jordan Ogryzlo scored a win at the inaugural edition of the Niagara Integrated Film Festival. Their third-year film project "Sidewalk Surfing" scooped up the Niagara Rises award for Best Short Film.

- Brittany Lightheart, a student in the Bachelor of Business: International Commerce & Global Development program, was one of the winners of the prestigious Export Development Canada International Business Scholarship. Scholarships are awarded to only 25 Canadian college and university students.

- Parks and Recreation Ontario (PRO) awarded second-year student Debbie-ann Fender, of the Health Studies-Recreation Therapy program, with the Hugh Clydesdale Bursary. The bursary is awarded to promising female parks and recreation students or practitioners in Ontario for professional development or to further their education.

- Seven Niagara College Knights were named Canadian Collegiate Athletic Association (CCAA) Academic All-Canadians, an award that requires student-athletes to achieve academic honours standing and be selected to their conference All-Star teams.

- Two Niagara College Leadership students, Megan Patterson and Emily Breklemans, travelled to China for the World Youth Leadership Conference via the Centre for Student Engagement and Be World Ready.

- The eyes of the world were watching Niagara College's Junior Culinary Team Canada, last November in Luxembourg, at the Expogast Villeroy and Boch Culinary World Cup 2014 where the team earned its first international medals. The team competed against the top 14 junior culinary teams in the world in two categories: a cold program, where they received a silver medal and a hot program, where they received a gold medal.

- Through the Centre for Student Engagement and Leadership, nine students were awarded the Ontario Volunteer Service Award from the Ministry of Citizenship and Immigration.

- 30 student-athletes were recognized as Ontario College Athletic Association (OCAA) All-Academic Award recipients.

- Our varsity athletes represented Niagara College proudly on the provincial and national stage with 8 out of our 9 teams representing the College at their respective OCAA Championship.

- Our men's volleyball team became the provincial champions and won their first Canadian Collegiate Athletic Association National medal in program history, winning bronze at the CCAA Men's Volleyball Championship.

- Our women's volleyball team won a bronze medal at the OCAA Women's Volleyball Championship.

- Lorelle Weaver, Niagara College's Female Athlete of the Year, Female Tournament Sport Player of the Year, and Female Scholastic Award winner, epitomizes the definition of a high-performing student-athlete. Lorelle won the 2014 CCAA Golf women's individual national championship and became only the second Niagara College student-athlete to be named All-Canadian and Academic All-Canadian in the same season.

- Mark Hales, second-year Sales and Marketing student, won two awards in the final rounds of the 2014 Northern Illinois University Sales Decathlon. The sales competition draws a select group of students from top post-secondary institutions across North America, and for the second consecutive year Niagara College has ranked among the best. Mark was the only Canadian student to advance to the top 20 finals.

<u>Staff Achievements</u>

- Lesley Calvin, Manager of The Centre for Student Engagement and Leadership (CESL), was elected as the 2016 Chair of Colleges Ontario's Provincial Student Life (Engagement) Network (SLN). Ali Koblinsky, Student Experience Coordinator (CESL) was elected Western representative.

- Athletics and Recreation staff continued to represent Niagara College on the national stage. Men's and women's volleyball head coaches Nathan Groenveld and Joey Martins, were named coaches with the Volleyball Canada men's and women's national teams.

- Ontario Power Authority recognized Danielle Piluso, NC's Energy Manager, achieving the greatest percentage of load saved among all embedded energy managers in Ontario.

- Alan Brown, Support Liaison for Niagara College's Brewmaster and Brewery Operations Management program, has won the annual Iron Brewer competition for his brew Highland Gale Highland Ale.

- Canadian Food and Wine Institute dean Craig Youdale was inducted as a fellow of the Ontario Hostelry Institute at the Gold Awards Dinner. The event celebrates the achievements of professions in the culinary, hospitality and tourism industries.

- Jennifer Turner, Dental program professor, was elected President to the College of Dental Hygienists of Ontario's 2015 Executive Council. The Council debates regulatory policy and issues that influence the quality of dental hygiene care in Ontario.

- Janet Jakobsen, who teaches in the Bachelor of Applied Business- Hospitality Operations Management and Event Management (Graduate Certificate) programs, was among this year's inductees to Meetings + Incentive Travel's Hall of Fame as the Industry Mentor. The honour recognizes an individual whose expertise, professional influence or academic position has provided others with the opportunity, inspiration or ability to pursue excellence.

Student and Alumni Support

Affordability of post-secondary education continues to be a challenge for many students. Our Foundation Board and staff have had another successful year in raising funds to purchase equipment, support scholarships and provide financial aid.

Highlights this year include:

- Our fundraising goal of $1.5 million was surpassed, as donors provided $3.3 million toward the $7 million community goal for the Achieving Dreams Campaign to support campus redevelopment through Capital Vision 2016; fund equipment and learning resources; and support student access, success and leadership development.

- The Foundation's two signature events, the Seafood Gala 2014 and the Golf Classic 2014, were successful in building relationships and raising $130,000 and $36,000 respectively.

- A total of $666,000 from donations and special events was directed to scholarships and bursaries and student opportunity funds. Fifteen new scholarships and bursaries were set up and new student opportunity funds were established to help students in Business and Media Studies take part in industry competitions to build real world skills. Another $115,000 was added to the endowment bringing it to $13.7 million that generates annual income for scholarships and bursaries.

- More than $309,000 was made available for the College to purchase instructional capital equipment to help make students work ready.

- Niagara College graduates were kept informed through monthly e-newsletters; the June edition of Encore magazine; and engaged through class visits, networking events, mentoring, recruitment and orientation activities.

Along with financial assistance, Niagara College is working hard to assist our graduates in entering the working world through internship opportunities.

This past year, 93 Niagara College graduates were able to participate in internships with companies in high-demand sectors through the Career Focus program.

Strategic Priority: Leading Innovation and Research

International Expansion

International enrolment continued to increase through a diversified strategy that resulted in a record number of 2,300 international students from over 70 countries studying in a wide-range of English as a Second Language (ESL), diploma, degree and graduate programs over the past year at our three campuses. Included in this growth were 600 students in 11 cohort (specialized contract) training programs further diversifying our international revenue streams and programming.

Overseas contract training also grew over the past year with Niagara College being the successful bidder on a number of multi-year development projects. These projects were funded through Colleges and Institutes Canada and Agriteam Canada, with projects in Peru, Jamaica, Vietnam, and Bolivia.

This year also saw the successful launch and completion of the first academic year for our campus in Taif, Saudi Arabia. This initiative represents a significant milestone in the College's internationalization and revenue diversification strategy.

The increase in international activities resulted in revenues increased by 30% ($7.3 million) over 2013/14 for a total of $31 million.

Applied Research

As one of the three pillars of our Strategic Plan, Applied Research plays an increasing role of importance at Niagara College. In 2014-2015, 211 companies accessed Research & Innovation services in general (66% increase over 2013-14), including 34 companies on 63 Technical Services projects and 62 companies on 66 research projects (totals: 33% more companies and 54% more projects). Overall, 21 programs at Niagara College saw their students engaged in applied research for a total of 1,429 applied research student experiences (13% increase). Much of the increase in the number of client companies is accredited to the start of the Walker Advanced Manufacturing Technology Access Centre and the increase in student emphasis on course-based research.

This past year saw several accomplishments and recognition for Niagara College's expanding applied research programs:

- Niagara College being ranked 12th on the list of Top 50 Research Colleges in Canada and #4 in Ontario.

- In March, Ontario's Minister of Finance, the honourable Charles Sousa and St. Catharines MPP Jim Bradley attended the ground breaking ceremony at the Welland Campus to launch the provincial government's $4.2M investment towards the development of the Advanced Manufacturing Innovation Centre. Niagara College was one of only two Ontario colleges to receive capital funding in 2014/15 from the provincial government. This investment positions NC as a leader in supporting research and development for small and medium size manufacturers in our region.

- Natural Sciences & Engineering Research Council (NSERC) funding for three equipment grants were also secured to support the areas of horticulture (aquaponics and growth chambers, $128,000), precision agriculture (precision agriculture server, $30,000) and advanced manufacturing (3D printing and 3D coordinate measurements, $130,000).

- Dr. Mike Duncan, NSERC Industrial Research Chair for Colleges in Precision Agriculture and Environmental Technologies, has secured funding for a three-year project aimed at producing a web portal for grain growers to access precision agriculture technologies; an initial version of the portal has launched in Fall 2014.

- Other funding was secured from federal, provincial and industry funding sources of more than $600,000 in new project support.

- A five-year agreement with Niagara Economic Development to fund advanced manufacturing projects was increased from $50,000 annually to $75,000 annually for the next four years.

- The College successfully opened its new culinary research labs in November, with celebrity chef and CFWI Innovation client Vikram Vij as a keynote speaker and other industry partners present including St. Catharines MPP Jim Bradley.

Strategic Priority: Operational Excellence

Program Quality

Delivering quality education, which responds to ever-changing economic and workforce demands, is a hallmark for Niagara College. The following three KPIs confirm that Niagara College is addressing the needs of students and employers:

- 87.8% of students are employed six months after graduation;
- Graduate satisfaction at 79.3%; and
- 89% of employers reported being satisfied with their college grad hire.

Academic quality is achieved through vigorous provincial and internal standards and reviews. During 2014/15, seven program reviews in six cluster areas were completed by external reviewers along with 12 program reports through internal reviews.

We continue to look to enhance our program offerings and were happy to receive a successful review and appraisal by the Ministry of Training Colleges and Universities granting consent for Niagara College to offer a Bachelor of Business Administration degree in Human Resources. We are preparing to welcome our first class in September 2016. The expansion of degree-granting opportunities allows our School of Business to extend its niche programming and expertise.

Enrolment Management

Niagara College experienced a slight decrease in domestic enrolment numbers due to a decrease in students graduating from southern Ontario high schools. In Fall 2014, full time post-secondary enrolment dropped by 2.16% over the previous year. Conversely, we experienced enrolment growth in the Spring 2015 term of 16%, following our strategy to expand capacity in high-demand areas and increase utilization of resources across three terms.

In response to the identified demographic challenges and declining domestic enrolment that have impacted the entire Ontario post-secondary system, Niagara College initiated a number of marketing and recruitment strategies in 2014/15 including #myNCstory.

To complement the already successful Spring Open House event, and to provide additional on-campus experiences for prospective students, Niagara College introduced the Doors Open fall open house event, which took place in November. Through these two major fall and spring open house events, over 7,000 visitors directly experienced all that Niagara College has to offer.

To increase opportunities for students from non-direct backgrounds to access a Niagara College education, we expanded the number of transfer credit options through automatic credit recognition and eliminated domestic administrative fees related to transfer and advanced-standing applications. Additionally, the College launched a new series of communication vehicles related to admissions packages. The re-designed packages have a modernized look and feel, provide substantial information to applicants and registered students and prompt early confirmation to Niagara College.

People Strength

Niagara College continues to sustain a strong workplace culture and the evidence is the above average ratings in last year's employee engagement survey.

The College engaged Metrics @ Work to facilitate our fourth Employee Climate survey in the 1st quarter of 2014. The results of that survey were shared with the College community during the 2014 Day of Reflection in which participants discussed and identified themes that they believe are important to the College's success and their success in performing jobs.

From the work and information that flowed out of the 2014 Day of Reflection, a further group of employees, the Advisory College Committee (ACC) reviewed the themes and synthesized them into three primary groupings: Employee Recognition and Involvement, Enhancing Our Culture and Communications and Connections.

While work continues on these themes, the ACC determined that two (2) themes could best be handled through monthly submissions to *InsideNC:*

- Faculty and Staff Recognition – create a "Stories From the Field" section that would address employee and department recognition, communication and engagement; employee photo to be included with each submission
- Meetings: Making them More Efficient and Effective – create a "Put in Practice " section that would address best practices, mentoring, etc.

As well, work continues at the department levels to enhance communications amongst staff as well as building stronger ties within divisions.

Financial Strength

In financial performance, Niagara College continues to rank amongst the top tier of Ontario Colleges and is a leader amongst the medium-size colleges in Ontario.

Niagara College has continued to meet and exceed the provincial benchmarks for all MTCU financial sustainability metrics for Ontario colleges in 2014/2015. Over the past seven years, Niagara College has been one of only seven colleges that have had one benchmark variance or less. Our ability to invest in quality education initiatives can be attributed to our history of prudent financial management, a strong cash balance and low debt costs as compared to the other colleges.

The College's financial position at March 31, 2015 was positive with an operating surplus of $2.9 million. The surplus is the result of continued growth in international enrolment, continued growth in international contract training, efficiencies in academic delivery and responsible financial management.

The positive financial results have allowed for an allocation of $3.5 million to the internally restricted fund. As a result, the internally restricted fund has increased to a balance of $17.6 million, which represents the net assets internally restricted for capital, PeopleSoft upgrades and to support the long-term strategy of the College.

Preparing for the Future

This past year saw significant progress made on two projects, which will assist in setting the future vision for Niagara College: TransformNC and Capital Vision 2016.

Transform NC, an Integrated Planning Process for Niagara College Programs and Services:

TransformNC is driven by our growing enrolment and evolving economy, and the MTCU differentiation framework requiring post-secondary institutions to establish clear areas of specialization through NC's Strategic Mandate Agreement.

As we look to the future, there is a need to ensure that we can strengthen what we are doing well, focus on where to invest, and reinvent or improve areas where challenges have been identified that may impede our students' success and overall experiences at the College.

Ultimately, this process is intended to facilitate and support our capacity to pursue the priorities set out in the College's 2013-2016 Strategic Plan by directly linking College priorities with our programs, services and departmental strategies. It is a practice that will be applied to all future strategic plans as well.

Capital Expansion and Capital Vision 2016:

In the summer and fall of 2014, Niagara College and Gow Hastings Architects (GhA) reviewed and revised the College's Master Plan for the Welland and Niagara-on-the-Lake campuses.

The project took the College's 2006 Master Plan and 2013-2016 Strategic Plan as a launch pad for dialogue. Discussions with the Niagara College Community centred around the enhancement and redevelopment of each campus to inform locations for new buildings, the reorganization of existing spaces to accommodate shifts in academic programs and ideologies and the growth and change of systems of movement, both pedestrian and traffic.

The revised Master Plan provides a road map for expansion of both campuses including our proposed Capital Vision 2016 expansion projects:

- An expansion to the CFWI building to include specialty labs
- A new fitness complex at the Niagara-on-the-Lake campus
- A distillery at the Niagara-on-the-Lake Campus
- A new academic fitness lab at the Welland Campus
- A new cafeteria and student commons at the Welland Campus
- Enhanced Learning Commons and Student Services space at both campuses
- Additional learning space at the Welland Campus

The architects are now in the design stage for these projects. In addition, construction has started on the first Capital Vision 2016 project, the Walker Advanced Manufacturing Innovation Centre. Its estimated completion date is March 2016.

These initiatives provide the College's vision for the next decade allowing us to communicate our priorities to staff, students, stakeholders and all levels of government.

This past year has also seen achievements in the following areas:

Energy Reduction:

Completed and verified energy reduction projects have seen a total savings of 3,100,000 kWh/year for Niagara College. A significant portion of these savings (63%) have been through operational adjustments to HVAC equipment utilizing the College's building automation system. Also, a project to retrofit some of the most inefficient lighting was completed over the last year, which replaced approximately 700 bulbs across all campuses. The introduction of energy management has had significant, positive impacts for Niagara College. The reduction in electricity on an intensity basis is 19% over the last two years.

Some of the sustainability targets reached for 2014-15 are as follows:

- Electricity: 937,143kWh reduction (this is a 5% reduction from last year)
- Carbon: 894.22 tCO_2e reduction (this is a 14% reduction from last year)
- Water: 5,153m^3 decrease (6% decrease over last year). This is significant since we now have met our water target.
- For 2014-15, waste diversion rate is 68% in comparison to 2013-14 at 52%. We have now met our target of 65% diversion. This equates to 305,000 kg of organics composted. 151,000 kg of material was re-used instead of going to the landfill.

Emergency Management: Niagara College has an Emergency Management Plan aligned with provincial legislative standards and best practice in business continuity. An Emergency Control Group and Incident Management Team (IMT) have been participating in on-going training in order to increase response capacity. They have completed "Introduction to Incident System" (a provincial certified course) and two table top exercises. An updated Emergency Response Handbook has been released in May 2015 for students and staff.

Risk Management: The risk management framework is reviewed internally on a regular basis and by the Board of Governors on an annual basis, with one risk element identified for a more detailed risk assessment review. Resource Capacity Utilization was the element designated for a detailed review in 2014/15 given that it is a key component of the Capital Vision 2016 expansion.

National/International Recognition

This year saw numerous opportunities to showcase the amazing skills of our faculty, staff and students.

Important recognitions this year include:

- 2015 Niagara Sustainability Initiative Greatest GHG Reduction Award in its reduction of greenhouse gas emissions.

- Setting a Guinness World Record for the World's Largest Dessert Party in an event organized by the College's Event Management (Graduate Certificate) students.

- Niagara College was featured in Sustainable Business Magazine for a number of notable initiatives on our campuses with focus on academics, operations and engagement. This is an international magazine.

- German Michelin star Chef Bernd Siener, supported by the Junior Culinary Team Canada, was the featured chef at the final Chef Signature Series dinner on March 21st at Benchmark Restaurant. Siener was the first European chef to be featured as part of the College's Chef Signature Series

- 2014 Canadian Network for Environmental Education and Communications (EECOM) Outstanding Post-Secondary Institution

- 2014 ECO Canada named Niagara College among the Top Environmental Organizations in Canada

- Campus visits by the US Ambassador and Consul General, Ontario's new Lieutenant-Governor, the Premier of Ontario and Ontario's Minister of Agriculture and Rural Affairs

<u>Community Leadership</u>

Community involvement and leadership have been core strengths of the Niagara College team. On every sector of our economy and various agencies, faculty and staff are involved on community boards and within the community. In addition, Niagara College officials and governors participate in college-sector activities.

Last year, the Niagara College Community was generous in raising a record amount of $40,000 for the United Way; Our Events Management students raised more than $31,000 for Strive Niagara, a Welland-based non-profit social service organization. In addition, students in our Renovation Technician Construction program completed a range of renovations to Strive's Welland facilities including a new reception office space and desk, waiting area, doors and more.

Students in our Construction Techniques and Electrical Techniques programs continued our tradition of building a house in Welland for Habitat for Humanity.

A Sustainability project in spring 2015, had College staff and students create an edible orchard on the Welland Campus that will be harvested and shared with our on campus student food bank and community groups in need.

Along with giving back through time and fundraising, our campuses are important meeting places for the Niagara community. This past year saw several opportunities to open our doors to the community and visitors including:

- A Canadian Manufacturers and Exporters roundtable with local manufacturers;

- Governor General's Leadership Conference delegates;

- Welland Economic Development Committee; and

- The Niagara Industrial Association

Niagara College takes great pride in the brand recognition it receives locally, nationally and internationally. Our Strategic Mandate Agreement continues to differentiate us as a leader in post-secondary education.

In reflecting on the past year, I would like to acknowledge the extraordinary high performance teams that we have here at Niagara College who are totally committed to the College vision of enriching the lives and fulfilling dreams of our students.

Dan Patterson, Ph.D.
President
Niagara College

VISION
Enriching lives and fulfilling dreams

MISSION
Providing outstanding applied learning for a changing world

OUR VALUES
Our values form the guiding principles of all that we do – for our students, our employers, and our communities.

At Niagara College, we are:

- Student-Focused
- Locally and Globally Connected
- Innovative
- Committed to Excellence
- Respectful and Inclusive

2014-2015 College Goals (Final Report)		
Strategic Priority: Unparalleled Student Experience and Satisfaction		
2013–2016 PERFORMANCE GOALS	**2014-2015 INDICATOR/METRIC**	**STATUS**
Key Objective 1: Unparalleled Student Experience and Satisfaction:		
1.1 Prepare graduates who are world-ready and work-ready	> Provincial Key Performance Indicator (KPI) and College Performance Indicator (CPI) results meet or exceed College standards.	The chart below provides Niagara College's 2014-15 results in comparison to the provincial average and our College standards. A report was presented at the April 2015 Board of Governors' meeting.
	> Introduce a new CPI: Number of students engaging in a work/study abroad experience.	A new CPI of 10% domestic student participation has been created for the number of students engaging in a work/study abroad experience. In 2014-15, participation in Be World Ready work/study opportunities increased to 340 students, up by 100 students from 2013-14.
	> Table Strategic Agenda Item: Report on World Ready graduates engaging in out- of-country activities.	Presented at the November 2014 Board of Governors meeting. Highlights included: • Currently, 340 Niagara College students are participating in international experiences; • Niagara College has set a target of 10% or 900 students by 2018 to participate in Work Abroad, International Field Studies or Study Abroad opportunities; and • Important for faculty to have international experience which can be incorporated into their course curriculum.
	> Table Strategic Item Agenda Report on Program Quality.	Presented at the June 2015 Board of Governors' meeting. Highlights for 2014/15 include: • Seven program reviews in six cluster areas were completed by external reviewers; and • 12 program reports completed through internal reviews.

2014-2015 College Goals (Final Report)		
Strategic Priority: Unparalleled Student Experience and Satisfaction		
2013–2016 PERFORMANCE GOALS	**2014-2015 INDICATOR/METRIC**	**STATUS**
1.2 Increase access and learning pathways	> Table Strategic Agenda Item: Report on Multi-Institutional Pathways, mobility and ONCAT.	Presented at the June 2015 Board of Governors' meeting. Highlights for 2014/15 include: • Niagara College is listed as a sending institution on over 750 agreements in the Ontario Council on Articulation and Transfer (ONCAT) database, which is more than double the number of agreements from last year; • Newly signed General Arts and Science agreement with the University of Toronto, Mississauga; and • Renewal agreements with Cape Breton University, Olds College and Royal Roads University.
	> Report on the number of bilateral agreements with Brock and Niagara University.	Information on our bilateral agreements with Brock and Niagara University are contained in the Annual Business Report which was presented at the April Board of Governors' meeting. Of note, in January 2015, Niagara College, in partnership with Brock University, received approval to offer a jointly delivered degree (B.A. or B.Sc.)/Advanced Diploma in Game Development. The first intake is scheduled for September 2016.
1.3 Enhance Services for Students	> Report on enhanced access and service options.	Niagara College has initiated a new applicant portal to provide enhanced information and communication to potential students. As well, as part of the ONTransfer provincial initiative, the College is streamlining its transfer recognition process and has increased its Transfer Credit database by 34% which provides automatic transfer credit recognition.

2014-2015 College Goals (Final Report)		
Strategic Priority: Unparalleled Student Experience and Satisfaction		
2013–2016 PERFORMANCE GOALS	**2014-2015 INDICATOR/METRIC**	**STATUS**
	> Commence Phase 1 of the Integrated and Enhanced Services model plan: • Finalize integrated model technology and space requirements; and • Enhance access to services (hours of operation & use of technology).	College service areas have completed “Service Cluster Templates.” Results are being used to guide discussions with architects and our IT department. An extended service hours “pilot project” was launched for the Winter 2015 semester in Health Services, Testing Services, Info Centre, Counseling & Disability Services, Library Services, Information & Computing Support and Food Services. A review of the “pilot project” was conducted to provide recommendations on enhanced service delivery for the 2015-16 academic year. Extended Services will be provided in the Fall 2015 term.
	> Report on Academic Advisement and Student Success.	A new organization structure was put in place for the 2014-15 Academic Year. Academic Advisors and Academic Support Services were aligned under a new management position, the “Manager of Academic Support and Advisement Services.” A common case management system is being implemented. Software has been installed and is operational; Staff are being trained; Additional configuration of the system will occur over the next year. New “Beacon” software has been added to identify students-at-risk through such factors as early academic performance, professional observations, co-curricular engagement and student self-reflection.

2014-2015 College Goals (Final Report)		
Strategic Priority: Unparalleled Student Experience and Satisfaction		
2013–2016 PERFORMANCE GOALS	**2014-2015 INDICATOR/METRIC**	**STATUS**
	> Introduction of a comprehensive mental health strategy.	A Mental Health Strategy has been developed by Niagara College's Centre for Student Success. The Strategy will guide the review and enhancement of current services, as well as College community communications, support and engagement and crisis management.
1.4 Build Student Engagement and Retention	> Meet or surpass benchmarks in Retention Rates and Grad Rate (see CPI standards).	Achieved. Niagara College's Graduation Rate of 65.7% exceeded our standard of 60%. Niagara College's Retention Rate of 82.4% exceeded our standard of 75%.
	> Establish CPI benchmark on the number of participants in Campus Recreation offerings based on 2014/15 utilization and student input.	A benchmark of 10% of the student body annually involved in Campus Recreation offerings has been established.
	> Establish a CPI benchmark for co-curricular record (CCR) based on active students registered in the system (# with active entry over last year).	A benchmark of 30% of the student body annually involved in Co-curricular record initiative has been established.
Key Objective 2: Leading Innovation and Research		
2.1 Establish the Canadian Food and Wine Institute as a national centre of excellence	> Table CFWI Capital program expansion plan to support projected growth.	A proposed CFWI Capital program expansion plan was presented at the November 2014 Board of Governors' meeting. The proposed 11,000 square foot expansion will house a new production kitchen, bake lab and sensory labs.

2014-2015 College Goals (Final Report)		
Strategic Priority: Unparalleled Student Experience and Satisfaction		
2013–2016 PERFORMANCE GOALS	**2014-2015 INDICATOR/METRIC**	**STATUS**
	> Report on CFWI Research Centre results.	A Report was presented at the June 2015 Board of Governors' meeting. Highlights for 2014/15 include: • The Canadian Food and Wine Innovation Centre was officially opened in November 2014; • CFWI is in the fifth year of a $2.3 million CCI Innovation Enhancement grant in food and culinary innovation; and • CFWI will be applying for a Technology Access Centre grant in 2015/16 which would allow for greater capacity to help small and mid-sized local food processors.
	> Design and award the tender to construct the 2-storey culinary building expansion.	Architectural design for a one-storey expansion with speciality culinary labs is on schedule to be completed by June 2015. On schedule to go out for tender in July and construction to start in Fall 2015.
2.2 Innovation in applied education through "Learning Enterprises"	> Table Strategic Agenda Item - Report on Learning Enterprises: Experiences and Opportunities.	A report was presented at the April 2015 Board of Governors' meeting. Highlights included: • The Learning Enterprise is a unique model created by Niagara College to infuse the entrepreneurial spirit of the College in our academic delivery. • The learning enterprises give students the opportunity to engage with the public within a controlled environment, increasing their engagement and grounding the academic knowledge they have secured in the classroom.

2014-2015 College Goals (Final Report)		
Strategic Priority: Unparalleled Student Experience and Satisfaction		
2013–2016 PERFORMANCE GOALS	**2014-2015 INDICATOR/METRIC**	**STATUS**
2.3 Infuse innovation and applied research to support transitioning industries	> Report on Applied Research including the number of SMEs and number of students involved.	In 2014-2015, 211 companies accessed Research & Innovation services in general (66% increase over 2013-14), including 34 companies on 63 Technical Services projects and 62 companies on 66 research projects (totals: 33% more companies and 54% more projects). Overall, 21 programs at Niagara College saw their students engaged in applied research for a total of 1,429 applied research students experiences (13% increase).
	> Start construction of the Industry Innovation Centre for Advanced Manufacturing (renamed the Walker Advanced Manufacturing Innovation Centre).	Construction began the first week of June with estimated completion in March 2016.
2.4 Leadership in Regional Economic Development	> Report on our MOU with Niagara Region on Advanced Manufacturing.	A Report was presented at the June 2015 Board of Governors' meeting. Information included Niagara College and Niagara Economic Development (NED) signing an MOU with NED tp facilitate access to applied research projects for local manufacturers.
	> Report on the number of employers served through our Workforce Development programs.	1,600 employers accessed the college for work placements, employer support funding or other programs between April 1, 2014 and March 31, 2015.
	> Report on FedDev funding initiatives.	A Report was presented at the June 2015 Board of Governors' meeting. Highlights for 2014/15 include: • Through the Prosperity Initiative, 75 companies were served in 20 applied research projects in process improvement, new product or

2014-2015 College Goals (Final Report)		
Strategic Priority: Unparalleled Student Experience and Satisfaction		
2013–2016 PERFORMANCE GOALS	**2014-2015 INDICATOR/METRIC**	**STATUS**
		improved product development, service improvement and prototype development; • Six workshops were held, attracting 142 attendees to learn about additive manufacturing, business productivity and the principles of lean manufacturing. • Two FedDev funding proposals were submitted in cooperation with partnering post-secondary education institutions: I. Precision Agriculture with University of Guelph, the University of Waterloo and Vineland Research and Innovation Centre; and II. Advanced Manufacturing with Mohawk College and Sheridan College
Key Objective 3: Operational Excellence		
3.1 Attract, retain and develop a strong team	> Table Strategic Agenda Item: Report on our Talent Management/Succession Plan.	Presented at the September 2014 Board of Governors' meeting. Highlights included: • Niagara College has updated its People Plan to address the expected vacancies over the next 5 years; • Implement an Applicant Tracking System to create a database of applicants for the future, enhancing our talent pipelines and assisting in searches for hard-to-fill roles; • Develop an Onboarding Strategy to ensure consistency; and • Conduct a risk assessment of critical administrative positions; and • Provide ongoing opportunities for managers and employees to enhance coaching and communication skills.

2014-2015 College Goals (Final Report)		
Strategic Priority: Unparalleled Student Experience and Satisfaction		
2013–2016 PERFORMANCE GOALS	**2014-2015 INDICATOR/METRIC**	**STATUS**
3.2 Leading-edge sustainable and accessible learning environments	> Implementation of Capital Vision 2016 plan with start of construction.	Construction on the first Capital Vision 2016 project, the Walker Advanced Manufacturing Innovation Centre, began the first week of June with an estimated completion date of March 2016.
	> Table a New Sustainability Strategic Plan with revised targets.	As discussed at the September 2014 Board of Governors' meeting, a New Sustainability Strategic Plan will be introduced with the College's new Strategic Plan in 2017.
	> Transform NC: integrated planning for programs and services recommendations of prioritization completed.	Completion date of Transform NC is Summer 2015 with an update to the Board of Governors to be presented in Fall 2015.
3.3 Fiscal Strength and Diversification	> Achieve planned financial results for 2014-2015.	Achieved. Year End audited statements will be presented at the June 2015 Board of Governors' meeting. A surplus of $2.9 million was achieved for 2014-15.
	> Board approval of 2015-2016 Business Plan.	Achieved. A balanced budget for 2015-16 was approved at the April Board of Governors' meeting.
	> Achieve $1.5 million fundraising target.	Achieved. $3.2 million was raised for facilities, equipment and learning resources, scholarships and bursaries.
	> Diversification and growth of International revenue.	International enrolment continued to increase through a diversified strategy that resulted in a record number of 2,300 international students from over 70 countries studying in wide range of ESL, diploma, degree and

2014-2015 College Goals (Final Report)		
Strategic Priority: Unparalleled Student Experience and Satisfaction		
2013–2016 PERFORMANCE GOALS	**2014-2015 INDICATOR/METRIC**	**STATUS**
		graduate programs over the past year. Included in this growth were 600 students in 11 cohort (specialized contract) training programs, further diversifying our international revenue streams and programming. Overseas contract training also grew over the past year, with Niagara College being the successful bidder on a number of multi-year development projects, funded through Colleges and Institutes Canada and Agriteam Canada, with projects in Peru, Jamaica, Vietnam, and Bolivia. Overall, revenues grew by 30% ($7.3 million) over the previous year, resulting in $31 million in total international revenue in 2014-15.
	> Successful launch of the Taif Campus and achievement of year 1 enrolment targets and success indicators.	Taif Campus successfully launched in September, 2014 with 120 students, growing to 300 students by the third trimester in March.
3.4 Strategic Enrolment Management	> Achieve full-time post-secondary enrolment targets for 2014-2015.	Although domestic enrolment fell slightly short of target, strong International numbers ensured an in-year balanced budget. As well, Niagara College experienced strong growth in International contract enrolment as well as ESL.

2014-2015 College Goals (Final Report)		
Strategic Priority: Unparalleled Student Experience and Satisfaction		
2013–2016 PERFORMANCE GOALS	**2014-2015 INDICATOR/METRIC**	**STATUS**
	> Table a multi-year enrolment and program plan in the Mid-Range Outlook report.	Presented at the February 2015 Board of Governors meeting. Highlights included: • Ontario colleges are faced with decreased provincial funding opportunities and a 3% tuition fee increase cap. • International enrolment continues to increase with over 2,300 students from 73 countries enrolled in the 2015 winter term. • New Program development is focused on the programs submitted to the Ministry of Training, Colleges and Universities (MTCU) in Niagara College's Strategic Mandate Agreement. • MTCU recently approved Niagara College's application to offer a Bachelor of Business Administration in Human Resources.

APPENDIX A

NIAGARA COLLEGE
KEY PERFORMANCE STANDARDS

Item 1.1 – Quality Indicators

PROVINCIAL KPIs				
INDICATOR	**NIAGARA STANDARD**	**NIAGARA 2014/15**	**PROVINCE 2014/15**	**NIAGARA 2013/14**
Student Satisfaction	80%	**80.8**	76.2	**81.7**
Graduate Employment	85%	**87.8**	84.0	**85.4**
Graduate Satisfaction	80%	**79.3**	80.0	**79.7**
Employer Satisfaction	90%	**89.0**	88.1	**89.8**
Graduation Rate	60%	**65.7**	65.7	**66.0**

COLLEGE PERFORMANCE INDICATORS			
INDICATOR	**NIAGARA STANDARD**	**NIAGARA 2014/15**	**NIAGARA 2013/14**
Retention Rate (Yr 1 to Yr 2)	75%	**82.4**	**84.4**
Work Placement Rate*	95%	**92.0**	**90.1**
Program and Learning Quality	90%	**85.4**	**85.2**
Service and Facility Quality	80%	**76.1**	**78.3**

*Work Placement Rate refers to the co-op employment rate. Factors outside of the college's influence, such as the economy, affect this rate.

Engagement Indicators

COLLEGE PERFORMANCE INDICATORS			
INDICATOR	**NIAGARA STANDARD**	**NIAGARA 2014/15**	**NIAGARA 2013/14**
Participants in Campus Recreation Offerings	10% of the student body	**1,347 students 15%**	**999 students 11%**
Active Student with Co-curricular Record	30% of the student body	**3,503 students 39%**	**2,750 students 30%**
Students Engaged in Work/Study Abroad	10% of domestic student population	**340**	**240**

APPENDIX B

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2015

Consolidated Financial Statements of

NIAGARA COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Year ended March 31, 2015

NIAGARA COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Financial Statements

Year ended March 31, 2015, with comparative figures for 2014

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INDEPENDENT AUDITORS' REPORT

To the Members/Governors

We have audited the accompanying consolidated financial statements of Niagara College of Applied Arts and Technology on, which comprise the consolidated statement of financial position as at March 31, 2015, the consolidated statements of operations, remeasurement gain and losses, changes in net assets and cash flows for the year ended March 31, 2015, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Niagara College of Applied Arts and Technology as at March 31, 2015, its results of consolidated operations, its consolidated remeasurement gains and losses, its consolidated changes in net assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

June 11, 2015
St. Catharines, Canada

NIAGARA COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Financial Position

Year ended March 31, 2015, with comparative information for 2014

	2015	2014
Assets		
Current assets:		
Cash	$ 31,002,567	$ 36,102,767
Short-term investments	15,979,119	8,500,000
Accounts receivable (note 3)	6,761,773	6,251,801
Current portion of long-term receivables (note 5)	955,500	916,500
Inventories	1,406,664	1,434,449
Prepaid expenses and other assets	980,309	669,885
	57,085,932	53,875,402
Restricted assets:		
Cash	2,642,484	2,311,566
Investments (note 4)	14,028,670	12,932,558
	16,671,154	15,244,124
Long-term receivables (note 5)	4,233,995	5,483,641
Capital assets (note 6)	138,956,360	143,411,917
Investment in Niagara College KSA (note 13)	3,047,270	-
	$ 219,994,711	$ 218,015,084

NIAGARA COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Financial Position

Year ended March 31, 2015, with comparative figures for March 31, 2014

	2015	2014
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	$ 11,126,253	$ 10,682,210
Accrued payroll and employee deductions	7,084,385	6,391,156
Accrued vacation (note 8)	4,266,525	4,112,219
Deferred revenue:		
Specific purpose grants deferred and repayable	1,589,517	2,504,123
Tuition and related fees	16,552,558	13,399,061
Other	1,391,186	2,224,379
Current portion of long-term debt (note 7)	660,506	1,673,040
	42,670,930	40,986,188
Long-term debt (note 7)	6,806,867	7,467,373
Employee future benefits (note 8)	4,384,000	4,486,000
Deferred contributions (note 9)	2,892,685	2,572,058
Deferred capital contributions (note 10)	103,086,666	105,846,450
Interest rate swaps (note 7)	1,875,136	1,773,621
Net assets:		
Unrestricted	1,039,919	1,287,416
Vacation and future employment benefits (note 8)	(8,650,525)	(8,598,219)
Foundation	406,384	292,182
Niagara College KSA (note 13)	(966,504)	-
Niagara Learning Enterprise Corporation	58,880	19,968
	(8,111,846)	(6,998,653)
Internally restricted for future expense (note 11)	17,600,000	14,100,000
	9,488,154	7,101,347
Endowments	13,306,971	12,743,376
Investment in capital assets (note 12)	37,358,438	36,812,292
	60,153,563	56,657,015
Accumulated remeasurement losses	(1,875,136)	(1,773,621)
	58,278,427	54,883,394
Contingent liabilities (note 14)		
	$ 219,994,711	$ 218,015,084

See accompanying notes to consolidated financial statements.

Approved by the Board

_______________ Governor

_______________ Governor

NIAGARA COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Operations

Year ended March 31, 2015, with comparative information for 2014

	2015	2014
Revenue:		
Grants and reimbursements	$ 58,904,233	$ 60,466,064
Student tuition and fees	57,361,777	54,008,028
Ancillary operations	10,437,886	10,169,074
Other	14,769,360	11,326,379
Loss from Niagara College KSA (note 13)	(966,504)	-
Amortization of deferred contributions related to capital assets	6,012,265	5,835,426
Total revenue	146,519,017	141,804,971
Expenses:		
Salaries and benefits	89,215,920	85,018,243
Non-salary expenses	40,391,755	37,213,208
Flow through funds to third parties	5,122,532	5,368,139
Amortization of capital assets	8,855,857	8,488,303
Total expenses	143,586,064	136,087,893
Excess of revenue over expenses	$ 2,932,953	$ 5,717,078

See accompanying notes to consolidated financial statements.

NIAGARA COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Changes in Net Assets

Year ended March 31, 2015, with comparative information for 2014

Year ended March 31, 2015	Unrestricted	Vacation and future employee benefits	Foundation	Investment in Niagara College KSA	Niagara Learning Enterprise Corporation	Internally restricted for future expense (note 11)	Endowments	Investment in capital assets	Total 2015	Total 2014
Net assets (deficiency), Balance beginning of year	$ 1,287,416	$ (8,598,219)	$ 292,182	$ -	$ 19,968	$ 14,100,000	$ 12,743,376	$ 36,812,292	$ 56,657,015	$ 50,753,334
Excess of revenue over expenses (expenses over revenue)	3,142,241	(52,306)	114,202	(966,504)	38,912	3,500,000	-	(2,843,592)	2,932,953	5,717,078
Endowment contributions	-	-	-	-	-	-	563,595	-	563,595	186,603
Net change in investment in capital assets	(3,389,738)	-	-	-	-	-	-	3,389,738	-	-
Balance, end of year	$ 1,039,919	$ (8,650,525)	$ 406,384	$ (966,504)	$ 58,880	$ 17,600,000	$ 13,306,971	$ 37,358,438	$ 60,153,563	$ 56,657,015

See accompanying notes to consolidated financial statements.

NIAGARA COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Cash Flows

Year ended March 31, 2015, with comparative information for 2014

	2015	2014
Cash provided by (used in):		
Operations:		
Excess of revenue over expenses	$ 2,932,953	$ 5,717,078
Items not involving cash:		
Amortization of deferred contributions related to capital assets	(6,012,265)	(5,835,426)
Amortization of capital assets	8,855,857	8,488,303
Decrease in employee future benefits	(102,000)	(251,000)
Increase in accrued vacation	154,306	718,897
Loss from Niagara College KSA	966,504	-
Change in non-cash operating working capital:		
Accounts receivable	(509,972)	(910,536)
Inventories	27,785	(103,639)
Prepaid expenses and other assets	(310,424)	276,934
Accounts payable and accrued liabilities	444,043	(443,167)
Accrued payroll and employee deductions	693,229	(373,610)
Deferred revenue	1,405,698	3,531,262
	8,545,714	10,815,096
Capital activities:		
Purchase of capital assets	(4,400,300)	(5,631,287)
Deferred capital contributions	3,252,481	2,188,477
	(1,147,819)	(3,442,810)
Investing activities:		
Purchase of long-term investments	(1,096,112)	(155,566)
Investment in Niagara College KSA	(4,013,774)	-
(Purchase)/Disposal of short-term investments	(7,479,119)	7,207,305
	(12,589,005)	7,051,739
Financing activities:		
Long-term receivables	1,210,646	745,401
Deferred contributions	320,627	853,805
Endowments contributions	563,595	186,603
Principal payments on long-term debt	(1,673,040)	(662,572)
	421,828	1,123,237
(Decrease) increase in cash	(4,769,282)	15,547,262
Cash, beginning of year	38,414,333	22,867,071
Cash, end of year	$ 33,645,051	$ 38,414,333
Cash is represented by:		
Cash	$ 31,002,567	$ 36,102,767
Cash - restricted	2,642,484	2,311,566
	$ 33,645,051	$ 38,414,333

See accompanying notes to consolidated financial statements.

NIAGARA COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Remeasurement Gains and Losses

Year ended March 31, 2015, with comparative information for 2014

		2015		2014
Accumulated remeasurement losses, beginning of year	$	(1,773,621)	$	(2,323,318)
Unrealized (loss) gain attributable to:				
Derivatives – interest rate swaps		(101,515)		549,697
Net remeasurement (losses) gains for the year		(101,515)		549,697
Accumulated remeasurement losses at end of year	$	(1,875,136)	$	(1,773,621)

See accompanying notes to consolidated financial statements.

Niagara College of Applied Arts and Technology (the "College") is an Ontario College established as a Community College under The Department of Education Act of the Province of Ontario. The College is a registered charity and is exempt from income taxes under the Income Tax Act.

1. Significant accounting policies and disclosure:

(a) Basis of presentation:

These consolidated financial statements reflect the assets, liabilities, revenues and expenses of the College, its wholly owned subsidiaries, Niagara Learning Enterprise Corporation and Niagara College Foundation. All inter-organization assets, liabilities, revenue and expenses have been eliminated.

Niagara College KSA is a for-profit owned subsidiary of Niagara College and Niagara College Learning Enterprise Corporation, which is accounted for on a modified equity method basis. Information concerning this entity is presented in note 13 to these financial statements.

The consolidated financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards including the 4200 standards for government not-for-profit organizations.

(b) Revenue recognition:

The College follows the deferral method of accounting for contributions which include donations and government grants. Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis at a rate corresponding with the amortization rate for the related capital assets. Unrestricted contributions are recognized as revenue when received or receivable.

Donations of assets are recorded at fair value when a fair value can be reasonably estimated. Long-term receivables for capital assets are recorded as an asset in the accompanying consolidated financial statements when the amount to be received can be reasonably estimated and collection is reasonably assured. Long-term receivables are commitment from students for capital assets.

Tuition fees are recognized as revenue when earned through the provision of service. Ancillary revenue including residence, parking and other sundry revenues are recognized when products are delivered or services provided to the student or client, the sales price is fixed and determinable, and collection is reasonably assured.

1. Significant accounting policies and disclosure (continued):

(b) Revenue recognition (continued):

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

Endowment funds are for awards and bursaries. Endowment contributions are recognized as direct increases in endowment net assets.

(c) Short term investments:

Short terms investments include guaranteed investment certificates with a term of less than one year. Short term investments are recorded at cost.

(d) Inventories:

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

(e) Financial instruments:

All financial instruments are initially recorded on the consolidated statement of financial position at fair value.

All investments held in equity instruments that trade in an active market are recorded at fair value. Management has elected to record all investments at fair value as they are managed and evaluated on a fair value basis. Freestanding derivative instruments that are not equity instruments that are quoted in an active market are subsequently measured at fair value.

Unrealized changes in fair value, unless the investment income is externally restricted, 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.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value 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, 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.

1. Significant accounting policies and disclosure (continued):

(e) Financial instruments (continued):

Foreign currency instruments are recorded at the exchange rate at the time of the transaction.

Assets and liabilities denominated in foreign currencies are recorded at fair value using the exchange rate at the financial statement date. Unrealized foreign exchange gains and losses are recognized in the statement of remeasurement gains and losses. In the period of settlement, the realized foreign exchange gains and losses are recognized in the statement of operations and the unrealized balances are reversed from the statement of remeasurement gains and losses.

Financial instruments are classified into fair value hierarchy Levels 1, 2 or 3 for the purposes of describing the basis of the inputs used to determine the fair market value of those amounts recorded a fair value, as described below:

Level 1 Fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 Fair value measurements are those derived market-based inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly

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

(f) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair market value at the date of contribution. Assets acquired under capital leases are amortized over the estimated life of the assets or over the lease term, as appropriate. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the College's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis using the following rates:

Site improvements	10 years
Buildings	40 years
Building betterments	10-20 years
Major equipment (value > $25,000)	10 years
Leased Assets	Evenly over the life of the lease or the asset
Furniture and equipment	5 years
Information Technology	3-5 years
Vehicles	5 years
Computer software	3-5 years

Construction costs are capitalized as work progresses and amortization commences as work is substantially completed.

1. Significant accounting policies and disclosure (continued):

(g) Employee future benefits:

The College maintains defined benefit plans providing other retirement and post-employment benefits to most of its employees. These benefits include ongoing premiums for Basic Life Insurance, Extended Health care/Vision/Hearing care and Dental care provided they were in effect on the last working day prior to retirement. The maximum number of years of coverage under this plan is five years from the date of retirement.

The College is liable to pay an employee's accumulated sick leave in the event of sickness or injury. The College is liable to pay 50% of certain employee's accumulated sick leave credit on termination or retirement after ten years' service.

(h) Student organizations:

These consolidated financial statements do not reflect the assets, liabilities and results of operations of the Niagara College Student Administrative Council.

(i) Management estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards 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 the financial statements, and the reported amounts of revenue and expenses during that period. Actual results could differ from these estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known. Areas of key estimation include determination of fair value for long-term investments, endowment assets and interest rate swaps, the amount of accrued liabilities, the useful lives of capital assets, the calculation of post-employment benefit liabilities and the equity pickup for the investment in Niagara College KSA.

2. Change in accounting policy:

On April 1, 2014, the College adopted Public Sector Accounting Standard PS 3260, Liability for contaminated sites. This standard was adopted on a prospective basis from the date of adoption. Under PS 3260, a liability for contaminated sites are recognized as a liability when an environmental standard exists, contamination exceeds the environmental standard, the College is directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. All criteria must be met in order to recognize a liability. There were no adjustments as a result of the adoption of this standard.

3. Accounts receivable:

	2015	2014
Post secondary and other grants recoverable	$ 2,033,979	$ 2,448,819
Student receivables	1,928,960	1,615,735
Other	2,798,834	2,187,247
	$ 6,761,773	$ 6,251,801

Operating grants may be subject to adjustment pending a final review by the Ministry of Training, Colleges and Universities of the various programs operated by the College for the year ended March 31, 2015. Any adjustment required would be expected to be accounted for as a charge or credit to revenue in the period in which adjustment occurs.

4. Investments:

	Fair value Hierachy	2015	2014
Investments Designated at Fair Value			
Fixed income	Level 2	$ 10,410,675	$ 9,324,146
Equity Investments			
Common Shares	Level 1	3,617,995	3,372,324
Mutual Funds	Level 1	-	236,088
		$ 14,028,670	$ 12,932,558

5. Long-term receivables:

	2015	2014
Student Centre receivables	$ 5,189,495	$ 6,400,141
Current portion of long-term receivable	955,500	916,500
	$ 4,233,995	$ 5,483,641

Aggregate maturities of long-term receivables for each of the five years subsequent to March 31, 2015, are as follows: 2016 - $955,500; 2017 - $1,001,000, 2018 - $783,250, 2019 - $832,000 and 2020 - $877,500.

Student Centre receivables:

Niagara College's Student Administrative Council (SAC) has entered into an agreement with the College to provide funding totaling $10 million representing its commitment towards the total cost of the construction of the new Student Centre and Athletic building. The current amount receivable is $ 5,189,495 (2014 - $6,400,141).

6. Capital assets:

March 31, 2015	Accumulated Cost	Accumulated Amortization	Net Book Value
Land	$ 3,881,762	$ -	$ 3,881,762
Site improvements	9,694,345	5,851,897	3,842,448
Buildings	166,673,811	50,642,424	116,031,387
Building betterments	19,310,635	12,254,802	7,055,833
Furniture and equipment	72,260,828	64,762,316	7,498,512
Resource centre	1,322,622	1,322,622	-
Computer software	2,940,045	2,940,045	-
Construction in progress	646,418	-	646,418
	$ 276,730,466	$ 137,774,106	$ 138,956,360

March 31, 2014	Accumulated Cost	Accumulated Amortization	Net Book Value
Land	$ 3,881,762	$ -	$ 3,881,762
Site improvements	8,586,693	5,450,542	3,136,151
Buildings	166,673,811	46,535,323	120,138,488
Building betterments	18,389,698	11,057,457	7,332,241
Furniture and equipment	70,401,284	61,612,260	8,789,024
Resource centre	1,322,622	1,322,622	-
Computer software	2,940,045	2,940,045	-
Construction in progress	134,251	-	134,251
	$ 272,330,166	$ 128,918,249	$ 143,411,917

7. Long-term debt:

	2015	2014
Swap loan for NOTL residence bearing interest at a variable rate, payable in monthly installments of approximately $52,000 of principal and interest, with balance payable at maturity on October 1, 2025. The interest rate has been fixed at 6.99% through an interest rate swap contract.	$ 4,687,511	$ 4,981,804
Swap loan for Welland residence bearing interest at a variable rate, payable in monthly installments of approximately $43,000 principal and interest, with balance payable at maturity on December 1, 2021. The interest rate has been fixed at 6.17% through an interest rate swap contract.	2,779,862	3,106,009
Swap loan for NOTL Vineyard bearing interest at a variable rate, payable in monthly installments of approximately $11,000 principal and interest, with balance payable at maturity on April 1, 2014. The interest rate has been fixed at 4.70% through an interest rate swap contract.	-	1,052,600
	7,467,373	9,140,413
Current portion of long-term debt	660,506	1,673,040
	$ 6,806,867	$ 7,467,373

The security for the loans includes a promissory note in the amount of the loan and an assignment of all risk insurance of the College.

Aggregate maturities of long-term debt for each of the five years subsequent to March 31, 2015, are as follows: 2016 - $660,506; 2017 - $703,172; 2018 - $748,606; 2019 - $796,991 and 2020 and thereafter - $4,558,098.

The College has entered into interest rate swap agreements to manage the volatility of interest rates. The College converted a net notional of $15.075 million of floating rate long-term debt relating to the two residences and the vineyard. The remaining vineyard debt was paid upon maturity in April 2014. The fixed rates received under the interest rate swaps outstanding range from 6.17% to 6.99%. The maturity dates of the interest rate swaps are the same as the maturity dates of the associated long-term debts ranging from 2021 to 2025.

The fair value of the interest rate swaps at March 31, 2015 are in a net unfavorable position of $1,875,136 (2014 - $1,773,621) which is recorded on the consolidated statement of financial position. The current year impact of the change in fair value of the interest rate swap is an increase (reduction) to the consolidated statement of remeasurement gains and losses of $101,515 (2014 - ($549,697)). The fair value of the interest rate swap is has been determined using Level 3 of the fair value hierarchy.

8. Accrued vacation and employee future benefits:

Accrued vacation and employee future benefits comprise the following:

	2015	2014
Vacation and deferred salaries	$ 4,266,525	$ 4,112,219
Employee future benefits		
Sick leave	3,465,000	3,632,000
Other post-employment benefits	919,000	854,000
	4,384,000	4,486,000
	$ 8,650,525	$ 8,598,219

Vacation and deferred salaries

The accrual for vacation and deferred salaries represents the liability for earned but unpaid vacation entitlements and faculty salaries.

Employee future benefits

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% 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 independent actuaries on behalf of the Ontario College System as a whole.

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 independent actuaries on behalf of the Ontario College System as a whole.

8. Accrued vacation and employee future benefits (continued):

Other employee future benefits

The College maintains defined benefit and defined contribution plans providing other retirement and employee future benefits to most of its employees.

The costs of other post-employment benefits (including medical benefits, dental care, life insurance, and certain compensated absences) related to the employees' current service is charged to income annually. The cost is computed on an actuarial basis using the projected benefit method estimating the usage frequency and cost of services covered and management's best estimates of investment yields, salary escalation, and other factors. Plan assets are valued at fair value for purposes of calculating the expected return on plan assets.

The fair values of plan assets and accrued benefit obligations were determined by independent actuaries on behalf of the Ontario College System as a whole as at March 31, 2015.

Information about the College's post-employment benefits is as follows:

	2015	2014
Accrued benefit obligation	$ 4,317,000	$ 4,054,000
Fair value of plan assets	175,000	140,000
Funded status – plan deficit	4,142,000	3,914,000
Unamortized actuarial gain	242,000	572,000
Employee future benefit liability	$ 4,384,000	$4,486,000

The accrued benefit obligations accrued at March 31, 2015 amounted to $4,142,000 (2014 - $3,914,000). The net unamortized actuarial gain is $242,000 (2014 - $572,000). Benefit plan interest and current service (costs) gain recorded in the year were $358,000 (2014 - $311,000) and the amortization of actuarial gain was $73,000 (2014 - $12,000). The benefits paid out in the year were $387,000 (2014 - $574,000). These amounts represent the results of the actuarial valuation completed in March 2015.

The significant actuarial assumptions adopted in measuring the College's accrued benefit obligation include a discount rate of 1.6% (2014 - 2.7%). The average retirement age in the Ontario College System is assumed to be 3.1% (2014 - 7.0%) per annum starting at eligibility for reduced pension, increasing to 16% (2014 - 40%) per annum after reaching eligibility for unreduced pension. From ages 65 to 70, an age related table is used (2014 - remainder at age 65).

8. Accrued vacation and employee future benefits (continued):

For measurement purpose, the annual rate of increase in the per capita cost of covered health care benefits was assumed as follows:

Other benefit plans	2015	2014
Drug	9.0% in 2014 (grading to 4.0% in 2034)	9.0% (grading to 4.0% in 2026)
Hospital	4.0%	4.0%
Other medical	4.0%	4.0%
Dental	4.0%	4.0%

9. Deferred contributions:

	2015	2014
Awards and bursaries	$ 1,935,207	$ 1,520,640
Other	957,478	1,051,418
	$ 2,892,685	$ 2,572,058

10. Deferred capital contributions:

Deferred capital contributions related to capital assets represent the unamortized and unspent amounts of donations and grants received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the consolidated statement of operations.

	2015	2014
Balance, beginning of year	$ 105,846,450	$ 109,493,399
Additional contributions received	3,252,481	2,188,477
Less amounts amortized to revenue	(6,012,265)	(5,835,426)
	$ 103,086,666	$ 105,846,450

The balance of deferred capital contributions related to capital assets consists of the following:

	2015	2014
Unamortized capital contributions used to purchase capital assets	$ 94,130,549	$ 97,459,212
Unspent capital contributions included in long-term receivable	5,189,495	6,400,141
Unspent capital contributions	3,766,622	1,987,097
	$ 103,086,666	$ 105,846,450

11. Restrictions on net assets:

The Board of Governors has approved a transfer of $3,500,000 (2014 - $8,000,000) to the internally restricted fund for future expenses.

The balance of $17,600,000 (2014 - $14,100,000) has been presented as net assets internally restricted for future expenses relating to WSIB of $1,000,000 (2014 - $1,000,000), Peoplesoft Upgrade of $500,000 (2014 - $400,000), Utilities of $700,000 (2014 - $700,000), International of $2,800,000 (2014 - $2,800,000) and future capital expenditures of $12,600,000 (2014 - $9,200,000).

12. Investment in capital assets:

(a) Investment in capital assets is calculated as follows:

	2015	2014
Capital assets	$ 138,956,360	$ 143,411,917
Amounts financed by:		
Unamortized capital contributions used to purchase assets	(94,130,549)	(97,459,212)
Long-term debt	(7,467,373)	(9,140,413)
	$ 37,358,438	$ 36,812,292

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

	2015	2014
Excess of expenses over revenue:		
Amortization of deferred contributions related to capital assets	$ 6,012,265	$ 5,835,426
Amortization of capital assets	(8,855,857)	(8,488,303)
	$ (2,843,592)	$ (2,652,877)

	2015	2014
Net change in investment in capital assets:		
Purchase of capital assets	$ 4,400,300	$ 5,631,287
Amounts funded by deferred contributions	(2,683,602)	(5,945,099)
Repayment of long-term debt on residences	620,440	582,816
Repayment of long-term debt on Vineyard	1,052,600	79,756
	$ 3,389,738	$ 348,760

13. Investment in Niagara College KSA:

Niagara College KSA is a limited liability company, incorporated on February 26, 2015 under the laws of the Kingdom of Saudi Arabia, as a for-profit entity with a December 31st year-end. It is a 100% subsidiary of Niagara College of Applied Arts and Technology and Niagara College Learning Enterprise Corporation. The due from Niagara College KSA is without defined terms of repayment and is non-interest bearing.

Equity investment in Niagara College KSA:

	2015	2014
Balance, beginning of year	$ -	$ -
Initial Investment	594,578	-
Loss for the year	(966,504)	-
Due from Niagara College KSA	3,419,196	-
Balance, end of year	$ 3,047,270	$ -

The financial position of Niagara College KSA and the results of its operations and its cash flows are based on start date of the operation as at August 13, 2014 and are reflective of the 230 day period ended March 31, 2015 is as follows:

Financial position:

	2015	2014
Assets	$ 3,047,270	$ -
Liabilities	$ 3,419,196	$ -
Equity	(371,926)	-
	$ 3,047,270	$ -

Results of operations:

Revenue	$ 1,755,331	$ -
Expenses	2,721,835	-
Loss for the year	$ (966,504)	$ -

Cash flows:

Operating	$ 795,648	$ -
Capital	(795,648)	-
Investing	-	-
Financing	594,578	-
Net cash flow	$ 594,578	$ -

As part of the agreement to operate Niagara College KSA, subsequent to year end, the College obtained a letter of credit for the Colleges of Excellence in Saudi Arabia in the amount of $10,146,400 CDN ($8,000,000 USD).

14. Contingent liabilities:

The nature of the College's activities are such that there may be litigation pending or in prospect at any time. With respect to claims at March 31, 2015 management believes that the College has valid defenses and appropriate insurance coverage in place. In the event any claims are successful, management believes that such claims are not expected to have a material effect on the College's financial position. No provision has been accrued in these consolidated financial statements in respect of the above litigation.

15. Financial instruments:

(a) Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The College is exposed to this risk relating to its cash, accounts receivable and investments. 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 $300,000 (2014 - $300,000). The College holds a term deposit in the amount of $8,500,000 that has been insured for the full value through Central One Credit Union.

The College's investment policy operates within the constraints of the investment guidelines issued by the MTCU and 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. All fixed income portfolios are measured for performance on a quarterly basis and monitored by management on a monthly basis. The guidelines permit the College's funds to be invested in bonds issued by the Government of Canada, a Canadian province or a Canadian municipality having a rating of A or better, or corporate investments having a rating of A (R-1) or better. The maximum exposure to investment credit risk is outlined in note 4.

Accounts receivable and long-term receivables are ultimately due from students. 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.

Included in accounts receivable are student receivables in the amount of $1,928,960 of which 55% is over 6 months. All other accounts receivables and long-term receivables are current. An amount of $250,000 has been provided for an impairment allowance.

Student receivables not impaired are collectible based on the College's assessment and past experience regarding collection rates.

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.

15. Financial Instruments (continued):

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: currency risk, interest rate risk and equity risk.

The College's investment policy operates within the constraints of the investment guidelines issued by the MTCU. The policy's application is monitored by management, the investment managers and the board of governors. Diversification techniques are utilized to minimize risk.

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.

(c) Currency risk

Foreign currency risk relates to the College's operations in different currencies and converting non-Canadian earnings at different points in time at different foreign College levels when adverse changes in foreign currency rates occur. The College's exposure to foreign currency risk is based on the investment in Niagara College KSA.

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.

(d) Interest rate 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, bank loans and term debt.

The College mitigates interest rate risk on its term debt through derivative financial instrument (interest rate swaps) that exchanges the variable rate inherent in the term debt for a fixed rate (see note 7). 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 5.68% with maturities ranging from June 30, 2015 to June 01, 2025.

At March 31, 2015, a 1% 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 swaps of $118,000 and $421,000 respectively.

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.

15. Financial Instruments (continued):

(e) Equity risk

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The College is exposed to this risk through its equity holdings within its investment portfolio. At March 31, 2015, a 10% 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 $361,800.

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.

(f) 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.

Accounts payable are all current and the long-term debt terms of repayment are disclosed in Note 7.

Derivative financial liabilities mature as described in note 7.

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.

16. Pension plans:

Employees of the College are members of the Colleges of Applied Arts and Technology Pension Plan (the "Plan"), which is a multi-employer jointly-sponsored defined benefit plan for eligible employees public colleges and related employers in Ontario. 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.

16. Pension plans (continued):

Any pension surplus or deficit is a joint responsibility of the members and employers and may affect future contribution rates. The College does not recognize any share of the Plan's pension surplus or deficit rates. The most recent actuarial valuation filed with pension regulators as at January 1, 2015 indicated an actuarial surplus of $773 million. The College made contributions to the Plan and its associated retirement compensation arrangement of $7,516,499 in 2015 (2014 - $6,764,348), which has been included in the consolidated statement of operations.

17. Ontario Student Opportunity Trust Fund (OSOTF):

The Ontario Student Opportunity Trust Fund program was created to provide financial assistance to qualifying students from the investment income earned on these funds. Contributions to OSOTF ended on March 31, 2007. A new fund was created on April 1, 2007 called Ontario Trust for Student Support.

	Endowment Fund	Expendable Funds
Phase 1		
Fund balance, beginning of year	$ 988,010	$ 99,262
Cash donations received	-	-
Funds receivable from the Ministry	-	-
Funds received from the Ministry	-	-
Investment income	-	39,113
Bursaries awarded (38 awards)	-	(25,900)
Fund balance, end of year	$ 988,010	$ 112,475

	Endowment Fund	Expendable Funds
Phase 2		
Fund balance, beginning of year	$ 1,542,196	$ 227,052
Unmatched donations transferred to OTSS for matching	-	-
Cash donations received	-	-
Funds receivable from the Ministry	-	-
Funds received from the Ministry	-	-
Investment income	-	79,142
Bursaries awarded (49 awards)	-	(35,700)
Fund balance, end of year	$ 1,542,196	$ 270,494

18. Ontario Trust for Student Support:

Externally restricted endowments include grants provided by the Government of Ontario from the Ontario Trust for Student Support ("OTSS") matching program, to award student aid as a result of raising an equal amount of endowed donations. This fund was created on April 1, 2007. The following information relates to the Trust fund for year ended March 31, 2015.

Schedule of Changes in Endowment Balance:

	2015	2014
Endowment balance, beginning of year	$ 9,087,045	$ 8,948,351
Cash donations received	96,202	138,694
Funds receivable from the Ministry	-	-
Endowment balance, end of year	$ 9,183,247	$ 9,087,045

Schedule of Changes in Expendable Funds Available for Awards:

	2015	2014
Expendable funds available for awards, beginning of year	$ 641,147	$ 384,715
Investment income eligible for expenditures	305,875	424,257
Bursaries awarded (193 awards)	(170,550)	(167,825)
Expendable funds available for awards, end of year	$ 776,472	$ 641,147
Cash donations matched between April 1, 2014 and March 31, 2015	$ -	$ -

19. Pledges:

Since pledges are not legally enforceable, they are recorded as revenue on a cash basis and accordingly are not recorded as assets in the consolidated financial statements. The total amount of pledges outstanding is approximately $1,054,378 at March 31, 2015 (2014 - $1,411,970) and is expected to be received as follows:

	2015
2016	$ 372,720
2017	311,123
2018	285,880
2019	32,925
2020	26,730
Thereafter	25,000
	$ 1,054,378

20. Comparative Figures:

Certain 2014 comparative figures have been reclassified to conform to the consolidated financial statement presentation adopted for the current year.

NIAGARA COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Schedule 1 - Consolidated Analysis of Revenue

Year ended March 31, 2015, with comparative figures for 2014

	2015	2014
Grants and reimbursements:		
General Purpose Operating Grant (GPOG)	$ 42,035,351	$ 41,366,205
Employment services Ontario and Summer Jobs	3,065,880	2,575,881
Special purpose grants	3,016,165	3,817,909
Research grants	2,700,063	2,924,284
Other provincial and federal funding	2,226,882	2,784,426
Services Canada	1,968,965	1,909,212
Apprenticeship training	1,664,675	2,353,903
Literacy and Basic Skills	1,401,753	1,461,747
Capital grants	923,407	1,221,877
Second Careers	909,341	1,099,095
Provincial bursaries	456,708	545,215
Niagara Region day care grant	-	58,024
Less: contributions related to capital	(1,464,957)	(1,651,714)
	58,904,233	60,466,064
Student tuition and fees:		
Full-time domestic	30,516,478	31,437,514
Part-time domestic	2,983,192	3,224,677
International post secondary	19,748,671	16,049,345
International ESL	4,113,436	3,296,492
	57,361,777	54,008,028
Ancillary operations:		
Residence	3,959,892	3,867,175
Parking	1,364,010	1,347,682
Restaurant	1,266,313	1,329,147
Niagara Learning Enterprise	1,236,223	1,185,433
Athletics	1,200,193	968,649
Facilities rentals	476,774	423,827
Campus store	400,946	435,206
Commissions	403,365	415,450
Greenhouse	130,170	175,444
Day care fees	-	21,061
	10,437,886	10,169,074
Other:		
Sale of course materials and service charges	6,030,528	4,747,389
International contract training and special projects	5,484,531	4,924,358
Donations – awards and bursaries	1,445,671	464,374
Investment income	664,124	606,739
Other donations	638,506	208,524
Foundation	280,759	212,209
Other revenue	121,766	8,094
Contract training	103,475	154,692
	14,769,360	11,326,379
Loss from Niagara College KSA	(966,504)	-
Amortization of deferred contributions related to capital assets	6,012,265	5,835,426
	$ 146,519,017	$ 141,804,971

NIAGARA COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Schedule 2 - Consolidated Analysis of Expenses

Year ended March 31, 2015, with comparative figures for 2014

	2015	2014
Salaries and benefits:		
Academic salaries and benefits	$ 35,470,555	$ 33,969,039
Support salaries and benefits	18,771,537	17,398,927
Administration salaries and benefits	14,475,099	13,255,872
Part-time support salaries and benefits	12,657,649	11,934,805
Part-time teaching, sessional and partial load salaries and benefits	7,788,774	7,991,703
Post employment, vacation and sick leave	52,306	467,897
	89,215,920	85,018,243
Non-salary expenses:		
Contracted services and professional fees	10,959,841	9,820,602
Instructional supplies and field work	5,912,320	5,768,985
Building and grounds maintenance	5,031,524	4,640,771
Supplies	4,023,312	3,606,780
Utilities and telecommunications	3,281,241	3,445,684
Office expense and insurance	3,213,589	3,672,067
Marketing and promotions	2,764,673	2,378,983
Travel	1,578,071	1,306,822
Disbursements – awards and bursaries	1,445,671	464,374
Equipment maintenance and rentals	880,887	763,376
Professional development	592,947	493,894
Debt charges and banking fees	419,356	672,108
Foundation	166,557	170,668
Other	121,766	8,094
	40,391,755	37,213,208
Flow through funds to third parties:		
Participant stipends and allowances	2,965,401	3,344,798
Provincial bursaries	1,493,081	1,388,991
Municipal taxes-in-lieu	664,050	634,350
	5,122,532	5,368,139
Amortization of capital assets	8,855,857	8,488,303
	$ 143,586,064	$ 136,087,893