



GPRC

Annual Report 2020-2021



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ACCOUNTABILITY STATEMENT

The Grande Prairie Regional College (GPRC) Annual Report for the year ended June 30, 2021, was prepared under the Board's direction in accordance with the *Fiscal Planning and*

Transparency Act and ministerial guidelines established pursuant to the *Post-Secondary Learning Act*. All material, economic, environmental or fiscal implications of which we are aware have been considered in the preparation of this report.

Original signed by
Bridget Hennigar,
Chair, Board of Governors

MANAGEMENT'S RESPONSIBILITY FOR REPORTING

GPRC's management is responsible for the preparation, accuracy, objectivity, and integrity of the information contained in the Annual Report, including the financial statements, performance results and supporting management information. Systems of internal control are designed and maintained by management to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, are executed in accordance with all relevant legislation, regulations and policies, reliable financial records are maintained, and assets are properly accounted for and safeguarded.

The Annual Report has been developed under the oversight of the institution audit committee, approved by the Board of Governors and is prepared in accordance with the *Fiscal Planning and Transparency Act* and the *Post-Secondary Learning Act*.

The Auditor General of Alberta, the institution's external auditor, appointed under the *Post-Secondary Learning Act*, performs an annual independent audit of the consolidated financial statements which are prepared in accordance with Canadian public sector accounting standards.

Original signed by
Dr. Glenn Feltham,
Interim President and CEO



MESSAGE FROM THE PRESIDENT

This past year has been extraordinary in so many ways. While like many others, the College experienced the social, economic and environmental ripple of the pandemic, in the spring we also received the most uplifting news.

On May 11, 2021 it was announced that GPRC would become the province's newest polytechnic institution. This was a historic and empowering development for our institution and region. It is transformational.

It affirms the importance of skilled trades and apprenticeship as part of our educational model. It further supports a long-held aspiration for our community – at home degree granting.

It enables us to grow and expand our program offerings to better meet the needs of learners and our community.

We recognize the value add and are looking forward to the journey ahead. As we continue to explore the opportunity at our fingertips, we are discovering even more potential and opportunities for partnership. This is welcome progress and a positive focal point given the ongoing pandemic hurdles experienced by post-secondaries around the world.

Although we began 2020 on somewhat unfamiliar footing, GPRC's campus community was undaunted by



the challenges of the prolonged global public health crisis and continued to persevere. Throughout the year, GPRC showcased resilience, creativity and adaptability.

We came together in a time of great uncertainty and forged ahead with a mixed delivery model that enabled 43 per cent of our learners to remain safely on campus while much of the outside world was disrupted.

We strived to protect the health and safety of our learners and staff while maintaining GPRC's ability to deliver the quality post-secondary experience that our region has come to expect. With the steady efforts of our GPRC team, and support of our partners and broader community, we have kept that promise.

Not only did our staff, faculty, and students rise to the COVID-19 challenge, I'm proud to say that various historic milestones were also attained. New in-demand programming was launched, a new centre for health research and innovation was made possible, virtual convocation was celebrated with over 500 of our proud graduates and in the spring of 2021, and our institution announced an exciting new polytechnic direction.

This report speaks to these achievements as well as many of the other opportunities that surfaced during the 2020-21 period. While the year was far from typical, GPRC's progress is a direct result of the vision, commitment and energy from our learning community and valued supporters. We are so very fortunate to work alongside such knowledgeable and talented people and to be part of a community that cares.

For more than 50 years, GPRC has been nurturing connections and strengthening ties in northwestern Alberta. These relationships matter. They reflect our character and who we aspire to be. Building on this foundation our institution will grow. GPRC will meet the current and future needs of our learners and the communities we serve.

Original signed by
Dr. Glenn Feltham,
Interim President and CEO

VISION, MISSION, AND MANDATE

VISION: GPRC is recognized by its learning communities for leadership in educational excellence.

MISSION: Creating and connecting to knowledge, experience and community one life at a time.

MANDATE:

Grande Prairie Regional College is a public, board-governed college operating as a comprehensive community institution under the *Post-Secondary Learning Act* of Alberta. The College offers regional learners' instruction and support services that are learner-centred and responsive to the lifelong educational needs of full-time and part-time students of diverse, multicultural and Aboriginal backgrounds.

As a comprehensive community institution, Grande Prairie Regional College is committed to expanding access to post-secondary education in its service area by responding to community and regional demand for both credit and non-credit programming. The College has developed a portal access delivery model that encourages other post-secondary institutions to deliver programming on site, enabling the establishment of collaborative partnerships that rapidly and effectively meet the varied needs of regional learners.

The College offers university transfer, diploma and certificate programs; apprenticeship and pre-employment training; and adult high school completion. Credit programs are offered in the areas of Liberal Arts, Education, Health and Wellness, Human Services, Fine Arts, Business, Technology, Academic Upgrading, Trades and Technical training, Agriculture and Environmental Sciences. The College also offers baccalaureate degrees, primarily as collaborative degrees.

In response to regional, community and industry demand, Grande Prairie Regional

College provides a range of customized non-credit pre-employment programming, skills development, safety, English as a Second Language and community interest courses. The College meets community and industry demand for responsive and specific industry training through the provision of customized programming.

As an educational facility in northwest Alberta, Grande Prairie Regional College helps meet the cultural, recreational, athletic and conferencing needs of the region in partnership with service area, community and regional stakeholders. The College offers athletic, music, art and science summer camps, and the Douglas J. Cardinal Performing Arts Centre is frequently the site of community music festivals, dance recitals, speakers' series and industrial seminars.

The College encourages and supports applied research and scholarly activities, and innovation activities that complement and enhance teaching and learning in program areas and in industry sectors where its academic expertise enables such a contribution.

Grande Prairie Regional College is dedicated to providing learners in northwest Alberta with access to high quality and diverse lifelong learning opportunities, and to the responsible educational, fiscal and environmental stewardship of resources.

Approved by the Minister of Advanced Education (2008)

PUBLIC INTEREST

DISCLOSURE

(WHISTLEBLOWER PROTECTION) ACT

GPRC is committed to providing a supportive environment where employees can disclose, make enquiries about, or seek advice regarding potential wrongdoing and cooperate in an investigation of wrongdoing without fear of reprisal.

During the fiscal year 2020-21, GPRC had one incident to report. There is an ongoing investigation through the Office of the Public Interest Commissioner. The Commissioner's report is expected late Fall 2021.



OPERATIONAL OVERVIEW

The 2020-21 period was a time of significant transformation for GPRC. On May 11, 2021 Minister Nicolaides' historic polytechnic announcement set the stage for further recovery, growth and success in northwestern Alberta. Not only did the new designation redefine our institution, but it has also been the catalyst for limitless opportunity both in the short and longer-term.

As a polytechnic GPRC will continue to build on the quality foundation established so many years ago at our Fairview and Grande Prairie campuses. We are working steadily to reinforce valuable connections, broaden career pathways and deliver an unmatched post-secondary experience. Together with our partners, much progress has already been made.

While the designation change in the spring was a high point, 2020-21 was the first full academic year experienced in the shadow of the COVID-19 pandemic. Starting in the spring of 2020, GPRC put several protocols in place to ensure the health and safety of students, staff and our community. We deployed learning strategies and technologies designed to uphold continued accessibility and quality of education, and to facilitate the successful progression of all learners enrolled in our College. These protocols, strategies and technologies became the new normal for the 2020-21 academic year.

All Schools did a remarkable job adapting quickly to this new reality. Faced with migrating labs and shop-floor techniques to the virtual world, the School of Trades, Agriculture and Environment rose to the challenge and re-instated its temporarily paused apprenticeship programming. As the pandemic situation continued to evolve, GPRC demonstrated its commitment to accessibility, quality of education, and support for all its learners.

Over the course of the unprecedented year, GPRC not only introduced new programs, the institution also put forward two-degree proposals, and diversified its partnerships with industry and the community. These achievements and many others, coincided with a nation-wide search for a new President, the absorption of budgetary reductions, and everchanging public health measures.

While the circumstances were far from ideal, they did bring our learning community together and showcased GPRC's ability to be agile and adaptive while confronting prolonged pandemic uncertainty. In May 2021, the College was further energized by the announcement of a new polytechnic direction. This new designation positions GPRC to rebound from the COVID-19 pandemic and to forge an even more productive future with new programming and training opportunities that will support our region and complement credit programming.

EXPANDING ACCESS AND ENHANCING THE QUALITY OF EDUCATION

The pandemic did not impede our ability to expand access to quality programming. We remained responsive to our learners and our northwestern community by conducting frequent environmental scans, seeking labour market trends and opportunities, and observing labour market outcomes of our graduates. During the 2020-21 academic year, we submitted two undergraduate degree proposals to be delivered autonomously as part of our newly designated polytechnic institution. GPRC also introduced two in-demand health programs, and enhanced trades programming.

EXPANDING ACCESS TO DEGREE PROGRAMMING

GPRC responded to labour market demand for graduates of business programs within the Province by completing a degree proposal for a GPRC Bachelor of Business Administration (BBA) program. This proposal

was submitted to Alberta Advanced Education's Post-Secondary Programs Branch through the Provider and Program Registry System. The proposed BBA program is designed to prepare students for a career in business, focusing on entrepreneurial skills and priorities. The importance of small business management is growing as small- and medium-sized enterprises continue to contribute to Canada's economy; the BBA will explore the ethical, financial, and managerial issues that Canadian businesses and managers face daily.

In addition, a degree proposal for a GPRC Bachelor of Computing Science and a Bachelor of Computing Science in Artificial Intelligence degree program was submitted to the Ministry of Advanced Education. Subject to approval, the Science department is planning to launch this four-year degree program in Fall 2022.

The 2020-21 academic year was the first year operating with the University Transfer Engineering program in suspension. Inquiries from the public continue, and support for this program remains strong. The department is working to revise and update this program in



consultation with the University of Alberta to bring it out of suspension. The Science department is also exploring other new programming options to reinvigorate programming in the department, including Environmental Science and Rural Health.

EXPANDING ACCESS TO NURSING PROGRAMMING

The opening of the Grande Prairie Regional Hospital, and the related workforce planning by Alberta Health Services has greatly impacted the demand for Bachelor of Science in Nursing (BScN) graduates and other health care professionals. The School of Health, Wellness and Career Studies had two new programs approved in the 2020-21 academic year. The Health Care Aide (HCA) certificate program follows the Government of Alberta Health Care Aide Provincial Curriculum, preparing graduates for immediate entry into the workforce in environments such as continuing care, home care, acute care hospitals, private family care, personal care, and group-home settings. GPRC will begin offering the HCA certificate program in Fall 2021.

In addition to the HCA Program, the Practical Nursing (PN) Diploma program was approved; this program prepares students to be registered as a Licensed Practical Nurse. Practical Nurse graduates will obtain the necessary skills and qualifications to provide basic health services and support for patients with severe medical conditions or functional limitations in a variety of health care settings, including acute care hospitals, continuing care centres, community health, and primary care settings. GPRC will begin offering the PN program in January 2022.

EXPANDING ACCESS TO TRADES PROGRAMMING

The School of Trades, Agriculture and Environment (TAE) is the largest Trades training institution in Northern Alberta and the fourth-largest training institution in Alberta. GPRC Fairview Campus, which started in 1951 as Fairview School of Agriculture and Home Economics will celebrate its 70th anniversary of post-secondary education in 2021. The Motorcycle Training and Apprenticeship program will celebrate 41 years of training in 2021, along with the only Harley Davidson® Technician Certificate in Canada for the past 32 years. TAE's successful partnership with Finning Canada for the ThinkBIG Service Technician Diploma continues to be the only one in Canada, bringing students who are accepted to the program from all over the country.

This success is due, in part, to keeping pace with technological innovation and market globalization. In

2020-21, TAE has partnered with three companies to expand and enhance its programming.

- ▶ Partnering with Royal Enfield Motorcycles, a British company, the motorcycle program will expand its training aids, and increase Motorcycle students' versatility in the workplace.
- ▶ Partnering with, and through a generous donation by, Ford Canada, GPRC added two additional trucks (Ford F150 & Ford Ranger) for up-to-date training. In addition, the automotive program, added two new Laser Hunter Aligner machines with advanced driver assistance systems (ADAS) links.

In meeting industry demand, TAE will be expanding Instrumentation Technician Program to offer 2nd period on GP campus, adding Outdoor Powersports to our existing certificates, and adding ABSA Pressure Renewal Licensing at the Fairview Campus in collaboration with the Alberta Boiler Safety Association.

INSTITUTIONAL ENGAGEMENT AND COLLABORATIONS

In 2020-21, GPRC signed several Memoranda of Understandings (MOU) with regional high schools and other governmental agencies to enhance our role as a community builder. We partnered with local companies and donors expand access to programming and enhance the quality of our programs. We are grateful for the continued support from our learning community and beyond.



The opening of the Evaskevich Centre for Health Research and Innovation, made possible by a generous donation from Paul and Coreen Evaskevich, will firmly establish a facility dedicated to medical research and innovation in

our region. Located in the College wing of the new Grande Prairie Regional Hospital, the state-of-the-art research facility will not only benefit our students, faculty members, and health care professionals, but also foster greater collaboration with health and industry partners, and will create the opportunity to broaden our students' interests and passion through research and experiential learning.

In addition, GPRC has signed a MOU with Health City Edmonton to grow community-driven health research, innovation and education within the College's stewardship region. Health City's focus is to transform innovations from Alberta's health sector into solutions that have commercial application and global relevance. Through the College's Evaskevich Centre for Health Research and Innovation, GPRC students can access

resources to actively solve current challenges facing the health system in northern Alberta.



Mindful of the growing impact of virtual reality training technologies, GPRC, partnered with Serious Labs to evaluate the effectiveness of simulated virtual reality training on workplace operator safety. This new partnership will provide GPRC with free, state-of-the-art Mobile Elevated Work Platform

(MEWP) VR simulated training that supplements traditional training programs for learners on the Grande Prairie campus.

GPRC is continuing agreements with Peace River School Division, and Grande Prairie Regional Separate School Division to offer various Career and Technology Studies (CTS) courses and CTS credit trades instruction for Junior and Senior High students. This instruction takes place both, in area high Schools and on Fairview and Grande Prairie campuses in the form of Trades Camps and short courses.

INSTITUTIONAL REALITIES AND CHALLENGES

The 2020-21 academic year was not a typical year for GPRC. After the initial impact of the pandemic, it was anticipated that a return to some form of normalcy would prevail in the fall or winter term. That was clearly not the case.

With international travel halted, very few foreign students could secure the necessary visas to attend our College. Program delivery was also impacted. Students and faculty had to adjust to an online teaching and learning environment. GPRC's programs with hands-on components also had to adapt to meet the needs of our learners. Everyone had to learn new ways to interact with one another. In these respects, GPRC, our students and staff, demonstrated remarkable flexibility and creativity.

During this time, additional internal and external factors also irrevocably transformed our institutional environment. Leadership turnover, the search for a new President, and the ripple of budget reductions moderated the implementation of the College's newly launched 5GPRC institutional plan. The announcement of GPRC becoming a polytechnic institution served to focus institutional priorities towards degree programming, trades and apprenticeships, and industry collaborations that solidify regional access to a polytechnic education. As a result, the reported goals and performance measures, and the progress within each, reflect these transformations. While 5GPRC

served as a guidepost to modernize operations, the polytechnic designation, and the installation of a new president, will bring new directions, frameworks, and strategies to GPRC's institutional plan.

COPING WITH COVID-19

The pandemic did not impact all programming equally. While many programs seamlessly migrated to an online learning platform, many others, particularly those with a lab or shop component, had to be resourceful and innovative.

Following the recommendation in the Spring-Summer 2019-20 by Apprenticeship and Industry Training (AIT), the School of Trades, Agriculture, and Environment cancelled all training session intakes. TAE was determined to resume intakes for the 2020-21 academic year.

Dedicated instructors met the COVID-19 hurdles head on. The blended learning model was embraced and applied successfully to shop and lab components during the 2020-21 training year.

The College community also folded in technology beyond the College's learning platform to better the student experience. New apps such as Kahoots and Chegg were implemented along with other programs and devices. GO-PRO headset cameras worn by instructors were another tool used to help students at home, watch demos and participate through someone else's hands.

Instructors went above and beyond, meeting with students after classes or on Saturdays to help students who missed class time for COVID-19 reasons stay on track. All these efforts combined contributed to a successful year for our learners, and the timely completion of their apprenticeship technical training.

The School of Arts, Science & Upgrading is also home to numerous facilities and services that facilitate hands-on student learning. This includes newly renovated biology, chemistry, physics and earth science labs with state-of-the-art equipment; a recently expanded and updated robotics lab; specialized computer labs dedicated to computing science. The School worked exceptionally hard to adapt to meet the needs of learners during the pandemic, and continued to offer safe, high-quality programming to students. Faculty and staff did a remarkable job converting traditional face-to-face courses to online, synchronous and blended formats. Biology, chemistry and physics labs continued in-person but at reduced capacity and with enhanced social distancing, masking and cleaning protocols.

ENROLMENT CHANGES

The pandemic continued to have a significant impact on overall enrolment in 2020-21. While some of the decline can be attributed to program suspensions taking effect in the 2020-21 academic year, the main source for the decline is a waning international student enrolment. Uncertainty surrounding the COVID-19 pandemic, particularly the unpredictability in securing a student visa, are determining factors for this decline. Overall, GPRC had 1604.244 full-time load equivalents for the 2020-21 academic year, a decline of 64.888 FLE from the previous year.

FLE ENROLMENT BY CREDENTIAL

CREDENTIAL	2019-20 ACTUALS	2020-21 ACTUALS	DIFF
Certificate ¹	610.692	606.612	-4.080
Diploma ²	290.571	307.678	+17.107
Non-Credential ³	767.869	689.954	-77.915
GPRC TOTAL	1669.132	1604.244	-64.888

1. Certificate credentials include standard, pre-employment and journeyman (apprenticeship) program types. Perioperative nursing and Parts & Materials programs are included for the 2019-20 academic year only.

2. Aboriginal Administration is included for the 2019-20 academic year only.

3. Non-credentials include university transfers, open studies, and academic upgrading. Co-operative trades orientation and UT Engineering programs are included for the 2019-20 academic year only.

A review of full-time equivalent numbers across credentials reveal a number of notable enrolment patterns beyond those aforementioned. Enrolments at the certificate credential level benefited from a resumption of apprenticeship training intakes, following a brief suspension in March 2020. Substantial increases were observed in the Business Administration, Computer Systems Technology, and Early Learning and Child Care diploma programs. Finally, our Bachelor of Science in Nursing (non-credential, university transfer) also helped counter the overall downward trend attributed to international student enrolment.

The pandemic conditions had a significant impact on enrolment numbers in Academic Upgrading and Open Studies (non-credential) in 2020-21. Many learners struggled to adapt to online learning environments and opted instead to delay their education. In response to the changing needs of students and learning from the pandemic, the Department of Academic Upgrading is working on modernizing its course offerings and delivery mechanisms. This work is vital to serve the needs of the region and to expand the department's virtual presence in Alberta and beyond.

PROGRAM SUSPENSIONS

Market saturation, and curriculum redeployment were the primary drivers for the suspension of the Unit Clerk program. Meeting the labour market needs of the new Grande Prairie Regional Hospital, in terms of skills-set and demand, required a revision of the current curriculum. The program will not be accepting students for the 2021-22 academic year. The Unit Clerk program is expected to resume accepting students upon completion of this revision.

ENTERPRISE RISK MANAGEMENT INITIATIVES

Enterprise Risk Management (ERM) is integral to GPRC's physical and financial stability. There was a significant change within the College's institutional environment due to the global health crisis. In 2020-21 the ERM unit supported the above initiatives through the following undertakings:

- ▶ Supported the COVID-19 Emergency Response Team in leading GPRC's response to the pandemic.
- ▶ Worked collaboratively with our provincial partners to develop guidelines and pandemic protocols on campus to protect the College community.
- ▶ Worked with local municipal emergency preparedness, and safety organizations on improving shared knowledge and pandemic response processes.
- ▶ Implemented controls to mitigate COVID-19 transmission and scheduled enhanced custodial cleaning.
- ▶ Assisted with the identification and notification of close contacts of symptomatic individuals, and COVID-19 positive cases.
- ▶ Met virtually with departments and individuals to update the risk register.
- ▶ The Risk Management Advisory Committee (RMAC) met five times to assess the risk register, validate risk treatments / risk mitigation strategies for existing and newly identified risks, and initiated / monitored action plans.
- ▶ ERM information was provide to the Senior Leadership Team, Executive, and the Board of Governors. Any extreme, high, or compliance risks noted would be addressed through strategic and operational action plans.
- ▶ Updated GPRC's ERM Guidelines, and the ERM / RMAC SharePoint site.
- ▶ Provided tours to external emergency responders and contractors to inspect and maintain safety infrastructure.

GOALS AND PERFORMANCE MEASURES

In accordance with the roles and mandates outlined in the *Post-Secondary Learning Act*, and as elaborated in the Roles and Mandates Policy Framework, a five-year institutional strategic plan, 5GPRC, was officially launched in the Fall 2020. Several 5GPRC strategies were identified as key initiatives to be launched during the 2020-21 fiscal year. These key strategic initiatives, and the progress made in the last twelve months, are presented below.

5GPRC remains a dynamic and mutable institutional plan. All initiatives listed below should be understood as ongoing work designed to be implemented within a five-year window. Strategic initiatives, following the polytechnic designation, are included in the following tables. Revisions to the institutional plan are to be expected upon the installation of the new President late Fall 2021.

Fulfillment of GPRC's comprehensive community college roles and mandates can be found throughout this section. Programming and student support are listed under the heading *Academic Excellence and Degree Granting*, and *Inclusion and Student Experience*. Applied research and scholarly activities can be found under the heading *Innovation and Partnerships*. Collaborations can be found under the headings *Innovation and Partnerships*, and *Economic and Community Development*. Further information can be found in the *Research, Applied Research, Scholarly Activities*, and *Regional Stewardship, Foundational Learning, Underrepresented Learners*, and *Information Technology* sections below.

ACADEMIC EXCELLENCE AND DEGREE GRANTING

Alignment of Adult Learning System Principles: Accessibility, Quality, Accountability, and Coordination

STRATEGIC INITIATIVES	PERFORMANCE MEASURES	PROGRESS MADE IN THE LAST 12 MONTHS
Develop and implement the Master Academic Plan, which will include a strategic enrolment plan.	<ul style="list-style-type: none"> Approved Master Academic Plan, which includes a Strategic Enrolment Management (SEM) Plan, is implemented. 	<ul style="list-style-type: none"> A draft of the Academic Plan (includes SEM Plan) was presented to Executive Council. A College-wide consultation process will take place in late Fall 2021. Further edits and refinements will take place upon the instauration of the new President.
Create and implement an unbiased, robust and consistent program review process to emphasize improved quality control and program renewal or discontinuance based on student demand, local economy and market demand.	<ul style="list-style-type: none"> Approved and implemented the Annual and Comprehensive Program Review process. 	<ul style="list-style-type: none"> A Program Review consulting report comparing current practice against best practices in Alberta was commissioned by the Vice-President Academic and Research (VPAR). Multiple recommendations for improvement were highlighted in the report. VPAR, Dean's Council, and the Institutional Planning and Research (IPR) Office, are operationalizing these recommendations. Further consultation is planned for Fall 2021.
Develop new programs based on evidence and data-driven decisions.	<ul style="list-style-type: none"> Inclusion of new AE-approved programs based on student demand and labour market outcomes. 	<ul style="list-style-type: none"> Received approval for two in-demand health programs to be launched in the next academic year: Health Care Aid certificate and Practical Nurse diploma. This programming will strengthen support for the new Grande Prairie Regional Hospital.
Invest in GPRC's Centre for Teaching and Learning to emphasize pedagogical excellence and pedagogical research to ensure the utilization of modern delivery methods and relevant experiences for students.	<ul style="list-style-type: none"> Increase in teaching and learning best practices by faculty members. Increase in student engagement scores. 	<ul style="list-style-type: none"> Launched Centre for Teaching and Learning in Fall 2020. Development of the Centre is led by a steering committee composed of the Director of Research and Innovation, two Faculty members, digital Initiatives librarian, and an instructional learning designer.

STRATEGIC INITIATIVES	PERFORMANCE MEASURES	PROGRESS MADE IN THE LAST 12 MONTHS
Create pathways from Continuing Education programming to credit achievement.	<ul style="list-style-type: none"> Implement micro-credentialing and other credit laddering opportunities for learners. 	<ul style="list-style-type: none"> Consulting team was tasked to provide recommendations for the re-structure of the department towards revenue generation, program needs and the Province's regulatory requirements. Recommendations are forthcoming.
Enhance student opportunities through initiatives like expanding work-integrated learning, undergraduate research opportunities, and alignment of in-demand employer competencies with credit programming.	<ul style="list-style-type: none"> Opportunities for learners to enroll in work-integrated learning in all credit programs. Opportunities for learners to engage in applied research activities. Align employer competencies with credit programming. 	<ul style="list-style-type: none"> Following the upcoming requirements of the Investment Management Agreement (IMA), a plan was devised to ensure that all programs would have a WIL option. New activity was somewhat hampered by constraints related to COVID-19 restrictions. However, the National Bee Diagnostic Centre diversification of services has generated two project initiatives (agricultural land restoration, and wildland restoration) where many summer students were hired. Established Advisory Committees for each Schools, and Provincial Advisory Committee for all Trades, inform programming at GPRC; Institutional Planning and Research Office provides on-demand labour market information on skills and occupational outlook.
Determine niche or high-demand degree programming for GPRC's stewardship region.	<ul style="list-style-type: none"> Inclusion of degree programming in the program mix. 	<ul style="list-style-type: none"> Two degree proposals were submitted to CAQC for review: Bachelor of Computing Science, and Bachelor of Business Administration.
Expand GPRC's trades programming to ensure alignment with demand in the stewardship region.	<ul style="list-style-type: none"> Inclusion of new AE-approved Trades programs based on student demand and labour market outcomes. 	<ul style="list-style-type: none"> Proposed expansion of Instrumentation Technician Program to offer 2nd period; proposed expansion of curriculum programming to include New Harley Davidson® Merchandising course, and Harley Davidson® Classic Power Train courses.

INCLUSION AND STUDENT EXPERIENCE

Alignment of Adult Learning System Principles: Accessibility, Affordability, Quality, and Accountability

STRATEGIC INITIATIVES	PERFORMANCE MEASURES	PROGRESS MADE IN THE LAST 12 MONTHS
Develop a strategic enrolment management strategy as part of the Master Academic Plan that aligns with marketing and communications.	<ul style="list-style-type: none"> Approved and implemented a Strategic Enrolment Plan that addresses all phases of the student lifecycle and aligns with the marketing and communications department. 	<ul style="list-style-type: none"> A comprehensive strategic enrolment plan was presented to Executive Council. The SEM plan sets enrolment goals for student recruitment, retention, and success initiatives for the next five years. This plan aligns student recruitment and retention initiatives with the student relationship continuum in order to increase overall student enrolment above the current level. Implementation of the plan is overseen by the enrolment management committee, which meets at regular intervals during the academic year. The committee is composed of Vice-Presidents, Deans, Director of Student Experience, Registrar, IPR, Community Engagement, and Communications and Marketing.

STRATEGIC INITIATIVES	PERFORMANCE MEASURES	PROGRESS MADE IN THE LAST 12 MONTHS
Implement the GPRC Indigenous Education Protocol.	<ul style="list-style-type: none"> Aligns with exemplary practices as denoted by the Colleges and Institutes Canada (CICan). 	<ul style="list-style-type: none"> The pandemic had unequal effects on our student population. An overriding focus was placed on establishing Indigenous-centered holistic services and learning environments for learner success. Indigenous Services team transposed fifteen events and support services online.
Continue to fund full-time psychologist position.	<ul style="list-style-type: none"> Full-time psychologist on staff available to students. 	<ul style="list-style-type: none"> A fully funded full-time psychologist was hired.
Develop a comprehensive GPRC mental health strategy.	<ul style="list-style-type: none"> Approved and implemented mental health strategy to ensure the health and safety of all students and staff. 	<ul style="list-style-type: none"> Mental Health Strategy under development; the psychologist sits on MHS working group. Multiple promotions and awareness and wellness services: suitable office space(s) for mental health program area being sought, including space for a Mindfulness room; Partnering with Calgary Counselling Centre in Fall 2021 for National Depression Screening Day to promote supports for depression and awareness regarding depression symptoms; Ongoing participation in nationwide promotion event, Bell Let's Talk; MySSP available to enhance after-hours support for students (counselling available 24/7, remotely)
Design and launch a student-at-risk committee and plan.	<ul style="list-style-type: none"> Approved and implemented student-at-risk strategic plan. 	<ul style="list-style-type: none"> Student-at-risk committee established. The mandate includes formulating a strategic plan that incorporates preventive and responsive measures and provides early access to resources.
Expand GPRC's online platform and alternative delivery models.	<ul style="list-style-type: none"> Implemented learning platform with extended functionalities. Implemented high-flex course delivery model. 	<ul style="list-style-type: none"> In collaboration with Athabasca University, GPRC completed its migration learning management system to a cloud-based platform. This initiative also increases our capacity to develop new online content, benefitting future students through a new delivery model. Office Administration Certificate was developed and delivered 100% online; Business Administration Diploma Management Major was developed to be delivered online.
Emphasize life-long learning – increase access to upgrading, competency-based credentialing and micro-credentialing.	<ul style="list-style-type: none"> Introduce new laddering credentialing, and micro-credentialing courses. 	<ul style="list-style-type: none"> Four micro-credentials curriculum development proposed in Spring 2021: Health and Fitness, Office Administration, Business Fundamentals, and Pre-Apprenticeships.



INNOVATION AND PARTNERSHIPS

Alignment of Adult Learning System Principles: Accessibility, Quality, and Accountability

STRATEGIC INITIATIVES	PERFORMANCE MEASURES	PROGRESS MADE IN THE LAST 12 MONTHS
<p>Incorporate advanced technology and digital tools (i.e. artificial intelligence, cloud computing, big data analytics, and machine learning) into existing programming while emphasizing work-integrated and experiential learning through industry partnership.</p>	<ul style="list-style-type: none"> ▶ Incorporation of advanced technology in new or existing course curriculum, labs, or pedagogy. 	<ul style="list-style-type: none"> ▶ Continued efforts towards developing capacity in digital sensors and control systems, rural and remote data telemetry, machine learning, and artificial intelligence in the agricultural context. ▶ Agreement reached between GPRC, Lakeland College, Olds College, and Lethbridge College to collaborate on applied agricultural research and to share facilities and resources.
<p>Increase the number of faculty and staff involved in research by providing support for faculty research projects and proposals and opportunities for student engagement in research.</p>	<ul style="list-style-type: none"> ▶ Increased number of faculty applied research projects ▶ Increased opportunities for student engagement in applied research. 	<ul style="list-style-type: none"> ▶ Constraints related to COVID-19 restrictions, and the continued suppression of the local extractive economy compromised the College's ability to attract industry participation in innovation projects. ▶ Successful Research and Innovation engagement with TAE resulted in new industry and funding proposals; Dr Sean Irwin, in collaboration with NRC, applied research pilot study on biosensor technology; Archaeologists Dr. Shawn Morton (GPRC instructor) and Dr. Meaghan Peuramaki-Brown (Associate professor at Athabasca University and GPRC visiting scholar) community-based Bezanson project ▶ Due to the constraints noted above, student engagement was limited. Nevertheless, the successful diversification of the NBDC led to the hiring of a record number of summer students selected from local high schools, the College, and the province's universities.
<p>Partner with other Alberta post-secondary's to enhance opportunities outside of GPRC's region – focus on transferability between institutions.</p>	<ul style="list-style-type: none"> ▶ Articulation for transfer credit and advanced standing between institutions 	<ul style="list-style-type: none"> ▶ Preparation for GPRC to become a Polytechnic and a "receiving institution" within the (TCES) Transfer Credit Evaluation System; Linking the TCES system to our website Course Outline portal ▶ Advanced Standing process mapping completed; created an established system for faculty assessment of external courses.



ECONOMIC AND COMMUNITY DEVELOPMENT

Alignment of Adult Learning System Principles: Quality, Accountability, and Coordination

STRATEGIC INITIATIVES	PERFORMANCE MEASURES	PROGRESS MADE IN THE LAST 12 MONTHS
Partner with all orders of government, industry, and stakeholders to maximize employment and experiential opportunities for GPRC students.	<ul style="list-style-type: none"> ▶ Memorandum of agreements signed and implemented with the purpose to expand employment and experiential learning opportunities 	<ul style="list-style-type: none"> ▶ MOU: Serious Labs partnership on Mobile Elevated Work Platform (MEWP) Virtual Reality training opportunities to be added to current CE programming. ▶ MOU: Peace River School Division, Grande Prairie Regional Separate School Division to offer various Career and Technology Studies (CTS) courses and CTS credit Trades Instruction for Junior and Senior High students ▶ MOU: Health City Edmonton to foster community-driven health research, innovation and education within the College's stewardship region
Create a Workforce Advisory Council to ensure ongoing connectivity with business and industry experts.	<ul style="list-style-type: none"> ▶ Fully operational Workforce Advisory Council 	<ul style="list-style-type: none"> ▶ Launched Workforce Advisory Council Fall 2020. Chaired by Denis Landis, Prairie Coast Equipment. The Workforce Advisory Council is an informed group of industry leaders committed to serving as an advisory body to assist the College to identify skills, competencies, and careers necessary for a globally competitive workforce in thriving and emerging sectors. The Council promotes work-integrated learning opportunities, secures philanthropic support and research partnerships with industries, and provides updates on general trends in sectors in the Northwestern region. ▶ Fairview Community Advisory Council was formed in Spring 2021. The chair and quarterly meeting schedule are to be determined.
Continue community partnerships – arts, theatre, athletics.	<ul style="list-style-type: none"> ▶ Number of events or activities emerging from continued community partnerships. 	<ul style="list-style-type: none"> ▶ The Fine Arts department retains close community connections and partnerships with the Grande Prairie Live Theatre, the Centre for Creative Arts, and the Art Gallery of Grande Prairie (which saw GPRC visual arts students create, exhibit, and curate their artwork in the Open Studio and Encore events). ▶ The Sports, Fitness and Wellness department, in light of the pandemic, worked on developing a Virtual Walk/Run Wolf event which had participants complete in 5, 10, 20, or 50 km walk/runs.
Launch a new alumni engagement council and design a new alumni engagement strategy.	<ul style="list-style-type: none"> ▶ Fully operational Alumni Advisory Council. ▶ Developed and implemented Alumni engagement strategy. 	<ul style="list-style-type: none"> ▶ Launched the Alumni Advisory Council Fall 2020. Chaired by Lydell Torgerson, Board of Governors member. The Alumni Advisory Council is an informed group of alumni committed to serve as an advisory body to assist the College in deepening alumni engagement. The Council works as a partner with External Relations to enrich the brand, image and reputation of the College; build, strengthen and foster relationships between alumni and the College; and support the advancement of GPRC, and alumni giving initiatives.



MODERNIZATION AND EFFICIENCY

Alignment of Adult Learning System Principles: Affordability, Quality, and Accountability

STRATEGIC INITIATIVES	PERFORMANCE MEASURES	PROGRESS MADE IN THE LAST 12 MONTHS
<p>Enhance the utilization of facilities to ensure maximum return on investment.</p>	<ul style="list-style-type: none"> ▶ Increased space/seat utilization for classrooms, training facilities, theatre, and other College assets. 	<ul style="list-style-type: none"> ▶ The Department of Community Relations engaged the services of a consultant to review the Douglas J. Cardinal Performing Arts Centre. The purpose is to ensure proper use of the College's assets that support a strong program mix that meets the cultural and community needs. ▶ A more robust utilization of the Infosilem software to aid in timetabling of college courses; centralization of all bookings/timetabling for the Fairview campus.
<p>Expand online and digital services available to staff and students.</p>	<ul style="list-style-type: none"> ▶ More comprehensive access to online student services ▶ Increased efficiency, time-to-outcome reductions. 	<ul style="list-style-type: none"> ▶ Significant investment in process and system improvements to streamline and automate large portions of GPRC's admissions processes. ▶ Student Experience introduced new processes to expand online registration; new contract management software (for staff) was developed; a new student fee system was implemented; ERP software was upgraded; a new version of the GPRC App with new features for new features both students and staff was developed.



FINANCIAL AND BUDGET INFORMATION

The following information should be read in conjunction with the Grande Prairie Regional College audited consolidated financial statements and accompanying notes for the year ended June 30, 2021.

GPRC's consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards and represent the consolidated financial results of Grande Prairie Regional College and the Grande Prairie Regional College Alumni/Foundation.

This discussion and analysis provide an overview of GPRC's:

- ▶ Financial Results
- ▶ Revenue and Expenses
- ▶ Capital Acquisitions
- ▶ Net Assets
- ▶ Areas of Significant Financial Risk
- ▶ Future Accounting Pronouncements

FINANCIAL RESULTS

In May 2020, the Board of Governors approved a balanced operational budget for 2020-21. GPRC ended the fiscal year with an annual surplus of \$5.2 million (an annual surplus of \$2.4 million in 2019-20), contributing to an increase in net assets to \$48.1 million (\$42.4 million in 2019-20).

REVENUE AND EXPENSES

Revenue for the 2020-21 fiscal year totalled \$65.0 million, a decrease of \$5.8 million from the prior year and \$0.5 million less than budgeted. Government of Alberta grants are the most significant source of revenue for GPRC, with \$48.6 million recognized in 2020-21, a decrease of \$5.3 million from the prior year and \$0.5 million more than budgeted.

The Government of Alberta grant revenue was higher than budgeted mainly due to the creation of the Capital

Maintenance Renewal Grant for April 2021 to March 2022. The College received funding of \$3.7 million and was able to commence approved projects between April and June by utilizing this renewed maintenance funding. Therefore, \$0.4 million more revenue was recognized from this grant in the fiscal year than had been budgeted.

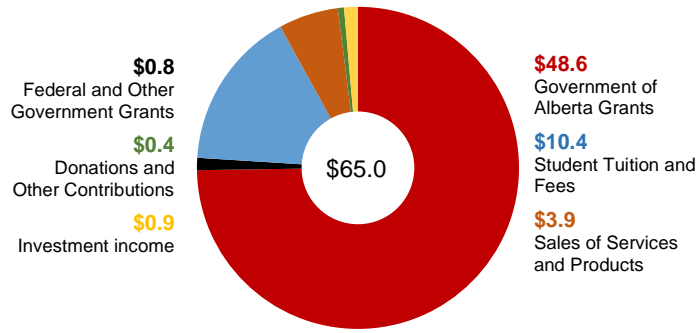
Student tuition and fees revenue were \$1.9 million higher than budgeted and \$1.4 million higher than the prior year. Due to unknown effects of the COVID-19 pandemic, the tuition and fee revenue budget was projecting steep declines in FLE's from the prior year, steeper declines than we actually experienced. In addition, due to available online learning options, both domestic and international, FLE counts surpassed what was budgeted for the year. Also, credit tuition and program fees were increased by 7% in 2020-21, contributing to the variance from the prior year.

Revenue from sales of services and products was significantly impacted by the COVID-19 pandemic. Overall revenue was down \$2.7 million from budget and \$1.3 million from prior year. Residence, parking, and fitness centre sales along with reduced theatre rentals contributed significantly to the reduction in revenue.

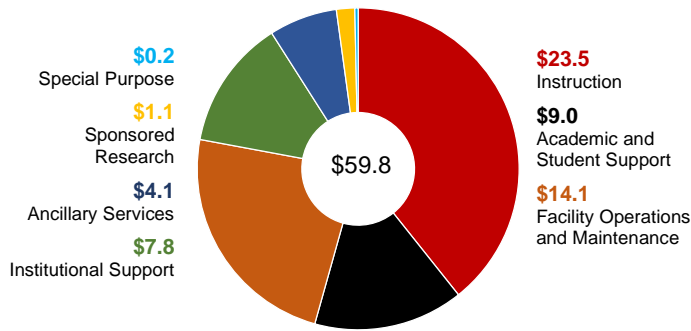
Expenses for the 2020-21 fiscal year totalled \$59.8 million, a decrease of \$8.8 million from the prior year and \$5.7 million less than budgeted.

Salaries and benefits were the largest expense at \$39.0 million (\$46.2 million in 2019-20), representing 65% of total expenditures for 2020-21. This was \$1.6 million less than budgeted mainly as a result of vacancy savings experienced from responses to actual enrolment numbers and reductions in programs and services, such as athletics, due to COVID-19 restrictions. Materials, supplies and services were \$5.2 million less than budgeted due to strategic initiative funds not spent during the year, a gain on the sale of land and significant savings for general supplies and travel due to the impact of the COVID-19 pandemic.

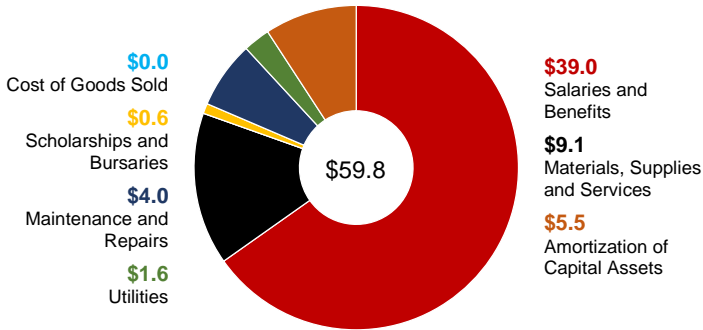
2020-21 REVENUE (IN MILLIONS)



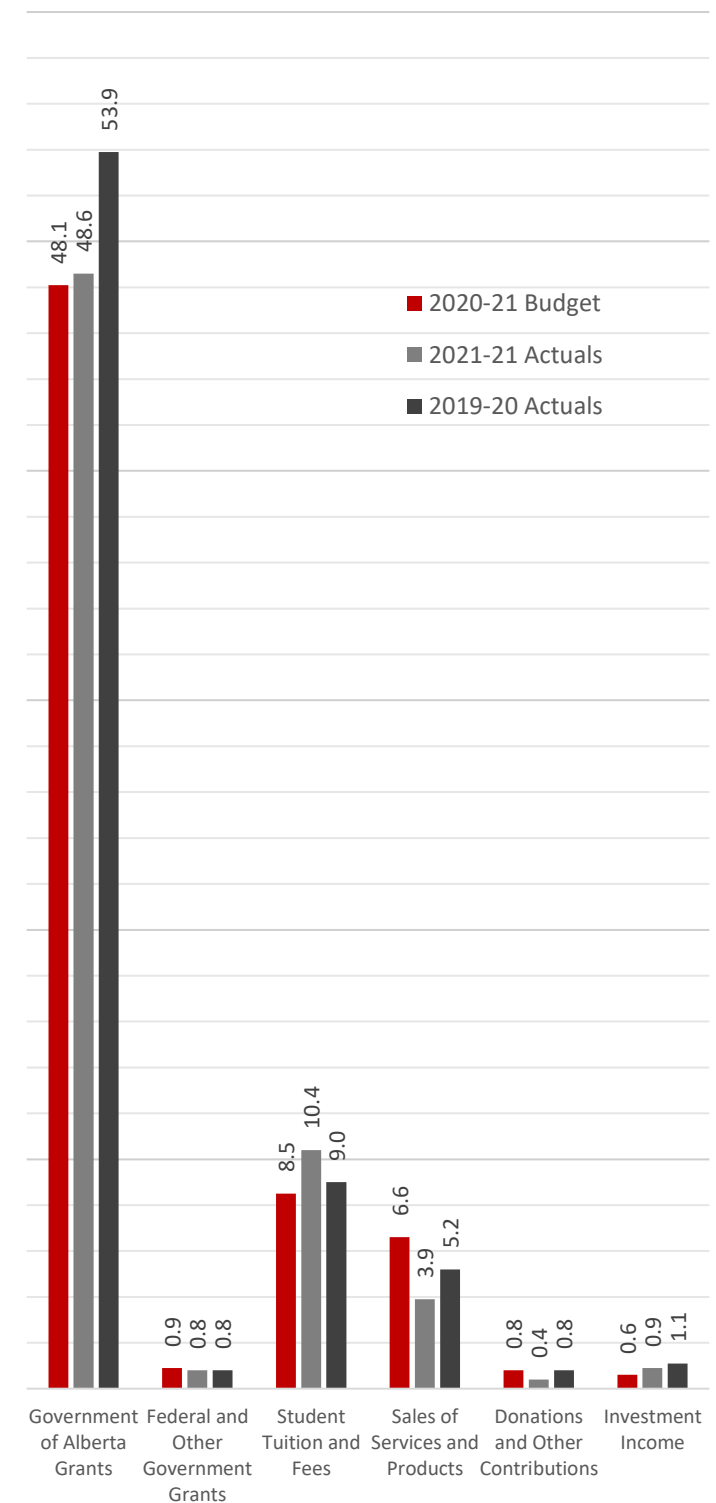
2020-21 EXPENSES BY FUNCTION (IN MILLIONS)



2020-21 EXPENSES BY OBJECT (IN MILLIONS)



**REVENUE BY SOURCE
2019-20 AND 2020-21 ACTUALS AND BUDGET
(IN MILLIONS)**



EXPENSE BY OBJECT
2019-2020 AND 2020-2021 ACTUAL AND BUDGET
(IN MILLIONS)



CAPITAL ACQUISITIONS

During the 2020-21 fiscal year, acquisitions of tangible capital assets totalled \$2.3 million, of which \$1.8 million was funded internally. The most significant construction projects included completion of the HVAC upgrades and server equipment replacements. Other significant acquisitions included computing equipment and various instructional equipment.

NET ASSETS

The College ended the 2020-21 fiscal year with a net asset balance of \$48.1 million, an increase from \$42.4 million at the end of 2019-20. The increase was due to the annual surplus of \$5.2 million.

Net assets are comprised of (in millions):

Endowments	\$6.4
Internally restricted surplus	\$0.8
Investment in tangible capital assets	\$18.8
Accumulated surplus from operations	\$22.1
Net assets	\$48.1

Endowments consist of externally restricted donations received by the College and internal allocations by the College's Board of Governors, the principal of which is required to be maintained intact in perpetuity. During the year, there were no endowment contributions received (\$0.2 million in 2019-20).

Internally restricted surplus represents amounts set aside by the College's Board of Governors for specific reasons. During the year, \$0.2 million of operating expenses were funded from internally restricted surplus.

Investment in tangible capital assets represents the amount of the College's accumulated surplus that has been invested in capital assets. During the year, there was \$1.8 million of acquisitions and disposals, \$0.5 million of debt repayment and \$2.7 million of amortization relating to internally funded tangible capital assets.

AREAS OF SIGNIFICANT FINANCIAL RISK

BUDGETARY PRESSURE

In May 2021, management presented, and the Board of Governors approved, a three-year balanced budget, incumbent on the assumption of continued reductions to base funding into 2024. Alberta is continuing to experience significant economic impacts from the COVID-19 pandemic and volatility in the global oil prices.

Due to the economic uncertainty and rising debt levels, base funding is expected to continue to decline. The College will need to work diligently to ensure operational efficiencies and costs savings continue to be achieved as budgeted. On May 11, 2021, the Minister of Advanced Education announced that GPRC will become a polytechnic institution. This is an exciting transition but there is potential for substantial costs for re-naming and marketing, program and curriculum development and operational funding. As a result, budgetary pressure remains a significant risk for the College.

FISCAL UNCERTAINTY

The Campus Alberta grant is the primary source of funding for the College's day-to-day operating activities. Government is under pressure given the economic outlook for the province and rising debt levels. The impact to College revenue of a 1% change to the Campus Alberta base operating grant is \$385,391. Revenue generating activities such as the theatre, fitness center, and residences continue to be negatively impacted by the COVID-19 pandemic.

COVID-19 IMPACT TO OPERATIONS

As the COVID-19 pandemic continued throughout the 2020-21 fiscal year, the College remained committed to mitigating risk and adhering to safety protocols, recommendation and guidelines of the Chief Medical Officer for the Province of Alberta. The College delivered the 2020-21 academic year using a mixed delivery model. The mixed delivery model encompasses remote delivery for most lecture and seminar course components, and in-person delivery for labs and practicum course components, where necessary and safe to do so. Many College employees continued working remotely during the year and the College regularly monitored its staffing needs throughout the pandemic. In-person events including major fundraising events, graduation ceremonies and public bookings of the facility were either cancelled or attended remotely as the COVID-19 pandemic continued.

DEFERRED MAINTENANCE

The College estimates that deferred maintenance costs are approximately \$17.1 million over the next four years, including replacement of capital assets nearing the end

of their useful life. The Capital Maintenance and Renewal ("CMR") funding from the province for 2020-21 is \$3.7 million. If this program funding remains static over the four-year period, there will be insufficient funds of \$2.3 million for deferred maintenance costs. As a result, the College is focusing on ensuring proper prioritization of deferred maintenance items in order to maximize benefit and minimize negative impact to the College and its students. However, the combination of budgetary pressure as well as insufficient CMR funding could impact the ability for the College to appropriately manage and address deferred maintenance risk.

FUTURE ACCOUNTING PRONOUNCEMENTS

The College has not yet adopted these standards on the consolidated financial statements.

PS 3280 Asset Retirement Obligations

This accounting standard is effective for fiscal years starting on or after April 1, 2022. This standard provides guidance on how to account for and report liabilities for retirement of tangible capital assets.

PS 3400 Revenue

This accounting standard is effective for fiscal years starting on or after April 1, 2023. This standard provides guidance on how to account for and report on revenue, and specifically, it differentiates between revenue arising from exchange and non-exchange transactions.

PSG-8 Purchased Intangibles

This accounting guideline is effective for fiscal years starting on or after April 1, 2023. This provides guidance on how to recognize intangibles as non-financial assets.

PS 3160 Public Private Partnerships

This accounting standard is effective for fiscal years starting on or after April 1, 2023. This standard provides guidance on how to account for and report on infrastructure procured through certain types of public private partnership agreements.

CAPITAL PLAN

New strategic direction has required GPRC to re-evaluate its capital priorities. Three overarching principles will be applied to all capital infrastructure investment at GPRC moving forward. First, investment in new and expansion projects will be fully aligned with the College's strategic vision and our Investment Management Agreement with the Government of Alberta. Second, GPRC will remain focused on the preservation and maintenance of existing infrastructure that adds value for the learner. Finally, the disruptive nature of the COVID-19 pandemic within our industry will drive evidence-based decision-making as it relates to capital investment within our institution.

Key projects highlighted within this capital plan include:

- ▶ The decanting of the Cardinal building in Grande Prairie following the transfer of health studies programs to the new regional hospital, with planning work continuing into 2021-2022.
- ▶ Planning for the expansion of trades, certificate and diploma program offerings that best align with our service region.
- ▶ The refurbishment of building exteriors for GPRC infrastructure.

With the exciting announcement of GPRC's polytechnic status, our Capital Plan development in 2020-21 primarily focused on strategic planning for the expansion of skilled trades and apprenticeship programming. An in-depth trades program review and consultation is helping guide GPRC's vision of becoming Northern Alberta's leading institution of Post-Secondary Excellence. Several trade expansion projects are pending approval that will expand the capacity of student intake and physical laboratory space on campus, which will meet the growing demand of learners within our region.

The Grande Prairie Regional Hospital will open its doors to the public on December 4, 2021. Health related programming will be available from the new Health Education Centre in the Spring of 2022. This will allow projects surrounding the decanting of the Cardinal building to move forward in the 2022-2023 fiscal year. Planning for the Cardinal Building Decant is ongoing and is evolving to meet our new strategic goals as a new polytechnic institution.

In order to continue delivering support and programming from our buildings, GPRC must make maintenance a priority. Many of GPRC's buildings are past due for envelope refurbishments. These repairs will improve energy efficiency, reduce maintenance, increase durability, enhance aesthetic quality and extend service life. The College remains focused on its efforts to reduce deferred maintenance and ensure assets that provide value to the institution are preserved. This project also provides an opportunity to reduce operating costs, which is relevant given recent reductions to our operating grant.

Summary information for these priority projects and others are provided in the tables below.

TYPE OF PROJECTS AND FUNDING SOURCES

PRIORITY PROJECTS

PROJECT TYPE	PROJECT DESCRIPTION	TOTAL PROJECT COST	FUNDING SOURCES	FUNDING RECEIVED TO DATA AND SOURCE	REVISED FUNDING SOURCES
Proposed	Cardinal Building Decant	\$31.5 million	78% GoA 13% Foundation 9% PSI funds	Project pending funding approval	No change.
Proposed	Plan Expansion of Trades, Certificates and Diploma Programs	\$1.0 million	100% GoA	Project pending funding approval	No change.
Proposed	Building Exterior Refurbishment	\$11.1 million	100% GoA	Project pending funding approval	No change.

OTHER PROJECTS

PROJECT TYPE	PROJECT DESCRIPTION	TOTAL PROJECT COST	FUNDING SOURCES	FUNDING RECEIVED TO DATA AND SOURCE	REVISED FUNDING SOURCES
Expansion	Children's Centre Daycare Expansion – Phase 1	\$250 thousand	55% GoA 45% PSI	Project pending funding approval	No change.
New	Re-branding and improvement to overall campus wayfinding and signage	TBD	100% PSI	Project pending funding approval	No change.
New	Health Education Centre	Incorporated into hospital project budget	100% GoA	Funding approved	No change.
Maintenance	Classroom Restoration	\$400 thousand	76% PSI 24% GoA	Funding approved	No change.
Proposed	Fairview Campus Site Servicing	\$5.0 million	100% GoA	Project pending CMR funding approval	No change.

PROJECT TIMELINES AND STATUS

PROJECT DESCRIPTION	PROJECT TIMELINES	EXPECTED PROJECT START	EXPECTED PROJECT COMPLETION	PROJECT STATUS	PROGRESS MADE IN LASTS 12 MONTHS
Cardinal Building Decant	April 2022 – June 2026	April 2022	June 2026	Planning phase	Space planning ongoing.
Plan Expansion of Trades, Certificates and Diploma Programs	June 2022 – December 2022	June 2022	December 2022	Planning phase	Program review study ongoing.
Building Exterior Refurbishment	Estimated June 2022 – August 2024	Estimated June 2022	Estimated August 2024	Project pending funding approval	Study completed to outline design and cost estimate.
Children’s Centre Daycare Expansion – Phase 1	June 2021 – December 2021	June 2021	December 2021	Underway	Planning and design underway.
Re-branding, wayfinding, and signage	Estimated November 2021 – December 2023	Estimated November 2021	Estimated December 2023	Preliminary planning underway	Stakeholder engagement for a new brand underway.
Health Education Centre	July 2011 – April 2022	July 2011	April 2022	Substantially complete	GPRC waiting for access to the new space. Minor classroom setups required prior to occupancy of the Nursing Program.
Classroom Restoration	March 2021 – December 2021	March 2021	December 2021	Underway	Design underway for the expansion of the G-Wing Robotics Lab and the creation of two new Computer Science Labs.
Fairview Campus Site Servicing	May 2022 – August 2027	May 2022	August 2027	Project pending CMR funding approval	Preliminary review of existing site services completed by Field Engineering Ltd.



RESEARCH, APPLIED RESEARCH AND SCHOLARLY ACTIVITIES

Over the 2020-21 reporting year, GPRC Research and Innovation (GPRC RI) continued efforts to more closely align activities with regional industry needs. New activity was somewhat hampered by constraints related to COVID-19 restrictions, and the continued suppression of the local extractive economy, which compromised the College's ability to attract industry participation in innovation projects. However, much progress was made in leveraging existing strengths in facilities and building the College's capacity to train students to participate in industry-driven research and innovation initiatives.

THE NATIONAL BEE DIAGNOSTIC CENTRE

The College's premier research facility, the National Bee Diagnostic Centre (NBDC) molecular genetics and microbiological laboratory, was particularly active through the year, the second year of its current five-year mandate. As many government laboratories across Canada suspended or greatly curtailed operations ahead of the 2021 growing year, the NBDC, by remaining flexible in safe, on-site staffing protocols, was able to take up much of the rising national producer demand for services. Many Canadian beekeepers, having suffered another poor production year characterized by abnormally high pollinator mortality, were left with few options for diagnostic services; a demand that GPRC was able to meet. Throughout the year, the NBDC continued to liaise with its large national network of producer associations, provincial and federal agencies, and universities.

SERVICE DIVERSIFICATION

Over the reporting period, the NBDC sought to expand services beyond bee diagnostics. Discussions with new agricultural sector stakeholders led to new projects and initiatives in agricultural land restoration ecology. Similarly, new engagement with a regional leader in natural gas exploration and production resulted in an exciting new partnership wherein the Lab contributed to projects in wildland restoration, invasive plant management, and wild pollinator health at well sites and along pipelines. The ability to manage the above noted projects marked a milestone in the Lab's efforts towards service and applied research diversification. Both initiatives led to the hiring of a record number of summer students, selected from local high schools, the College, and the province's universities. The outcomes of these projects will be reported next year.

AGRICULTURAL PRODUCTION AND ANIMAL HEALTH RESEARCH

Continuing on a path to expand applied research and innovation activities in the broader agriculture sector, GPRC undertook a comprehensive evaluation of its legacy agriculture teaching facilities at the Fairview campus, many of which had been under-used for many years. Aided by an external review conducted by colleagues from Lakeland College, GPRC determined that the many high-quality facilities had been well maintained and showed much promise for use as applied research facilities. The high quality of the lands, buildings, and equipment, as well as a mutual commitment to reinvigorate a long-standing relationship with a regional producer association, positioned the College to almost immediately expand field agriculture applied research. As a result of the review, GPRC reorganized farm operations management, placing both the farm staff and facilities under the oversight of GPRC RI. GPRC proceeded to hire a new farm manager possessing extensive experience in beef, equine, and small ruminant husbandry, and charged him with rebuilding the College crop and pastureland, cattle herds, and sheep flock, so as to establish a solid base for applied research in cattle and sheep genetics, sustainable northern forage production, precision grazing management, and farm energy. The work to create documented baseline herds and lands is underway and is expected to take approximately two years. Several projects will be initiated in the interim using existing animals and college fields, along with lands contributed by producer partners.

GPRC RI has continued working towards developing capacity in the areas of digital sensors and control systems, rural and remote data telemetry, machine learning, and artificial intelligence in the agricultural context. GPRC remains an active participant in the Results Driven Agriculture Research (RDAR) consultation committee, and has developed several partnerships with other institutions, highlighted by the recent negotiation of an agreement between GPRC, Lakeland College, Olds College, and Lethbridge College to collaborate on applied agricultural research, and to share facilities and resources for the benefit of producers province-wide.

HEALTH AND CLEAN TECHNOLOGIES

Over the past year, GPRC began looking towards aligning applied research priorities with the anticipated polytechnic mandate. Laboratory and field agriculture will be the primary areas of focus, but other research and innovations priorities will include health and clean technologies. A highlight of the past year was the naming of the “Evaskevich Centre for Health Research and Innovation”, an endowed facility built within the soon-opening Grande Prairie Regional Hospital. Discussions with the regional medical and tertiary care communities were initiated to chart the path towards GPRC’s future health research initiatives. Elsewhere, work continued to convert an existing research facility into the Clean Technologies Laboratory. Initial projects, based on new industry partnerships, focused on efficiency and base line studies for solar electric, solar thermal, and methanol fuel cell power generation for industrial applications in high latitude settings.

SOCIAL INNOVATION

As GPRC transitions to a polytechnic institution, we have considered the future of Social Innovation activities. Over the past several years, GPRC has built an enviable capacity for regional social applied research using advanced techniques. This capacity, recognized by peers as an area of particular strength for GPRC, will continue to be part of the institutional research and innovation mandate. Despite COVID-19 related delays, the multi-year, SSHRC funded youth civic engagement project drew to a close, with several valuable findings currently being prepared for use by partner communities and community-based organizations. The participatory action research (PAR) framework and other engagement techniques developed by GPRC researchers will be deployed in new projects that complement the polytechnic mandate. One such example is an anticipated project that will provide social innovation outcomes for Indigenous communities examining the social and economic implications particular to northern extractive resource dominated communities. This multi-college, industry and community partnered project is expected to begin next year.

NEW STRATEGIC DIRECTIONS FOR RESEARCH AND INNOVATION

GPRC continues its strategic direction towards meeting the needs of northwest Alberta’s major industries and employers through the provision of high-quality expertise and facilities. Regional industry and community feedback have been highly encouraging, and the institution looks forward to many new strong partnerships, collaborations, and, ultimately, a stronger northern economy.

SCHOLARLY ACTIVITIES



GPRC researcher and Chairperson for the Department of Science, Dr. Sean Irwin, in collaboration with National Research Council, is helping pilot test biosensor technology. His work has involved recording, tracking

and analyzing biosensor readings and comparing the results to other industry standard testing methods. His research is part of a cluster of research projects led by Canada’s National Research Council (NRC) that aim to make wastewater treatment easier and more affordable for small communities.

Alexandra Villafranca presented at the 2021 Operating Room Nurses Association of Canada annual conference “Disrupting the disruption: Reducing incidence and impact of disruptive behavior in the operating room” with Taylor Kobylanski (Kinesiology diploma student) and Lesia Yasinski (Nurse Manager, Winnipeg Regional Health Authority).

Archaeologists Dr. Shawn Morton (GPRC instructor) and Dr. Meaghan Peuramaki-Brown (Associate professor at Athabasca University and GPRC visiting scholar), both fascinated by frontier, are looking toward Bezanson, Alberta, for potential archaeology project at the Old Bezanson Town Site located 40 kilometres east of Grande Prairie. When discussing their future research plans, both researchers emphasize the importance of a community-based approach. A public virtual presentation on their research was held in the Spring 2021, inviting feedback and ideas for a collaborative, Bezanson-based project. Dr. Peuramaki-Brown is excited at the prospect of expanding the team’s research across borders and cultures.

Julia Dutove within the Physical Education and Kinesiology Department published an article in *Case Studies in Sport Management* – “Empty Stands and Empty Pockets: Revenue Generation in a Pandemic” by Suzannah Armentrout, Jen Zdroik, & Julia Dutove.

REGIONAL STEWARDSHIP, FOUNDATIONAL LEARNING, AND UNDERREPRESENTED LEARNERS

REGIONAL STEWARDSHIP

Grande Prairie Regional College continues to play a vital role in our community. The provision of life-long learning opportunities, the development of needs-based programming and support services to better serve our underrepresented populations, and the leveraging of our resources to build capacity in our region are some of the many examples of our steadfast commitment to regional stewardship.

Equally important, is the immersion of our learners, and the engagement of our staff, in the social and economic life of our community. Through active collaboration, the sharing of minds and resources, GPRC is forging a strong reciprocal bond with our community. In these shared activities, we intend to meet the current and future needs of our learners and the communities we serve.

IMMERSING OUR LEARNERS

Several business students took part in GPRC's Business Mastermind organized through GPRC Research and Innovation and Business Administration faculty. The Business Mastermind is a speaker series and networking group for aspiring student entrepreneurs. This is an excellent opportunity to meet other student entrepreneurs, learn the basics of this exciting career path, and hear from inspiring local guest speakers. The Business Mastermind group heard from local entrepreneurs as well as experts in start-ups, finance, marketing, and e-commerce.

Students from GPRC's Business Administration Department participated in the 2021 Alberta Deans of Business Case Competition hosted by Red Deer College. Due to the COVID-19 pandemic and associated government and Alberta Health Services (AHS) measures and requirements, the 2021 Alberta Deans of Business Case Competition was delivered for the first time in an online format. Teams were given a case to analyze and research, and ultimately constructed a recommended course of action, which was presented through a recorded screencast and presentation slides to a panel of judges on the final day of the competition. Participation in the Alberta Deans of Business Case Competition promotes cooperation between Alberta Deans of Business members, industry partners, and professional organizations.

Planned and organized by students in the Contemporary Issues in Business Class, the 32nd Annual GPRC Student Business Conference happened virtually on March 16, 2021. This year's Business Conference theme was Adapt, Innovate, Succeed. The conference was attended by GPRC Business and Office Administration students. The virtual Business Conference included a presentation by the Contemporary Issues in Business research team on the impacts of COVID-19, followed by a keynote speaker, and a variety of breakout sessions with business professionals from around the Peace Region presenting on various aspects of business, social media, and marketing relevant to today's business world.

Students in the Sports Administration class worked with GPRC's Sports, Fitness and Wellness Department to put on the Virtual Walk/Run for a Wolf event which had participants complete in 5, 10, 20, or 50 km walk/runs. The Sports Administration students supported this event by creating social media ads, promoting the event to other students, and soliciting donations for prizes.

LEVERAGING PARTNERSHIPS

The Workforce Advisory Council, launched in Fall 2020, is a collaboration between GPRC, entrepreneurs, business owners, and employers representing a broad cross-section of industries in Alberta. Guided by the Alberta Colleges' Economic Recovery Task Force and the Alberta 2030: Building Skills for Jobs Report, the Council will work to support regional economic recovery, strengthen connectivity with industry and improve the integration of skills development in thriving and emerging sectors within GPRC's stewardship region. Led by Dennis Landis, President and CEO of PrairieCoast Equipment, the Council will clarify opportunities for better program alignment with the workforce needs of the region.



Concurrent to this initiative, the *Regional Workforce Development Strategic Action Plan* aims to address labour market needs and

opportunities and helps focus our efforts on the best ways to achieve sustainable economic growth and prosperity in our region. Led by the Grande Prairie & District Chamber of Commerce in partnership with the City, County, Greenview and Grande Prairie Regional College (GPRC), this initiative will help bridge skill gaps, strengthen regional connections, and enhance pathways for employment.

The Labour Education Applied Research North (LEARN) is a joint initiative between the Northern Alberta Development Council (NADC) and a group of northern Alberta post-secondary institutions. GPRC is a proud member of this working group, which pools resources to identify and report labour market trends, community and economic development, and northern learners' needs. In 2020-21, LEARN commissioned Academica Group to further our understanding of micro-credentialing. Findings from the "Micro-Credentialing in Northern Alberta" report were publicly shared on the NADC website.

IMMERSING THE COMMUNITY



Regional stewardship also means providing opportunities for informal education. GPRC partnered with the Reynolds Alberta Museum, Wetaskiwin, Alberta, in the production of "The History of Motorcycle Training in Alberta". This 4700 sq. ft. exhibit focuses on the history of Fairview Campus as it pertains to Motorcycle repair training over the last 40 years. Over 100 models of Bikes and Training aids from Fairview campus collection are featured, including over 30 rare gems from the College's Toy Box collections, including concept and early production bikes. This display includes Promotion for the entire College. Reynolds Museum along with *Alberta Culture* want to consider a history of the combustion engine joint display with GPRC in the future. The exhibit was scheduled to open in 2020 but was subsequently postponed due to the pandemic until June 23, 2021 – December 2022.



PROVIDING LIFE-LONG LEARNING OPPORTUNITIES

With a large regional stewardship area, GPRC's Continuing Education (CE) department is proud to be the premiere provider of professional Class 1 Mandatory Entry-Level Driver Training (MELT) in Northern Alberta. Class 3 driver training is also available throughout the year and Class 6 motorcycle training (Ready to Ride) is a popular offering available in the spring, summer and fall semesters. Industrial certification and worksite safety training, including equipment operator training (e.g. aerial lift, forklift, light duty crane, skid steer, wheeled loader, and more), first aid, H2S, confined space, and more, continue to be offered on the Grande Prairie campus as well as on-site at local businesses via custom and contract training arrangements.

In 2020-21, GPRC's CE department partnered with GPRC's School of Trades, Agriculture & Environment, other post-secondary institutions, and local organizations to expand its range of programming. These partnerships have allowed GPRC CE to offer the Journeywoman Start Program with Women Building Futures (WBF), the Master Electrician program, as well as certificates in asset planning, project management, and crisis response management for first responders and frontline workers in the region in partnership with the Grande Prairie PACE (Providing Assistance, Counselling, and Education) Centre.

EXPANDING SERVICES

GPRC's Children's Demonstration Day Care was awarded a Child Care Capacity Building grant from the Government of Alberta. This grant is awarded to address the high demand for childcare through the creation of childcare spaces in a manner that delivers safe and quality programming and provides children supports to address their unique needs. The Children's Demonstration Day Care will begin renovations to create 22 new childcare spaces that will open January 2022.

FOUNDATIONAL LEARNERS

The Department of Academic Upgrading continues to offer foundational learning opportunities to adult learners in the region, and to create pathways to new post-secondary education programs and career possibilities. The department promotes an inclusive, welcoming environment for learners with diverse backgrounds and experiences. Many upgrading students successfully pursue a range of post-secondary programs at GPRC after completing their foundational studies in academic upgrading. As such, the department plays a crucial role in recruitment and retention at the College.

The new Certificate of Achievement in Foundational Learning (CAFL) was developed and approved in 2020-21 and has launch in Fall 2021. The CAFL program is part of a comprehensive education and training strategy designed to enhance learners' skills and academic credentials as a means to expand their educational and career opportunities. This program is offered in conjunction with GPRC's Certificate of Grade 12 Equivalency, and full-time students are eligible to receive income support through the Alberta Works program.

The School of Trades, Agriculture, and Environment contracted Hidden Potential Consulting to develop a series of Essential Skills onboarding courses for entrants to Apprenticeship programs. These courses are designed to be taken as stand-alone, or in the first year, pre-employment programs. Courses will cover skills for success from post-secondary education to gainful, long term employment. These skills were identified as foundational skills by industry, and in the "Alberta 2030: Building Skills for Jobs" report.

SERVING UNDERREPRESENTED LEARNERS

FINANCIAL SUPPORTS

GPRC is committed to supporting students with financial barriers to achieving their educational goals. Students have the opportunity to apply to a wide range of scholarships such as the leadership, entrance, and year-end awards. They can also avail themselves of a large number of bursaries geared for students in financial need.

For the 2020-21 academic year, A total of \$263,883 was awarded to 301 students through scholarships and bursaries generously provided by local donors. GPRC is immensely grateful for the continuing support of our community for its learners. A total of \$298,100 was awarded to 179 students through scholarships provided by the Government of Alberta.

LEARNING COMMONS

The Learning Commons is a centralized and collaborative space, offering services and resources to aid learning, teaching and researching at GPRC. It will serve as the academic heart of our institution and be a place for students, faculty and community to engage, learn and discover together.

Over 2020-21, the Learning Commons continued on its conversion to a new operational and service model. Staff reorganization was largely completed, highlighted by the hiring of two additional academic librarians. Structurally, each of the three librarians now directs a suite of

functions: library services; academic supports, (including math, writing, science, and study skills help); and, accessibility and examination services. Anticipating the institutional polytechnic direction, Library Services undertook much work to renew and enhance collections in trades and technology, applied sciences, health, business, and education. Much of the collection, particularly on the Fairview campus, was determined to be outdated and misaligned with future program priorities, and extensive paper and digital collection redevelopment work will continue over the coming few years. Minor physical space enhancements are now underway, with much work to be done on long term space planning for both campuses.

INDIGENOUS EDUCATION

GPRC is a signatory institution of the Indigenous Education Protocol, one of eight post-secondary institutions in Alberta. In doing so, we are affirming the importance of Indigenous Education, and committing to seven protocols that outline the importance of structures and approaches required to address the needs of our Indigenous learners and our Indigenous communities in support of self-determination and socio-economic development.

Providing a wide array of programming tailored to the needs of Indigenous learners and communities is one step in recognizing and reaffirming the importance of making Indigenous education a priority. The School of Trades, Agriculture and Environment, in collaboration with the Canadian Welding Foundation offers a five-day Trades Camp using GPRC campuses and instructors. The Women of Steel Camps introduce Indigenous Women to the Welding trade. The Mind Over Metal Camps introduces welding for students in Grade 7-9 with emphasis on Indigenous and at-risk students. The realities of COVID-19 forced the cancellation of these well-attended programs for the 2020-21 academic year. We look forward to hosting these camps with campus re-opening.

INDIGENOUS SERVICES

GPRC understands that the impact of COVID-19 is not distributed equally amongst our student population. To maintain much-needed Indigenous-centered holistic services, our Indigenous Services team worked diligently to adapt services and supports during the COVID-19 pandemic. During the 2020-21 academic year, the Indigenous Services team utilized virtual spaces, online formats and other means to connect with the GPRC community.

Student Welcome Bundles

In lieu of a Student Welcome Celebration, GPRC students were given the opportunity to register (at the beginning of each semester) to receive a Student Welcome Bundle. Bundles included traditional medicines, GPRC and community information, face masks and hand sanitizer, and various other items. In total, 89 welcome bundles were distributed.

Smudge Ceremony and Smudge Kits

In lieu of an in-person daily smudge ceremony, students and staff were given the opportunity to join the Indigenous Services Team for a Smudge Ceremony three times per week. Smudge Kits were provided for students and staff who needed smudge supplies. Twenty kits were distributed, and approximately 325 participated.

Bannock Chat

In order to provide a sense of community and connection, a virtual space was created for students and staff to come together. "Bannock Chat" was offered weekly via Zoom.

Circle of Indigenous Students (CIS) Virtual Gathering

A monthly gathering gave students an opportunity to connect with the CIS, the Indigenous Services Team and GPRC staff. During the monthly gathering, students were able to learn about what was happening in and around the GPRC community, upcoming events and important student information.

Beading and Crafting Virtual Gatherings

The Circle of Indigenous Students and the Indigenous Services Team offered Beading and Crafting Virtual Gatherings twice per week. In this virtual space, participants were encouraged to bring their crafting projects and come to visit and connect with one another. If participants wanted to learn how to bead, instructions and beading supplies were provided.

Student and Staff Lunch and Learns

The GPRC community was offered the opportunity to join Elder in Residence, Loretta Parenteau-English for Traditional Teachings. The twice-monthly workshops were a chance for participants to learn and understand Indigenous Ways of Knowing.

Story Telling

In order to honour the Indigenous tradition of storytelling during the winter months, two virtual storytelling sessions were offered to the GPRC community. Two well-known Indigenous storytellers were invited to facilitate the separate events. One hundred and eighty-six were in attendance.

Full Moon Ceremony

Monthly Full Moon Ceremonies were held using a virtual space. Loretta Parenteau-English, GPRC Elder in Residence, adapted the ceremony in order to accommodate having to use a virtual space.

Metis Sash Finger Weaving

In order to celebrate and honour Metis peoples, during Metis Week, the Circle of Indigenous Students hosted a virtual Metis Sash Teachings and Finger Weaving Workshop. The facilitator shared knowledge on the history of Metis people and the significance of the Metis Sash (a well-known, treasured symbol that represents Metis peoples and was/is used by Metis people).

Ribbon Skirt Making

The Indigenous Services team recorded and uploaded a video to an online, student-accessible space, which contained traditional teachings and instructions on making a Ribbon Skirt. The Circle of Indigenous Students were able to access the recordings and construct their own Ribbon Skirts.

CIS Weekly Meetings

The Circle of Indigenous Students (CIS) and the Indigenous Services team attended weekly CIS meetings. The meetings were held via Zoom and were used as an opportunity to plan Indigenous events for the GPRC community.

Turtle Rattle Teachings and Workshop

The Circle of Indigenous Students, the Indigenous Services team and invited guests participated in a virtual workshop, where they had the opportunity to construct a Traditional Turtle Rattle.

Traditional Medicines Teachings

A virtual session was held where participants were able to learn about Traditional Indigenous Medicines. The medicines were supplied to the participants. The facilitator shared knowledge, including how to identify, harvest and prepare the medicines. Forty participants registered.

Tutoring

Tutoring was offered to GPRC students, two evenings a week. This virtual program was provided through the partnership with Grande Prairie Friendship Centre.

Fresh Food Bags

Through a partnership with Baby's Best Start (a program offered through the Grande Prairie Friendship Centre), five monthly Fresh Food Bags were provided for students with children under the age of five. Twenty-six bags were distributed in total.

INFORMATION TECHNOLOGY

INFORMATION TECHNOLOGY ADVANCEMENTS

In 2020-21, Information Technology continued to focus our efforts on supporting new work environments and delivery models, while also preparing for a return to campus in 2021. These initiatives collectively helped to improve the delivery of learning, enable and enhance collaboration, reduce personal effort through automation, and improve the flow of information.

2020-21 PROJECTS:

The following summarises some of the major projects undertaken or completed in 2020-21:

CYBERSECURITY

In addition to our mobile device management system and increased cyber security testing, GPRC staff and faculty were provided access to multi-stage cyber security awareness training. As a result of the training, organizational susceptibility to phishing attacks has decreased by over 80%. In 2020-21, Information Technology began testing MFA (Multi-Factor Authentication) which will be deploying to staff and faculty in the Fall of 2021.

CLASSROOM RESTORATION

While our focus shifted towards remote delivery, IT continued to update the technology in several technology rooms. In 2020-21, Information Technology doubled the number of video-conference capable classrooms in Grande Prairie, to prepare for the ongoing future needs of remote students. Additionally, work began on expansion of three computer labs for the Computing Science program.

DESKTOP COMPUTER EVERGREENING

2019-20 saw a marked shift towards increased work from home, and a change to desktop computer initiatives. For several years, GPRC has been focused on reducing costs through thin clients and virtual desktops. In 2020-21, we continued to deploy laptops to staff and faculty to support more flexible work environments. This work will continue in 2021-2022.

INFRASTRUCTURE MAINTENANCE / EVERGREENING

GPRC IT infrastructure is continually updated to ensure it can support the future needs of our students while reducing administrative overhead. In 2020-21, our focus was on selecting a new manufacturer for our network switches and routers. After extensive research, a

decision was made to fully migrate our network to new equipment replacing over 150 switches across all GPRC campuses. Vendor selection and purchasing was completed in the spring, in preparation for deployment of the new network equipment in the Summer.

INNOVATION AND AUTOMATION

Several innovation and automation projects were completed in 2020-21, including process and system improvements to streamline and automate significant portions of GPRC's admissions processes. Information Technology also worked with Student Experience to implement process changes to enable expansion of online registration to several additional groups of students. Additionally, new contract management software was developed, a new student fee system was implemented, ERP software was upgraded, and a new version of the GPRC App (set to deploy in the summer of 2021) with new features for both students and staff was developed. Collectively, these projects enabled significant improvements to administrative efficiency.

PHONE SYSTEM

GPRC's phone system could not be upgraded without replacement of all phones in offices and classrooms, so a project was started to evaluate phone vendors to determine the best course forward. In 2020-21, the decision was made to migrate to a cloud-hosted phone provider, and migration to the new system was started in the summer of 2021. Migration is targeted to be complete before the end of 2021, adding many new features, including significantly increased remote work abilities.

NEW DATA CENTRE

Construction of a new data centre was completed in 2020-21, provided a more secure location with better environmental controls and less environmental risk. Information Technology will be migrating the primary servers to the new location in the summer of 2021.

Grande Prairie Regional College

CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021



Grande Prairie Regional College

Consolidated Financial Statements

Year Ended June 30, 2021

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Grande Prairie Regional College

Statement of Management Responsibility
Year Ended June 30, 2021

The consolidated financial statements of Grande Prairie Regional College have been prepared by management in accordance with Canadian Public Sector Accounting Standards. The consolidated financial statements present fairly the financial position of the College as at June 30, 2021 and the results of its operations, remeasurement gains and losses, changes in net financial assets and cash flows for the year then ended.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has developed and maintains a system of internal controls designed to provide reasonable assurance that College assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of the consolidated financial statements.

The Board of Governors is responsible for reviewing and approving the consolidated financial statements, and overseeing management's performance of its financial reporting responsibilities.

The Board of Governors carries out its responsibility for review of the consolidated financial statements principally through its Audit Committee. With the exception of the President, all members of the Audit Committee are not employees of the College. The Audit Committee meets with management and the external auditors to discuss the results of audit examinations and financial reporting matters. The external auditors have full access to the Audit Committee, with and without the presence of management.

These consolidated financial statements have been reported on by the Auditor General of Alberta, the auditor appointed under the Post-secondary Learning Act. The Independent Auditor's Report outlines the scope of the audit and provides the audit opinion on the fairness of presentation of the information in the consolidated financial statements.

Original signed by
Dr. Glenn Feltham
Interim President and CEO

Original signed by
Angela Logan, MBA, CPA, CA
Vice-President Finance and Administration





Independent Auditor's Report

To the Board of Governors of Grande Prairie Regional College

Report on the Consolidated Financial Statements

Opinion

I have audited the consolidated financial statements of Grande Prairie Regional College (the Group), which comprise the consolidated statement of financial position as at June 30, 2021, and the consolidated statements of operations, remeasurement gains and losses, change in net financial assets, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at June 30, 2021, and the results of its operations, its remeasurement gains and losses, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

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

Other information

Management is responsible for the other information. The other information comprises the information included in the *Annual Report*, but does not include the consolidated financial statements and my auditor's report thereon. The *Annual Report* is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.



Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

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



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

[Original signed by W. Doug Wylie FCPA, FCMA, ICD.D]
Auditor General

August 26, 2021
Edmonton, Alberta

Consolidated Statement of Financial Position
As at June 30, 2021

	2021	2020
Financial assets excluding portfolio investments restricted for endowments		
Cash and cash equivalents (Note 3)	\$ 14,423,273	\$ 8,320,813
Portfolio investments - non-endowment (Note 4)	29,933,953	27,336,529
Accounts receivable	1,523,269	697,490
Inventories held for sale	244,807	256,758
	46,125,302	36,611,590
Liabilities		
Accounts payable and accrued liabilities	8,572,431	7,429,913
Employee future benefit liabilities (Note 6)	1,507,301	1,578,963
Debt (Note 7)	11,979,435	12,523,011
Deferred revenue (Note 8)	14,236,313	11,502,302
	36,295,480	33,034,189
Net financial assets excluding portfolio investments restricted for endowments	9,829,822	3,577,401
Portfolio investments - restricted for endowments (Note 4)	6,710,472	6,331,365
Net financial assets	16,540,294	9,908,766
Non-financial assets		
Tangible capital assets (Note 9)	66,903,558	70,143,920
Inventories of supplies	55,698	38,005
Prepaid expenses	675,873	686,300
	67,635,129	70,868,225
Net assets before spent deferred capital contributions	84,175,423	80,776,991
Spent deferred capital contributions (Note 10)	(36,088,038)	(38,355,398)
Net assets (Note 11)	\$ 48,087,385	\$ 42,421,593
Net assets is comprised of:		
Accumulated surplus	\$ 47,699,019	\$ 42,517,438
Accumulated rereasurement gains (losses)	388,366	(95,845)
	\$ 48,087,385	\$ 42,421,593

Contingent assets and contractual rights (Notes 12 and 14)

Contingent liabilities and contractual obligations (Notes 13 and 15)

Original signed by
Dr. Glenn Feltham
Interim President and CEO

Original signed by
Bridget Hennigar, B.Comm., FCPA, FCA, ICD.D
Chair, Board of Governors

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Operations
Year Ended June 30, 2021

	Budget (Note 22)	2021	2020
Revenues			
Government of Alberta grants (Note 18)	\$ 48,089,054	\$ 48,582,426	\$ 53,944,323
Federal and other government grants (Note 18)	862,750	823,314	749,741
Student tuition and fees	8,483,989	10,364,726	9,041,634
Sales of services and products	6,567,880	3,886,460	5,172,307
Donations and other grants	830,076	429,183	840,865
Investment income	649,000	921,663	1,095,427
	<u>65,482,749</u>	<u>65,007,772</u>	<u>70,844,297</u>
Expenses (Note 19)			
Instruction	27,521,862	23,512,521	26,147,153
Academic and student support	9,494,388	8,992,804	11,423,260
Facility operations and maintenance	12,752,069	14,123,695	15,283,962
Institutional support	9,836,824	7,846,969	10,462,707
Ancillary services	4,073,860	4,081,104	4,005,444
Sponsored research	1,127,857	1,081,732	805,710
Special purpose	675,889	187,366	517,336
	<u>65,482,749</u>	<u>59,826,191</u>	<u>68,645,572</u>
Annual operating surplus	-	5,181,581	2,198,725
Endowment contributions (Note 11)	-	-	177,265
Annual surplus	-	5,181,581	2,375,990
Accumulated surplus, beginning of year	42,517,438	42,517,438	40,141,448
Accumulated surplus, end of year	<u>\$ 42,517,438</u>	<u>\$ 47,699,019</u>	<u>\$ 42,517,438</u>

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Change in Net Financial Assets
Year Ended June 30, 2021

	Budget (Note 22)	2021	2020
Annual surplus	\$ -	\$ 5,181,581	\$ 2,375,990
Acquisition of tangible capital assets (Note 9)	(2,700,000)	(2,278,752)	(2,182,604)
Proceeds from sale of tangible capital assets	-	993,075	105,493
Amortization of tangible capital assets (Note 9)	5,750,000	5,507,766	5,637,689
(Gain) loss on disposal of tangible capital assets	-	(981,726)	69,317
Change in inventories of supplies		(17,693)	(12,430)
Change in prepaid expenses		10,427	89,457
Change in spent deferred capital contributions		(2,267,361)	(1,944,703)
Change in accumulated remeasurement gains (losses)	-	484,211	(46,787)
Increase in net financial assets	3,050,000	6,631,528	4,091,422
Net financial assets, beginning of year	9,908,766	9,908,766	5,817,344
Net financial assets, end of year	\$ 12,958,766	\$ 16,540,294	\$ 9,908,766

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Remeasurement Gains and Losses
Year Ended June 30, 2021

	<u>2021</u>	<u>2020</u>
Accumulated remeasurement losses, beginning of year	\$ (95,845)	\$ (49,058)
Unrealized gains (losses) attributable to:		
Quoted in active market financial instruments:		
Portfolio investments - non-endowment	469,427	(54,130)
Amounts reclassified to consolidated statement of operations:		
Quoted in active market financial instruments:		
Portfolio investments - non-endowment	14,784	7,343
Accumulated remeasurement gains (losses), end of year	<u>\$ 388,366</u>	<u>\$ (95,845)</u>

The accompanying notes are an integral part of these consolidated financial statements.



Consolidated Statement of Cash Flows
Year Ended June 30, 2021

	2021	2020
Operating transactions		
Annual surplus	\$ 5,181,581	\$ 2,375,990
Add (deduct) non-cash items:		
Amortization of tangible capital assets (Note 9)	5,507,766	5,637,689
Gain on sale of portfolio investments	(325,280)	(67,283)
(Gain) loss on disposal of tangible capital assets	(981,726)	69,317
Expended capital recognized as revenue (Note 10)	(2,779,056)	(2,837,214)
Decrease in employee future benefit liabilities	(71,662)	(184,398)
(Increase) decrease in accounts receivable	(825,779)	1,112,571
Decrease (increase) in inventories held for sale	11,951	(20,789)
Increase in accounts payable and accrued liabilities	1,142,517	514,388
Increase (decrease) in deferred revenue	2,734,011	(143,459)
Increase in inventories of supplies	(17,693)	(12,430)
Decrease in prepaid expenses	10,427	89,457
Cash provided by operating transactions	9,587,057	6,533,839
Investing transactions		
Purchase of portfolio investments	(10,620,336)	(8,825,592)
Proceeds on sale of portfolio investments	8,453,296	8,311,711
Cash applied to investing transactions	(2,167,040)	(513,881)
Financing transactions		
Debt - repayment	(543,576)	(533,325)
Decrease in spent deferred capital contributions, less expended capital recognized as revenue, less in kind donations	511,696	892,511
Cash (applied to) provided by financing transactions	(31,880)	359,186
Capital transactions		
Acquisition of tangible capital assets, less in-kind donations	(2,278,752)	(2,182,604)
Proceeds on sale of tangible capital assets	993,075	105,493
Cash applied to capital transactions	(1,285,677)	(2,077,111)
Increase in cash and cash equivalents	6,102,460	4,302,033
Cash, beginning of year	8,320,813	4,018,780
Cash and cash equivalents, end of year	\$ 14,423,273	\$ 8,320,813

The accompanying notes are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements
Year Ended June 30, 2021

1. Authority and Purpose

The Board of Governors of Grande Prairie Regional College is a corporation which manages and operates Grande Prairie Regional College ("the College") under the *Post-secondary Learning Act* (Alberta). All members of the Board of Governors are appointed by either the Lieutenant Governor in Council or the Minister of Advanced Education, with the exception of the President, who is an *ex officio* member. Under the *Post-secondary Learning Act*, Campus Alberta Sector Regulation, the College is a comprehensive community college offering mandated credentials and programs. The College is a registered charity, and under section 149 of the *Income Tax Act* (Canada), is exempt from the payment of income tax.

2. Summary of Significant Accounting Policies and Reporting Practices

a. General - Canadian Public Sector Accounting Standards (PSAS) and Use of Estimates

These consolidated financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards.

The measurement of certain assets and liabilities is contingent upon future events; therefore, the preparation of these consolidated financial statements requires the use of estimates, which may vary from actual results. Management uses judgment to determine such estimates. Employee future benefit liabilities, amortization of tangible capital assets and the revenue recognition for expended capital are the most significant items based on estimates. In management's opinion, the resulting estimates are within reasonable limits of materiality and are in accordance with the significant accounting policies summarized below. These significant accounting policies are presented to assist the reader in evaluating these consolidated financial statements and, together with the following notes, should be considered an integral part of the consolidated financial statements.

b. Valuation of Financial Assets and Liabilities

The College's financial assets and liabilities are generally measured as follows:

<u>Financial Statement Component</u>	<u>Measurement</u>
Cash and cash equivalents	Cost
Portfolio investments	Fair value
Inventories held for sale	Lower of cost or net realizable value
Accounts receivable	Lower of cost or net recoverable value
Accounts payable and accrued liabilities	Cost
Debt	Amortized cost

Unrealized gains and losses from changes in the fair value of unrestricted financial assets and liabilities are recognized in the consolidated statement of remeasurement gains and losses. When the restricted nature of a financial instrument and any related changes in fair value create a liability, unrealized gains and losses are recognized as deferred revenue.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the consolidated statement of operations. A write-down of a portfolio investment to reflect a loss in value that is other than temporary is not reversed for a subsequent increase in value.

For financial assets and liabilities measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value. Investment management fees are expensed as incurred. The purchase and sale of cash and cash equivalents and portfolio investments are accounted for using trade-date accounting.

The College does not use foreign currency contracts or any other type of derivative financial instruments for trading or speculative purposes.

Management evaluates contractual obligations for the existence of embedded derivatives and elects to either designate the entire contract for fair value measurement or separately measure the value of the derivative component when characteristics of the derivative are not closely related to the economic characteristics and risks of the contract itself. Contracts to buy or sell non-financial items for the College's normal purchase, sale or usage requirements are not recognized as financial assets or liabilities. The College does not have any embedded derivatives that require separate measurement in the financial statements.



Notes to the Consolidated Financial Statements
Year Ended June 30, 2021

2. Summary of Significant Accounting Policies and Reporting Practices (continued)

c. Revenue Recognition

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recognized as deferred revenue.

i. Government grants, non-government grants and donations

Government transfers are referred to as government grants.

Restricted grants and donations are recognized as deferred revenue if the terms for the use, or the terms along with the College's actions and communications as to the use, create a liability. These grants and donations are recognized as revenue as the terms are met. If the grants and donations are used to acquire or construct tangible capital assets, revenue will be recognized over the useful life of the tangible capital assets.

Government grants without terms for the use of the grant are recognized as revenue when the College is eligible to receive the funds. Unrestricted non-government grants and donations are recognized as revenue in the year received or in the year the funds are committed to the College if the amount can be reasonably estimated and collection is reasonably assured.

In-kind donations of services, materials and tangible capital assets are recognized at fair value when such value can reasonably be determined. Transfers of tangible capital assets from related parties are recognized at the carrying value.

ii. Grants and donations related to land

Grants and donations for the purchase of land are recognized as deferred revenue when received, and recognized as revenue when the land is purchased.

The College recognizes in-kind contributions of land as revenue at the fair value of the land when a fair value can be reasonably determined. When the College cannot determine the fair value, it recognizes such in-kind contributions at nominal value.

iii. Endowment contributions

Endowment contributions are recognized as revenue in the consolidated statement of operations in the year in which they are received, and are required by donors to be maintained intact in perpetuity.

iv. Investment income

Investment income includes dividends, interest income, and realized gains or losses on the sale of portfolio investments. Investment income from restricted grants and donations is recognized as deferred revenue when the terms for use create a liability, and is recognized as investment income when the terms of the grant or donation are met. The endowment spending allocation portion of investment income and realized investment income earned by endowment balances to enhance future earnings and be available in future periods is recognized as deferred revenue when the terms for the use by the endowment create a liability.

d. Endowments

Endowments consist of externally restricted donations received by the College and internal allocations by the College's Board of Governors, the principal of which is required to be maintained intact in perpetuity.

Investment income earned on endowments must be used in accordance with the various purposes established by the donors or the Board of Governors. Benefactors, as well as College policy, stipulate that the economic value of the endowments must be protected by limiting the amount of income that may be expended.

Under the *Post-secondary Learning Act*, the College has the authority to alter the terms and conditions of endowments to enable:

- income earned by the endowment to be withheld from distribution to avoid fluctuations in the amounts distributed and generally to regulate the distribution of income earned by the endowment.
- encroachment on the capital of the endowment to avoid fluctuations in the amounts distributed and generally to regulate the distribution of investment income earned by the endowment if, in the opinion of the Board of Governors, the encroachment benefits the College and does not impair the long term value of the fund.

e. Inventories

Inventories held for sale are valued at the lower of cost and expected net realizable value and are determined using the first-in first-out basis. Inventories of supplies are valued at cost.



Notes to the Consolidated Financial Statements
Year Ended June 30, 2021

2. Summary of Significant Accounting Policies and Reporting Practices (continued)

f. Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets and costs associated with asset retirement obligations. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset. Work-in-progress, which includes facilities and improvement projects and development of information systems, is not amortized until after the project is complete and the asset is in service.

Leases of tangible capital assets which transfers substantially all the benefits and risks of ownership are accounted for as leased tangible capital assets. Capital lease obligations are recognized at the present value of the future minimum lease payments at the inception of the lease, excluding executor costs (e.g. insurance, maintenance costs, etc.). The discount rate used to determine the present value of lease payments is the lower of the College's rate for incremental borrowing or the interest rate implicit in the lease.

The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over the estimated useful lives as follows:

Buildings and site improvements	25 - 40 years
Furnishings, equipment and systems	5 - 15 years
Learning resources	10 years

Tangible capital asset write-downs are recognized when conditions indicate that they no longer contribute to the College's ability to provide services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. Net write-downs are recognized as expenses in the consolidated statement of operations.

Intangible assets, works of art, historical treasures and collections are expensed when acquired and not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made.

g. Employee Future Benefits

i. Pension

The College participates with other employers in the Local Authorities Pension Plan (LAPP). This pension plan is a multi-employer defined benefit pension plan that provides pensions for the College's participating employees based on years of service and earnings.

The College does not have sufficient plan information on the LAPP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. Accordingly, pension expense recognized for the LAPP is comprised of employer contributions to the plan that are required for its employees during the year, which are calculated based on actuarially predetermined amounts that are expected to provide the plan's future benefits.

ii. Supplementary retirement plans (SRP)

The College provides a non-contributory defined benefit supplementary retirement plan for executive members based on years of service and earnings. The expense for this plan is actuarially determined using the projected benefit method prorated on service. Actuarial gains or losses on the accrued benefit obligation are amortized over the expected average remaining service life.

iii. Accumulating non-vesting sick leave liability

Sick leave benefits are provided by the College to all employee groups and accumulate with employee service as defined by employment agreements to cover illness related to absences that are outside of long-term disability coverage. The maximum accumulated sick leave is up to 81 days depending on the employee group. The liability for the accumulated non-vested sick pay benefit is actuarially determined with an excess utilization model. The cost of the accumulating non-vesting sick leave benefits are expensed as the benefits are earned.

iv. Long-term disability (LTD)

The cost of providing non-vesting and non-accumulating employee future benefits for compensated absences under the College's long-term disability plans is charged to expense in full when the event occurs which obligates the College to provide the benefits. The cost of these benefits is actuarially determined using the accumulated benefit method, a market interest rate and administration's best estimate of the retirement ages of employees, expected health care costs and the period of employee disability. Actuarial gains or losses on the accrued benefit obligation are amortized over the average expected period the benefits will be paid.



Notes to the Consolidated Financial Statements Year Ended June 30, 2021

2. Summary of Significant Accounting Policies and Reporting Practices (continued)

g. Employee Future Benefits (continued)

v. Leave plans

The leave plans allow employees to make contributions of their salary towards a year of leave. In the year of leave, the College makes a one-time contribution of a portion of the employee's salary and continues to pay the employee's benefits. The cost of these benefits is based on actual costs once the leave plan is approved and commences. The employee's contributions and interest are held by the College and recorded as a liability until the leave period when they are paid to the employee, along with the College contributions.

vi. Maternity and parental leave

The College offers a Supplemental Employment Insurance Benefits (SEIB) plan to all employee groups. During the leave, the College makes supplemental payments for a portion of the employee's salary and continues to pay the employee's benefits. The cost of these benefits is based on actual costs once the employee's SEIB plan is approved.

h. Basis of Consolidation

The consolidated financial statements are prepared on a line by line consolidated basis and include the financial results of the controlled entity: Grande Prairie Regional College Alumni/Foundation (the "Foundation").

The Foundation operates under the *Alberta Companies Act* and is a registered charity for income tax purposes. The Foundation's activities are directed to the support and advancement of the College. All transactions between the College and the Foundation are eliminated upon consolidation.

i. Funds and Reserves

Certain amounts, as approved by the Board of Governors, are set aside in accumulated surplus for future operating and capital purposes. Transfers to or from funds and reserves are an adjustment to the respective fund when approved.

j. Liability for Contaminated Sites

Contaminated sites are a result of contamination of a chemical, organic or radioactive material or live organism that exceeds an environmental standard, being introduced into soil, water or sediment. Contaminated sites occur when an environmental standard exists and contamination exceeds the environmental standard.

A liability for remediation of contaminated sites from an operation(s) that is in productive use is recognized net of any expected recoveries when all of the following criteria are met:

- i. The College has a duty or responsibility to others, leaving little or no discretion to avoid the obligation;
- ii. the duty or responsibility to others entails settlement by future transfer or use of assets, or a provision of services at a specified or determinable date, or on demand; and
- iii. the transaction or events obligating the College have already occurred.

A liability for remediation of contaminated sites from operations no longer in productive use, and/or an unexpected event occurs resulting in contamination, is recognized net of any expected recoveries when all of the following criteria are met:

- i. The College is directly responsible or accepts responsibility;
- ii. it is expected that future economic benefits will be given up; and
- iii. a reasonable estimate of the amount can be made.

The College does not have any contaminated sites.

Notes to the Consolidated Financial Statements
Year Ended June 30, 2021

2. Summary of Significant Accounting Policies and Reporting Practices (continued)

k. Expense by Function

The College uses the following categories of functions on its consolidated statement of operations:

Instruction

Expenses relating to the academic functions of the College both directly and indirectly.

Academic and student support

Expenses relating to activities directly supporting the academic functions of the College. This includes items such as libraries and galleries and expenses for Deans. Academic and student support also includes expenses for centralized functions that support individual students or groups of students.

Facility operations and maintenance

Expenses relating to maintenance and renewal of facilities that house the teaching, research and administrative activities within the College. These include utilities, facilities administration, building maintenance, custodial services, landscaping and grounds keeping, as well as major repairs and renovations.

Institutional support

Expenses for centralized College-wide administration including executive management, public relations, alumni relations and development, corporate insurance premiums, corporate finance, human resources, centralized and core computing and network and data communications.

Ancillary services

Expenses relating to services and products provided to the College community and to external individuals and organizations. Services include the College bookstore, parking services, food services and student residences.

Sponsored research

Expenses for all sponsored research activities specifically funded by restricted grants and donations.

Special purpose

Expenses for fundraising and donations related to the Foundation, and other programs specifically funded by restricted grants and donations.

l. Future Accounting Changes

In August 2018, The Public Sector Accounting Board (PSAB) issued PS 3280 Asset retirement obligations. This accounting standard has been deferred by PSAB, and is effective for fiscal years starting on or after April 1, 2022. Asset retirement obligations provides guidance on how to account for and report a liability for retirement of a tangible capital asset.

In November 2018, PSAB approved PS 3400 Revenue. This accounting standard has been deferred by PSAB, and is effective for fiscal years starting on or after April 1, 2023. Revenue provides guidance on how to account for and report on revenue, specifically addressing revenue arising from exchange transactions and unilateral transactions.

In November 2020, PSAB issued PSG-8 Purchased intangibles. This accounting guideline is effective for fiscal years starting on or after April 1, 2023. Purchased intangibles provides guidance on how to recognize intangibles as non-financial assets.

In April 2021, PSAB issued PS 3160 Public Private Partnerships. This accounting standard is effective for fiscal years starting on or after April 1, 2023. Public Private Partnerships provides guidance on how to account for and report on infrastructure procured through certain types of public private partnership agreements.

Management has not yet adopted these standards, and is currently assessing the impact of these new standards on the consolidated financial statements.

3. Cash and Cash Equivalents

	2021	2020
Cash	\$ 5,423,273	\$ 8,320,813
Mutual funds	9,000,000	-
	<u>\$ 14,423,273</u>	<u>\$ 8,320,813</u>

Mutual funds consists of units purchased in savings accounts with no maturity terms.

Notes to the Consolidated Financial Statements
Year Ended June 30, 2021

4. Portfolio Investments

	2021	2020
Portfolio investments - non-endowment	\$ 29,933,953	\$ 27,336,529
Portfolio investments - restricted for endowments	6,710,472	6,331,365
	\$ 36,644,425	\$ 33,667,894

The composition of portfolio investments measured at fair value is as follows:

	2021			
	Level 1	Level 2	Level 3	Total
Portfolio investments at fair value				
Fixed income				
Canadian bonds	\$ -	\$ 11,139,856	\$ -	\$ 11,139,856
Preferred shares	2,539,377	-	-	2,539,377
GICs	-	20,471,207	-	20,471,207
Equities				
Canadian equities	1,487,774	-	-	1,487,774
Foreign equities	1,006,211	-	-	1,006,211
Total portfolio investments	\$ 5,033,362	\$ 31,611,063	\$ -	\$ 36,644,425
	14 %	86 %	-	100 %

	2020			
	Level 1	Level 2	Level 3	Total
Portfolio investments at fair value				
Fixed income				
Canadian bonds	\$ -	\$ 8,400,998	\$ -	\$ 8,400,998
Preferred shares	1,853,086	-	-	1,853,086
GICs	-	21,316,664	-	21,316,664
Equities				
Canadian equities	1,116,201	-	-	1,116,201
Foreign equities	980,945	-	-	980,945
Total portfolio investments	3,950,232	29,717,662	-	33,667,894
	12 %	88 %	-	100 %

The fair value measurements are those derived from:

Level 1 – Quoted prices in active markets for identical assets;

Level 2 – Fair value measurements are those derived from inputs other than quoted prices included with level 1 that are observable for the assets, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 – Fair value measurements are those derived from valuation techniques that include inputs for the assets that are not based on observable market data (unobservable inputs).

Notes to the Consolidated Financial Statements
Year Ended June 30, 2021

5. Financial Risk Management

The College is exposed to a variety of financial risks, including market price risk, foreign currency risk, liquidity risk, credit risk, and interest rate risk. To manage investment risks, the College invests in a diversified portfolio of investments that is guided by established investment policies that outline risk and return objectives. The long term objectives of the College's investment policies are to achieve a long term real rate of return in excess of fees and expenses and maintain the real value of the fund. To manage debt risks, the College utilizes fixed-rate agreements.

Market price risk

The College is exposed to market price risk - the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, its issuer, or general market factors affecting all securities. To manage this risk, the College has established an investment policy with a target asset mix that is diversified by asset class with individual issuer limits and is designed to achieve a long-term rate of return that in real terms equals or exceeds total endowment expenditures with an acceptable level of risk.

The College assesses its portfolio sensitivity to a percentage increase or decrease in the market prices. The sensitivity rate is determined using the historical annualized standard deviation for the total portfolio over a five-year period as determined by the College's investment advisors. At June 30, 2021, if market prices had a 1.49% (2020 - 1.61%) increase or decrease, with all other variables held constant, the increase or decrease in accumulated remeasurement gains and losses and endowment net assets for the year would be \$241,335 (2020 - \$199,472).

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The College is exposed to foreign exchange risk on investments that are denominated in foreign currencies and uses foreign currency investment limits to manage this risk. The College does not use foreign currency forward contracts or any other type of derivative financial instruments for trading or speculative purposes. The College's exposure to foreign exchange risk is very low due to minimal business activities conducted in a foreign currency.

Liquidity risk

Liquidity risk is the risk that the College will encounter difficulty in meeting obligations associated with its financial liabilities. The College maintains a portfolio of investments with rolling maturity dates to manage short-term cash requirements.

Credit risk

Counterparty credit risk is the risk of loss arising from the failure of a counterparty to fully honour its financial obligations with the College. The College is exposed to credit risk on investments and has established an investment policy with required minimum credit quality standards and issuer limits to manage this risk. The credit risk from accounts receivable is low as the majority of balances are due from government agencies and corporations.

The credit risks on investments held as bonds are as follows:

Credit Rating	2021		2020	
	\$	%	\$	%
AA	\$ 5,871,271	52.71	\$ 6,873,003	81.81
A	5,268,585	47.29	1,527,995	18.19
	\$ 11,139,856	100.00	\$ 8,400,998	100.00

Notes to the Consolidated Financial Statements
Year Ended June 30, 2021

5. Financial Risk Management (continued)

Interest rate risk

Interest rate risk is the risk to the College's earnings that arise from the fluctuations in interest rates and the degree of volatility of these rates. This risk is managed by investment policies that limit the term to maturity of certain fixed income securities that the College holds. If interest rates increased by 1%, across all points of the yield curve and all other variables are held constant, the potential loss in fair value to the College would be approximately 1.99% of total investments (2020 - 2.44%). The mutual funds held by the College earn daily interest and are not susceptible to interest rate risk as there is no potential for a loss in fair value. Interest risk on the College's debt is managed through fixed-rate agreements with the Department of Treasury Board and Finance (Note 7).

The maturity and effective market yield of interest bearing investments are as follows:

	Less than 1 year	1 - 5 years	Greater than 5 years	Average effective market yield
Canadian bonds	\$ 1,371,931	\$ 8,855,517	\$ 912,408	1.54 %
GICs	\$ 2,460,475	\$ 18,010,731	\$ -	2.37 %

6. Employee Future Benefit Liabilities

Employee future benefit liabilities are comprised of the following:

	2021			2020		
	Academic	Support	Total	Academic	Support	Total
	staff	staff		staff	staff	
Long-term disability	\$ 296,122	\$ 527,520	\$ 823,642	\$ 332,231	\$ 500,105	\$ 832,336
Sick leave	-	234,055	234,055	-	247,042	247,042
Supplementary retirement plans	-	226,103	226,103	-	287,144	287,144
Leave plans	107,925	52,264	160,189	177,394	35,047	212,441
Maternity and parental leave	11,160	52,152	63,312	-	-	-
	\$ 415,207	\$ 1,092,094	\$ 1,507,301	\$ 509,625	\$ 1,069,338	\$ 1,578,963

a. Defined benefit accounted for on a defined benefit basis

Long-term disability (LTD)

The College provides non-vesting and non-accumulating employee future benefits for compensated absences under the College's long-term disability plan. An actuarial valuation for these benefits was carried out as at June 30, 2021. Benefits for all employees approved by the group benefits provider for long-term disability include the payment of monthly benefits until approval ceases or the age of 65, and employee and employer Local Authority Pension Plan (LAPP) contributions for a total of five years for members of the Academic Staff Association (ASA).

Sick leave

Sick leave benefits are provided by the College to all employee groups and accumulate with employee service, as defined by employment agreements, to cover illness related to absences that are outside of long-term disability coverage. The maximum accumulated sick leave is up to 81 days depending on the employee group. An actuarial valuation of these benefits was carried out as at June 30, 2020 and the results were then extrapolated to June 30, 2021.

Supplementary retirement plans (SRP)

The College provides non-contributory defined benefit supplementary retirement benefits to executives. An actuarial valuation of these benefits was carried out as at June 30, 2021.

Notes to the Consolidated Financial Statements
Year Ended June 30, 2021

6. Employee Future Benefit Liabilities (continued)

The expense and financial position of these defined benefit plans are as follows:

	2021				2020			
	LTD ⁽¹⁾	Sick leave ⁽¹⁾	SRP ⁽¹⁾	Total	LTD ⁽¹⁾	Sick leave ⁽¹⁾	SRP ⁽¹⁾	Total
Expense								
Current service cost	\$ 68,022	\$ 22,564	\$ 16,882	\$ 107,468	\$ 165,930	\$ 27,487	\$ 38,088	\$ 231,505
Interest cost	18,145	4,153	6,931	29,229	18,274	5,179	9,725	33,178
Amortization of net actuarial loss (gain)	(17,677)	(9,601)	3,006	(24,272)	(12,352)	(6,130)	1,096	(17,386)
Total expense	68,490	17,116	26,819	112,425	171,852	26,536	48,909	247,297
Financial Position								
Balance, beginning of year	630,258	163,510	332,737	1,126,505	596,641	190,967	383,358	1,170,966
Current service cost	68,022	22,564	16,882	107,468	165,930	27,487	38,088	231,505
Interest cost	18,145	4,153	6,931	29,229	18,274	5,179	9,725	33,178
Benefits paid	(77,184)	(30,103)	(87,860)	(195,147)	(98,936)	(25,761)	(139,295)	(263,992)
Actuarial (gain) loss	(108,790)	933	(24,261)	(132,118)	(51,651)	(34,362)	40,861	(45,152)
Balance, end of year	530,451	161,057	244,429	935,937	630,258	163,510	332,737	1,126,505
Unamortized net actuarial gain (loss)	293,191	72,998	(18,326)	347,863	202,078	83,532	(45,593)	240,017
Accrued benefit liability	\$ 823,642	\$ 234,055	\$ 226,103	\$ 1,283,800	\$ 832,336	\$ 247,042	\$ 287,144	\$ 1,366,522

⁽¹⁾ The College plans to use its working capital to finance these future obligations.

Notes to the Consolidated Financial Statements
Year Ended June 30, 2021

6. Employee Future Benefit Liabilities (continued)

The significant actuarial assumptions used to measure the accrued benefit obligation are as follows:

	2021			2020		
	LTD	Sick leave	SRP	LTD	Sick leave	SRP
Accrued benefit obligation:						
Discount rate	2.8%	2.5%	1.90%	2.9%	2.6%	2.4%
Long-term average compensation increase ⁽¹⁾	N/A	3.0%	0.0% for 2 years, 2.75% per year thereafter	N/A	3.0%	3.0%
Benefit cost:						
Discount rate	2.9%	2.6%	2.4%	2.9%	2.6%	2.4%
Long-term average compensation increase ⁽¹⁾	N/A	3.0%	0.0% for 2 years, 2.75% per year thereafter	N/A	3.0%	3.0%
Alberta inflation (long-term)	N/A	N/A	2.0%	N/A	N/A	2.0%
Estimated average remaining service life	11.6 years	9.9 years	20.3 years	9.7 years	9.9 years	21.4 years

⁽¹⁾ Assumptions relating to long-term average compensation increase for SRP has fluctuated due to changes in government legislation and regulation.

b. Defined benefit plan accounted for on a defined contribution basis

Local Authority Pension Plan (LAPP)

The Local Authority Pension Plan (LAPP) is a multi-employer contributory defined benefit pension plan for support staff members and is accounted for on a defined contribution basis. At December 31, 2020, the LAPP reported an actuarial surplus of \$4,961,337,000 (2019 - surplus of \$7,913,261,000). An actuarial valuation of the LAPP was carried out as at December 31, 2019 and was then extrapolated to December 31, 2020. The pension expense recorded in these financial statements is \$2,836,632 (2020 - \$3,181,278). Other than the requirement to make additional contributions, the College does not bear any direct benefit or risk related to the LAPP surplus or deficit.

c. Defined contribution

Leave plans

The College provides two leave plans, one for the Academic Staff Association (ASA) employees, and one for the Employee Association (EA) employees.

The ASA Four for Five leave plan allows the employee to make contributions up to 14% of their salary to the plan for 4 years. In the year of leave, the College will make a one-time contribution of 24% of the employee's annual salary and will continue to pay the College's normal premium costs for employee's benefits.

The EA self-initiated leave plan allows the employee to make contributions of their salary to the plan. In the year of leave, the College will make a one-time contribution of 15% of the employee's annual salary and will continue to pay the College's normal premium costs for employee's benefits.

	2021	2020
Employee's contributions held by the College	\$ 154,939	\$ 206,259
Interest held on employee's contributions	5,250	6,182
Balance, end of year	\$ 160,189	\$ 212,441

Notes to the Consolidated Financial Statements
Year Ended June 30, 2021

6. Employee Future Benefit Liabilities (continued)

Maternity and parental leave

The College offers a Supplemental Employment Insurance Benefits (SEIB) plan to all employee groups; Academic Staff Association (ASA), Alberta Union of Provincial Employees (AUPE), Employee Association (EA) and Administrative group (Admin).

The SEIB plan offered to the ASA, AUPE and EA groups allows eligible employees to receive a supplemental salary payment from the College during an eight week period for two weeks prior to delivery and six weeks following delivery. The employee will receive 95% of their regular salary during the one-week waiting period for Employment Insurance (EI) benefits. Thereafter, the employee will receive the difference between the EI benefit payments and 95% of their regular salary. The College will continue to pay its portion of benefits premiums during the time the employee is receiving SEIB plan payments.

The SEIB plan offered to the Admin group allows eligible employees to receive a supplemental salary payment from the College during a twenty-seven week period for one week prior to delivery or adoption and twenty-six weeks following delivery or adoption. The employee will receive 100% of their regular salary during the one-week waiting period for EI benefits. Thereafter, the employee will receive the difference between the EI benefit payments and 75% of their regular salary. The College will continue to pay its portion of benefits premiums during the time the employee is receiving SEIB plan payments.

The College's SEIB plan expense was \$127,842 (2020 - \$2,189).

7. Debt

Debt is measured at amortized cost and is comprised of the following:

	2021		2020	
	Maturity	Interest Rate (%)	Amortized Cost	Amortized Cost
Debentures payable to the Department of Treasury Board and Finance:				
Loan #1500775	Nov 2026	6.0	\$ 96,000	\$ 112,000
Loan #1500778	Jul 2027	6.1	140,000	160,000
Loan #3500015	Sep 2030	4.4	1,199,539	1,299,353
Loan #4000180	Dec 2036	4.4	3,908,621	4,081,021
Loan #4000464	Mar 2038	4.7	3,122,988	3,240,843
Loan #4000728	Jun 2039	5.1	3,512,287	3,629,794
			\$ 11,979,435	\$ 12,523,011

Collateral for all loans is the title to student residence land and buildings with a carrying value of \$9,899,622 (2020 - \$10,722,495).

Principal and interest repayments in each of the next five years and thereafter are as follows:

	Principal	Interest	Total
2022	\$ 567,340	\$ 558,162	\$ 1,125,502
2023	592,219	531,097	1,123,316
2024	618,267	502,865	1,121,132
2025	645,538	473,408	1,118,946
2026	674,091	442,670	1,116,761
Thereafter	8,881,980	2,684,782	11,566,762
	\$ 11,979,435	\$ 5,192,984	\$ 17,172,419

Interest expense on debt is \$578,857 (2020 - \$609,029) and is included in the consolidated statement of operations.

Notes to the Consolidated Financial Statements
Year Ended June 30, 2021

8. Deferred Revenue

Deferred revenues are set aside for specific purposes as required either by legislation, regulation or agreement:

	2021			2020
	Unspent externally restricted contributions	Tuition and other fees	Total	Total
Balance, beginning of year	\$ 10,145,806	\$ 1,356,496	\$ 11,502,302	\$ 11,645,761
Grants, tuition, donations received during the year	7,092,402	2,016,666	9,109,068	10,223,553
Investment income	446,020	-	446,020	277,213
Unrealized gains (losses)	701,484	-	701,484	(314,671)
Transfers to spent deferred capital contributions (Note 10)	(511,696)	-	(511,696)	(892,511)
Recognized as revenue	(5,654,369)	(1,356,496)	(7,010,865)	(9,437,043)
Balance, end of year	\$ 12,219,647	\$ 2,016,666	\$ 14,236,313	\$ 11,502,302

9. Tangible Capital Assets

	2021					2020
	Land	Buildings and site improvements (a)	Furnishings, equipment and systems (a,b)	Learning resources (c)	Total	Total
Cost						
Balance, beginning of year	\$ 2,719,233	\$ 161,254,557	\$ 42,474,776	\$ 1,402,817	\$ 207,851,383	\$ 207,867,098
Acquisitions	-	241,265	1,994,660	42,827	2,278,752	2,182,604
Disposals, including write downs	(2,681)	-	(353,134)	-	(355,815)	(2,198,319)
	2,716,552	161,495,822	44,116,302	1,445,644	209,774,320	207,851,383
Accumulated Amortization						
Balance, beginning of year	\$ -	\$ 102,431,032	\$ 34,179,260	\$ 1,097,171	\$ 137,707,463	\$ 134,093,283
Amortization expense	-	3,579,474	1,866,000	62,292	5,507,766	5,637,689
Effects on disposals, including write downs	-	-	(344,467)	-	(344,467)	(2,023,509)
	-	106,010,506	35,700,793	1,159,463	142,870,762	137,707,463
Net book value at June 30, 2021	\$ 2,716,552	\$ 55,485,316	\$ 8,415,509	\$ 286,181	\$ 66,903,558	
Net book value at June 30, 2020	\$ 2,719,233	\$ 58,823,525	\$ 8,295,516	\$ 305,646		\$ 70,143,920

No interest was capitalized by the College in 2021.

(a) Cost includes work-in-progress at June 30, 2021, totaling \$1,284,406 (2020 - \$3,211,040) comprised of buildings and site improvements of \$267,446 (2020 - \$2,852,665), and furnishings, equipment and systems of \$1,016,960 (2020 - \$358,375).

(b) Furnishings, equipment and systems include vehicles, heavy equipment, office equipment, computer and electronic equipment, instruction equipment, furniture and other equipment.

(c) Learning resources consists of library holdings.

Notes to the Consolidated Financial Statements
Year Ended June 30, 2021

10. Spent Deferred Capital Contributions

Spent deferred capital contributions is comprised of restricted grants and donations spent on tangible capital acquisitions (not yet recognized as revenue).

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 38,355,398	\$ 40,300,101
Transfers from unspent externally restricted grants and donations	511,696	892,511
Expended capital recognized as revenue	(2,779,056)	(2,837,214)
Balance, end of year	<u>\$ 36,088,038</u>	<u>\$ 38,355,398</u>



Notes to the Consolidated Financial Statements
Year Ended June 30, 2021

11. Net Assets

The composition of net assets is as follows:

	Accumulated surplus from operations	Investment in tangible capital assets (a)	Internally restricted surplus (b)	Endowments	Total accumulated surplus
Net assets as at June 30, 2019	\$ 12,594,549	\$ 20,417,377	\$ 902,174	\$ 6,178,290	\$ 40,092,390
Annual surplus	2,375,990	-	-	-	2,375,990
Endowments					
New donations	(177,265)	-	-	177,265	-
Tangible capital assets					
Amortization of internally funded tangible capital assets	2,800,475	(2,800,475)	-	-	-
Internally funded acquisition of tangible capital assets	(1,290,094)	1,290,094	-	-	-
Debt - repayment	(533,325)	533,325	-	-	-
Net book value of tangible capital asset disposals	174,809	(174,809)	-	-	-
Operating expenses funded from internally restricted surplus	(66,877)	-	66,877	-	-
Change in accumulated remeasurement losses	(46,787)	-	-	-	(46,787)
Net assets as at June 30, 2020	\$ 15,831,475	\$ 19,265,512	\$ 969,051	\$ 6,355,555	\$ 42,421,593
Annual surplus	5,181,581	-	-	-	5,181,581
Endowments					
New donations	-	-	-	-	-
Tangible capital assets					
Amortization of internally funded tangible capital assets	2,728,710	(2,728,710)	-	-	-
Internally funded acquisition of tangible capital assets	(1,767,057)	1,767,057	-	-	-
Debt - repayment	(543,576)	543,576	-	-	-
Net book value of tangible capital asset disposals	11,349	(11,349)	-	-	-
Operating expenses funded from internally restricted surplus	213,222	-	(213,222)	-	-
Change in accumulated remeasurement gains (losses)	484,211	-	-	-	484,211
Net assets as at June 30, 2021	\$ 22,139,915	\$ 18,836,086	\$ 755,829	\$ 6,355,555	\$ 48,087,385
Net assets are comprised of:					
Accumulated surplus	\$ 21,751,549	\$ 18,836,086	\$ 755,829	\$ 6,355,555	\$ 47,699,019
Accumulated remeasurement gains	388,366	-	-	-	388,366
	\$ 22,139,915	\$ 18,836,086	\$ 755,829	\$ 6,355,555	\$ 48,087,385

Notes to the Consolidated Financial Statements
Year Ended June 30, 2021

11. Net Assets (continued)

(a) Investment in tangible capital assets represents the amount of the College's accumulated surplus that has been invested in the College's capital assets.

(b) Internally restricted surplus represent amounts set aside by the College's Board of Governors for specific purposes. Those amounts are not available for other purposes without the approval of the Board and do not have interest allocated to them. Internally restricted net assets with significant balances include:

	2021	2020
College appropriations for operating activities	\$ 205,083	\$ 429,307
Foundation	550,746	539,744
Total	<u>\$ 755,829</u>	<u>\$ 969,051</u>

12. Contingent Assets

The College has knowledge of contingent assets that will be confirmed by future events not wholly within the College's control. The College was named as a residual benefactor in a donor's will, pending probate and clarification of restrictions on the gift. In addition, the College is a claimant in an ongoing insurance claim, pending a settlement. The minimum likely amount of assets as a result of both situations is \$492,428. The amount may be higher, depending on the result of future legal proceedings.

13. Contingent Liabilities

The College is a defendant in a number of legal proceedings. While the ultimate outcome and liability of these proceedings cannot be reasonably estimated at this time, the College believes that any settlement will not have a material adverse effect on the financial position or the results of operations of the College. Management has concluded that none of the claims meet the criteria for recognizing a liability.

The College has identified potential asset retirement obligations related to the existence of asbestos in a number of its facilities. Although not a current health hazard, upon renovation or demolition of these facilities, the College may be required to take appropriate remediation procedures to remove the asbestos. As the College has no legal obligation to remove the asbestos in these facilities as long as the asbestos is contained and does not pose a public health risk, the fair value of the obligation cannot be reasonably estimated due to the indeterminate timing and scope of the removal. The asset retirement obligations for these assets will be recorded in the period in which there is certainty that the capital project will proceed and there is sufficient information to estimate fair value of the obligation.

14. Contractual Rights

Contractual rights are rights of the College to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met.

Estimated amounts that will be received or receivable for each of the next three years are as follows:

	Operating Leases	Other Contracts	Total
2022	\$ 59,598	\$ 294,868	\$ 354,466
2023	11,101	89,701	100,802
2024	1	18,600	18,601
2025	1	8,300	8,301
2026	1	-	1
Thereafter	93	-	93
Total at June 30, 2021	<u>\$ 70,795</u>	<u>\$ 411,469</u>	<u>\$ 482,264</u>
Total at June 30, 2020	<u>\$ 152,861</u>	<u>\$ 179,625</u>	<u>\$ 332,486</u>

Notes to the Consolidated Financial Statements
Year Ended June 30, 2021

15. Contractual Obligations

The College has contractual obligations which are commitments that will become liabilities in the future when the terms of the contracts or agreements are met. The estimated aggregate amount payable for the unexpired terms of these contractual obligations are as follows:

	Service Contracts	Capital Projects	Information Systems and Technology	Long-term Leases	Total
2022	\$ 781,717	\$ -	\$ 255,618	\$ 27,718	\$ 1,065,053
2023	600,704	-	111,070	27,718	739,492
2024	311,826	-	95,906	27,718	435,450
2025	143,976	-	97,544	26,359	267,879
2026	-	-	8,152	25,000	33,152
Thereafter	-	-	8,152	400,000	408,152
Total at June 30, 2021	\$ 1,838,223	\$ -	\$ 576,442	\$ 534,513	\$ 2,949,178
Total at June 30, 2020	\$ 3,331,035	\$ 707,734	\$ 940,273	\$ 550,001	\$ 5,529,043

16. Funds Held on Behalf of Others

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

	2021	2020
Academic Staff Association Professional Growth	\$ 1,146,134	\$ 1,046,290
Alberta Union of Public Employees Staff Development	38,986	30,885
Other	61,052	71,703
	\$ 1,246,172	\$ 1,148,878

17. Related Parties

The College is a related party with organizations within the Government of Alberta reporting entity. Key management personnel of the College and their close family members are also considered related parties. The College may enter into arm's length transactions with these entities and individuals.

The College has debt with the Department of Treasury Board and Finance as described in Note 7.

During the year, the College leased space for a nominal amount from the Ministry of Infrastructure to operate its Edson learning center. The lease was terminated on July 24, 2020.

Notes to the Consolidated Financial Statements
Year Ended June 30, 2021

18. Government transfers

	2021	2020
Government of Alberta grants		
Advanced Education:		
Operating	\$ 41,197,562	\$ 44,921,274
Apprenticeship	2,189,082	2,407,910
Capital	3,741,336	3,434,804
Other	461,912	849,380
Total Advanced Education	<u>47,589,892</u>	<u>51,613,368</u>
Other Government of Alberta departments and agencies:		
Children's Services	76,210	145,045
Alberta Sport Connection	-	125,000
Other	295,870	193,518
Total other Government of Alberta departments and agencies	<u>372,080</u>	<u>463,563</u>
Total contributions received	47,961,972	52,076,931
Restricted expended capital recognized as revenue	2,217,131	2,268,069
Restricted contributions deferred	(1,596,677)	(400,677)
	<u>\$ 48,582,426</u>	<u>\$ 53,944,323</u>
Federal and other government grants		
Natural Sciences and Engineering Research Council	\$ (237,550)	\$ 950,000
Other	27,203	137,363
Total contributions received	(210,347)	1,087,363
Restricted expended capital recognized as revenue	366,835	376,782
Restricted contributions deferred	666,826	(714,404)
	<u>\$ 823,314</u>	<u>\$ 749,741</u>

19. Expense by Object

The following is a summary of expense by object:

	2021		2020
	Budget	Actual	Actual
Salaries and benefits	\$ 40,586,865	\$ 39,008,721	\$ 46,183,675
Materials, supplies and services	14,335,481	9,114,943	10,789,236
Cost of goods sold	59,258	27,102	53,347
Scholarships and bursaries	600,000	588,983	686,987
Maintenance and repairs	2,563,118	4,005,962	3,709,671
Utilities	1,588,027	1,572,714	1,584,967
Amortization of tangible capital assets	5,750,000	5,507,766	5,637,689
	<u>\$ 65,482,749</u>	<u>\$ 59,826,191</u>	<u>\$ 68,645,572</u>

Notes to the Consolidated Financial Statements
Year Ended June 30, 2021

20. Salary and Employee Benefits

	2021				2020
	Base salary ^(a)	Other cash benefits ^(b)	Other non-cash benefits ^(c)	Total	Total
Governance					
Chair of the Board of Governors	\$ -	\$ 6,628	\$ 166	\$ 6,794	\$ 7,319
Members of the Board of Governors	-	30,984	317	31,301	41,851
Executive					
President ^(d)	69,848	14,495	4,412	88,755	175,373
Former President ^(d)	227,085	133,394	46,185	406,664	668,599
Vice-Presidents:					
Academics and Research ^(e)	217,351	26,412	36,813	280,576	249,074
Finance and Administration	190,182	5,400	30,661	226,243	232,205
External Relations ^(f)	167,216	14,843	14,435	196,494	202,150
Total	\$ 871,682	\$ 232,156	\$ 132,989	\$ 1,236,827	\$ 1,576,571

(a) Base salary includes pensionable base pay.

(b) Other cash benefits include cash payments for health and retirement benefits for the President and a pension settlement for the former President. Other earnings include honoraria, car allowance, moving allowance, retiring allowance, retention allowance and vacation payouts.

(c) Other non-cash benefits include the College's share of all employee benefits and contributions or payments made on behalf of employees including pension, group life insurance, employee family assistance program, supplementary health care, long-term disability plans, dental coverage, accidental death and dismemberment, flexible health and wellness spending accounts, professional development and memberships, computer equipment, tuition and current and prior service cost of the supplementary retirement plan.

(d) This position was occupied by two individuals at different times during the fiscal year. The occupancy of this position changed on March 17, 2021. The former President continued to be paid in accordance with the employment contract until June 17, 2021.

(e) This position was occupied by two individuals during the fiscal year. The occupancy of this position changed on January 11, 2021. The former Vice-President, Academics and Research continued to be paid in accordance with the employment contract until March 31, 2021.

(f) This position was vacant from July 1, 2020 to August 10, 2020.

Notes to the Consolidated Financial Statements
Year Ended June 30, 2021

20. Salary and Employee Benefits (continued)

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

	Accrued Obligation June 30, 2020	Service cost	Interest cost	Benefit Payments	Actuarial Loss (Gain)	Accrued Obligation June 30, 2021
Former Presidents ⁽¹⁾	\$ 264,810	\$ 10,394	\$ 5,516	\$ (69,884)	\$ (8,570)	\$ 202,266
Vice-Presidents:						
Former Academics and Research	51,386	-	1,018	(17,976)	376	34,804
Finance and Administration	16,541	6,488	397	0	(16,067)	7,359
	<u>\$ 332,737</u>	<u>\$ 16,882</u>	<u>\$ 6,931</u>	<u>\$ (87,860)</u>	<u>\$ (24,261)</u>	<u>\$ 244,429</u>

The significant actuarial assumptions used to measure the accrued benefit obligation are disclosed in Note 6.

(1) This position includes two former Presidents. One former President retired effective March 31, 2020 and is collecting benefit payments. One former President resigned effective June 17, 2021 and was not eligible for future compensation.

21. Subsequent Events

On May 11, 2021, the Minister of Advanced Education announced that Grande Prairie Regional College will become a polytechnic institution. The Order in Council to officially transfer Grande Prairie Regional College to a polytechnic status under the Post Secondary Learning Act is expected to be approved by the Government of Alberta in the fall 2021.

22. Budget Figures

The College's budget was approved by the Board of Governors and submitted to the Minister of Advanced Education.

23. Approval of Financial Statements

The consolidated financial statements were approved by the Board of Governors of Grande Prairie Regional College.

24. Comparative Figures

Certain comparatives figures have been reclassified to conform to current year presentation.



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