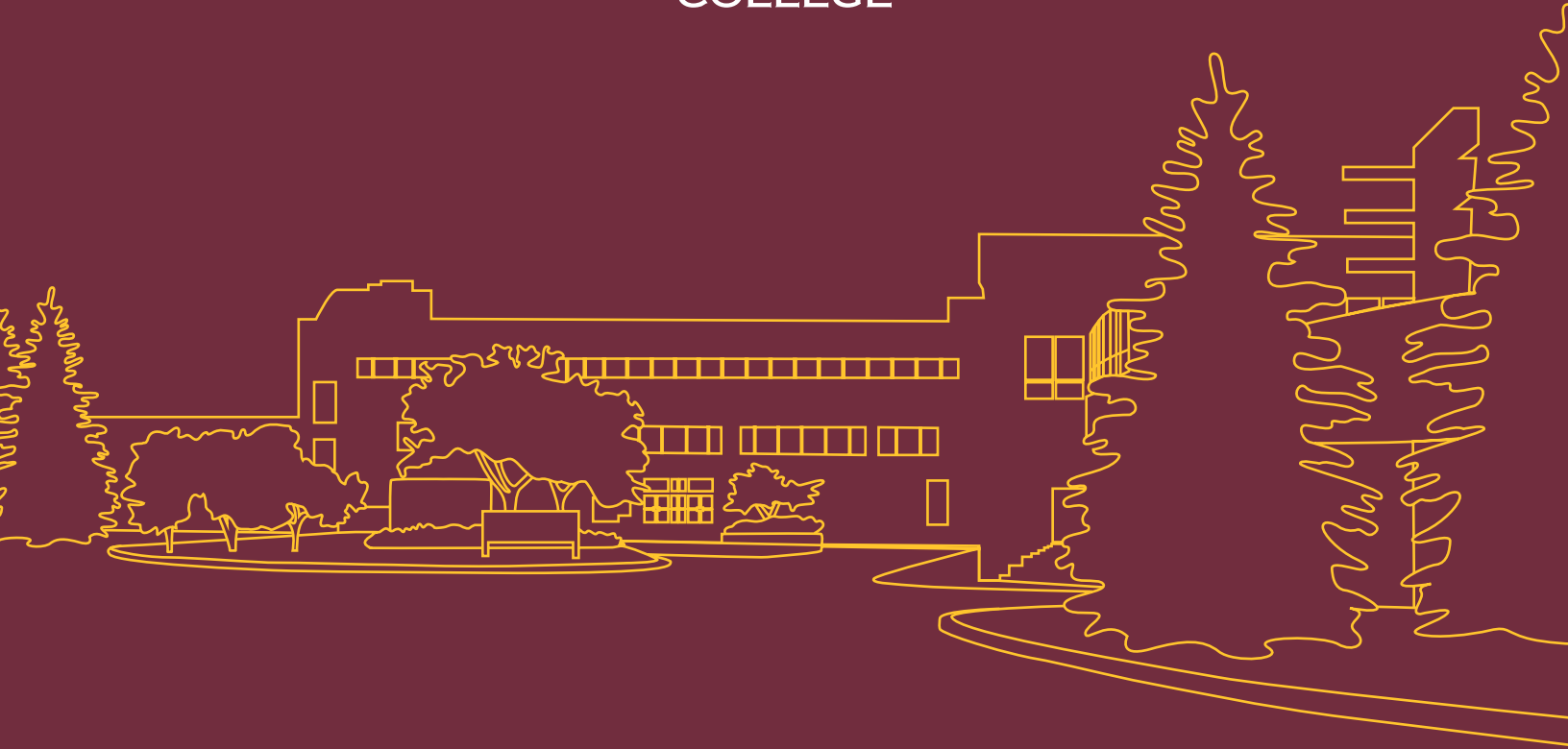




CAMBRIAN
COLLEGE



ANNUAL REPORT

2020-2021

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2020-21 HIGHLIGHTS

4,700
full-time
students

over
1,100
international
students

students
from over
40
different
countries

2 new
programs

2 new
intakes

College enrolment

Despite a full academic cycle under the COVID-19 pandemic, **Cambrian's enrolment remained relatively stable**, with approximately 4700 full-time students. Not surprisingly, **international student enrolment dipped, due to travel restrictions**, while domestic enrolment stayed the same from the previous year.

This enrolment stability, particularly domestic enrolment, is due to the hard work and innovation outreach of the Recruitment and International departments, as well as our innovative responses to the pandemic with multiple intakes and virtual options, ultimately creating more virtual and accessible learning.

Further Together Cambrian - Strategic Plan 2020-2025

In the midst of the global pandemic, **we intentionally and quietly launched Further Together Cambrian, our new 5 year strategic plan**. Further Together honours the collaborative spirit at the core of our Cambrian community, and charts a renewed and reloaded path to positioning us as an undeniable destination for higher education. It is designed to allow us to take risks and respond quickly to meet the demands of an ever-evolving market and the needs and expectations of modern learners.

Our approach to this plan was different and innovative, which includes one clear goal **"To be the college of choice for our differentiated academic opportunities, exceptional college experience, and our valuable partnerships,"** followed by eight objectives.

During the past 12 months, we have accomplished many things, some of which are highlighted below.

- Submitted business case for a stand-alone Bachelor of Science in Nursing Degree, the first degree to be offered in Cambrian's history, leading us on the path to delivering a polytechnic education
- Introduced a number of new mid-semester intakes for 8 programs, further establishing Cambrian as a flexible and accessible 12-month global college
- Taken first steps in a multi-year campus modernization process through investment of over \$3.2M in capital projects to enhance the current Cambrian built environment
- Continued to evolve our growing research reputation with the addition of over \$1M in new research funding
- Committed to implementing a carbon reduction strategy that will meet the provincial guidelines by 2050
- Progressed our journey to becoming a philanthropic beneficiary of choice by surpassing \$1.1M annually in overall fundraising contributions
- Continued our trend of transforming our personalized, informative and caring face-to-face recruitment experiences into the virtual realm while being early adopters of new approaches and technologies to support the prospective student experience.
- Marked new milestones with respect to recruitment, including the participation of 165 staff and student volunteers, visitors from 50 countries, over 300 'live' virtual tours of the College, facilitated panels with Cambrian students and academic leaders, and a 20% year-over-year increase in registrants at open house.

By the Numbers

\$3.2M
invested in
capital projects

surpassing
\$1.1M
annually in overall
fundraising
contributions

\$1M
in new research
funding



Message from the **BOARD CHAIR**

This past year has demonstrated quite pointedly that leadership matters. I am proud to report that Cambrian College has been well-led, well-managed, and well-governed this year, both by College administration and our Board.

In a very financially challenging year, our approach continued to be budget conservatively, plan aggressively, and only spend money we already have. As a result, Cambrian College is on a solid financial footing for our immediate and longer-term future. We once again achieved a balanced budget, with surplus re-invested back into capital improvements on campus. These improvements include the installation of leading-edge air filtration systems to improve safety, air quality, and comfort on campus, of particular value during the current pandemic.

Cambrian College has a very engaged Board of Governors, which works closely with College leadership to ensure our ongoing sustainability and growth. New and existing Board members continue to receive extensive training and orientation on their roles and responsibilities, and they take great pride in their duties.

We will be guided in these efforts by our 2020-25 Strategic Plan. All major recruitment, academic and student support initiatives, and capital improvements will continue to align with the Plan.

As such, over the next year, we will pursue those initiatives that enhance the Cambrian experience for our Indigenous students, further the internationalization of the college, and promote the ecological and financial sustainability of Cambrian, while improving the overall student experience.

This process includes a campus modernization survey, involving students, staff, and faculty. They have told us they want simple, sustainable improvements to make the campus more comfortable and amenable to working and learning. As a consultant helping us with this process remarked, “Cambrian students are incredibly practical.”

It has been an honour to serve as Board Chair this year. I want to thank all the Board members for their incredible dedication to Cambrian. I want to thank our President, senior management team, administration, faculty, support staff, students and community partners for their support and hard work on behalf of Cambrian College.

It's apt that we live in a place called The Rock. We are on solid ground as an institution. Like bedrock, we are well-anchored, enduring, and durable. As such, we will lead by our example, and be a source of strength for our students, employees, and the community.



Paul Pedersen

Paul Pedersen
Chair, Cambrian College Board of Governors

Message from the **PRESIDENT**

This past academic year marked the first time in the history of Ontario's college system that Cambrian delivered programming and services primarily remotely, except for what could only be done on campus. It was, without a doubt, one of the most challenging years in our history.

In such an environment, going into survival mode is what you would expect a prudent institution to do. But during this past COVID-dominated year, Cambrian College was not content to just survive: we wanted to thrive.

Our staff and faculty embraced a creativity and agility in adjusting teaching methods, schedules, curriculum, and student supports to ensure our students had the best chance to succeed. This, while we endured two subsequent waves of COVID-19, and two lockdowns and stay-at-home orders which put additional restrictions and pressures on our ability to provide on-campus learning.

Our domestic and international enrolment teams dug in their heels and embraced the virtual world in an effort to reach potential students. Cambrian was a leader in such online initiatives as spring and fall open houses, campus tours, and recruitment webinars. As a result, our fall 2021 enrolment surpassed targets, with 4700 students registering for classes, including 2,200 new students.

We even launched new intakes this academic cycle, with admissions of new students added in November and March, as we refused to allow COVID-19 to stop our evolution as a 12-month college. We developed new programs in such areas as Cyber Security, Fitness and Health Promotion, and Game Design, while also participating in the provincial government's initiative to train more Personal Support Workers, desperately needed for the health industry.

Cambrian R&D, our applied research division, once again, placed among Canada's top research colleges for the ninth year in a row. Cambrian R&D is also emerging as a leader in industrial Battery Electric Vehicle (BEV) maintenance training. A new BEV lab is in the process of development and we have created a partnership with Maclean Engineering to develop training materials.

This was also an incredibly successful year in terms of generosity to Cambrian and from Cambrian, thanks to the amazing work of our Foundation and Alumni Office. Internally, Cambrian staff raised \$83,000 during Giving Tuesday for student hardship bursaries and the Student Food Bank. This was a banner year for corporate donations and sponsorship of key events, like the Career Fair, Student Innovation Challenge, and other student initiatives. In summary, our Foundation was able to disperse more than \$1.2 million in scholarships, bursaries and other supports to approximately 1400 students.

We are now preparing for the eventual return of full on-campus activity. The future we are going to will not be the status quo we left behind. We will move at the speed of safety. But we will also change the way we work and offer academic programs moving forward, to help us stay safe but also take advantage of the gains we have made in virtual learning brought on by this pandemic. The experience and expertise we have developed in the past year will be put to good use, as it opens up opportunities that we may not have considered before.

Given the circumstances, it was a very successful year. But it has not been easy. This past year has been very demanding on our students, faculty, support staff, and administration: physically, emotionally, mentally, intellectually, and socially. As a college, we owe a huge debt of gratitude to everyone in the Cambrian family who pushed themselves hard to achieve personal and collective success. Thank you for the amazing work you have done this year.



It has been an honour to serve as your president. We hope the worst is behind us, and we look forward to another challenging but rewarding year at Cambrian College.

A handwritten signature in black ink, appearing to read 'Bill Best', written in a cursive style.

Bill Best, President



VISION



Cambrian College's vision is to **imagine** the impossible, to **inspire** one another, and to **innovate** in ways we have yet to fully explore.

We are focused on transforming the learning experience to one that provides continuous access to flexible and customizable learning experiences. We are motivated to enhance the learner experience and to fully embrace the power of collaboration in a supportive learning community.

MISSION

- 1 To offer a comprehensive program of career-oriented, postsecondary education and training to assist individuals in finding and sustaining meaningful employment.
- 2 To meet the needs of employers and the changing work environment.
- 3 To support the economic and social development of our diverse community, locally, and globally.

Operational **PERFORMANCE**

1.0

Objective: Excel in Teaching and Learning by leading the way in pedagogy, teaching models and learning modes, including flexible, traditional, hybrid and online approaches that meet the diverse needs of modern learners.

1.1

Review Teaching and Learning Framework

- Initiated a review of the Teaching and Learning Framework by hosting faculty feedback forums and consultations to inform and guide content development

1.2

Initiate a process to introduce college-level outcomes that flow from the College's Strategic Plan

- Deferred. The conversation now turns to relaunching the Cambrian Graduate Profile

1.3

Establish quality assurance model for online learning

- Initiated development of a Quality Assurance process for online and virtual deliveries through an Academic Advisory Council working group

1.4

Increase work integrating learning opportunities for students by increasing simulations, virtual reality and augmented reality, virtual placements, 'placement replacements' and job out opportunities

- Secured funding from eCampus Ontario for two new simulation projects
- Launched Riipen in the Business program, as a pilot, to support virtual placements
- Partnered with Prepped and RBC Future Launch on a 1-year pilot project aimed at helping to prepare students for greater success in advance of embarking on placements, co-ops, practicums and eventual careers

1.5

Introduce new delivery models and intakes

- Increased intake flexibility and access through a number of new mid-semester intakes for 8 programs

1.6

Introduce a series of micro-credentials as part of relaunch of Continuing Education

- Diversified program offerings with the addition of twenty new micro-credentials

1.7

Complete and submit stand-alone Bachelor of Science Nursing program proposal for approval

- Dissolved collaborative nursing program with Laurentian University and submitted business case for a stand-alone Bachelor of Nursing degree
- Secured approval from the Board of Governors for Bachelor of Science in Nursing Degree

1.8

Prepare PEQAB submissions for applied degrees

- Commenced applied degree development for the following: Business Administration and Behavioural Sciences

1.9

Introduce a Scholarship of Teaching and Learning platform and model to advance faculty research

- Offered a professional development session through the Teaching and Learning Innovation Hub to begin building capacity

1.10

Reimagine Transfer Credit and Prior Learning Assessment and Recognition (PLAR) processes to support pathways and student success

- Redesigned the Transfer Credit and Prior Learning Assessment and Recognition Process website to support self-serve. Number increased significantly as a result of self-serve principles

2.0

Objective: Modernize the College by considering learning spaces and gathering spaces that reflect the ever-changing world around us

2.1

Create a campus Modernization Plan

- Engaged consultant to complete series of campus modernization consultations. Over 400 quality student responses were received along with significant responses from faculty and staff through an online survey and virtual engagement opportunities. A final modernization plan will be developed upon receipt of the consultation data in mid-June
- Developed new design standard for hyflex learning spaces. Renovation deferred due to COVID-19 but funding secured for 21/22 to introduce 10 new hyflex spaces and retrofit of approximately 10 existing flexible learning spaces to support new standard
- Secured funding for 21/22 to introduce two Indigenous themed classrooms with a focus on inclusion, caring, and respect

2.2

Develop a Digital Modernization/Transformation Plan

- Completed review of current digital state with future state mapping underway in order to identify gaps and opportunities for further transformational changes within the digital environment
- Implemented a BYOD strategy to encourage more flexible, accessible, and virtual learning
- Commenced planning for an increase to the number of hyflex classrooms as part of our digital transformation, including retrofitting twenty-four existing, and adding ten new hyflex classrooms into circulation

2.3

Action the Campus Modernization Plan

- Invested \$1.4M in deferred maintenance to address space refurbishment, thoroughfares, roofing, etc., and an additional \$3.2M in capital projects related to teaching and learning, applied research and information technology
- Earmarked \$1M for modernization projects in the 21-22 budget

2.4

Create a virtual campus that has a global reach

- Shifted to virtual academic delivery and pivoted where necessary to move open house and orientations online to accommodate students during COVID

3.0

Objective: Think Globally by rethinking the borders of education and the partnerships that enable it.

3.1

Develop an International Diversification and Stewardship Plan

- Continue to work on development of phase 2 of plan

3.2

Action International Diversification and Stewardship Plan

- Expanded international student recruitment activity in identified markets, including additional in-country representation in Mexico and Columbia, and expansion into South America, the Middle East, Nepal, Sri Lanka, Philippines, Indonesia, as well as new opportunities in Europe, the Caribbean and USA

3.3

Expand the International Knowledge Exchange to enable collaboration with international peers on capstone projects.

- Deferred

3.4

Introduce a campus abroad

- Postponed indefinitely

3.5

Establish Study Abroad scholarships to support student exchanges

- Initiated development of a Danish exchange pilot program

3.6

Introduce a Globalization micro-certification

- Developed an international general education course involving an international service learning opportunity in a host country

4.0

Objective: Respect Indigenous Cultures by celebrating the richness of Indigenous culture on campus and continuing to listen and grow together

4.1

Introduce Indigenous language courses

- Developed two Indigenous language courses in Cree and Ojibwe

4.2

Introduce Indigenous themed classrooms

- Consulted with Wadnode on Campus Modernization process

4.3

Use evidence-based re-search to identify and increase Indigenous student success

- Completed Indigenous Student Report 2020

4.4

Enhance Indigenous culture in our residences

- Deferred until the campus modernization consultations are completed

4.5

Partner with First Nations Institutes to launch Dual Credit programming and pathways to Cambrian credentials

- Established a partnership with Kenjgewin Teg, of M'Chigeeng First Nation, to launch Dual Credit programming and pathways to Cambrian

4.6

Launch an Indigenous Learner Transition Program

- Developed a transition program to prepare Indigenous students for Fall academic programming in order to support Indigenous learners success

4.7

Launch a General Arts and Science specialization certificate

- Received approval to offer General Arts and Science Indigenous Specialization, 1 Year Certificate Program

4.8

Partner with community and industry to examine new support models

- Consulted with community on the creation of a 4 week transition program for Indigenous learners

4.9

Launch a pre-arrival orientation program for Indigenous students

- Deferred

4.10

Partner with College Boreal and Laurentian University to develop a further safe community of support for Indigenous learners

- Collaborated with Laurentian University and College Boreal to create pathways to post-secondary education and research for Indigenous youth

4.11

Introduce additional pathways for Indigenous learners to progress in their studies and complete a degree

- Created a pathway with Laurentian University and Algoma University for the Social Service Worker, Indigenous Specialization Program to their Bachelor of Social Work degrees programs
- Introduced the General Arts and Science Indigenous Specialization certificate as a pathway to post-secondary, as well as the Indigenous Learner Transition Program. Both will have their first intakes in 21/22

4.12

Steward the preservation of our community roots and history

- Commenced plan to increase our Library Collection with Indigenous content as a demonstration of our respect and adherence to the Truth and Reconciliation Commission

5.0

Objective: Advance Applied Research by building strong and productive relationships, innovating with industry partners and keeping pace with sector-specific, technological, and workforce changes to further its evolution as a research-intensive College

5.1

Develop an applied research expansion strategy

- Expanded into new areas with funding from Natural Sciences and Engineering Research Council of Canada (NSERC), to carry out two new projects in urban agriculture and transition programming for Indigenous students entering post-secondary
- Developed and launched the first Battery Electric Vehicle (BEV) Maintenance corporate training course in response to market needs
- Undertook plan, through FedNor funding, to launch a three-year pilot project supporting businesses focussing on mining, automation and advanced manufacturing, robotics and information, and communications technology

5.2

Support the development of a northern Artificial Intelligence/Cybersecurity Hub

- Met this past year with SOSICIP (Smart Computing for Innovation), a consortium which provides supercomputing and Artificial Intelligence (AI) technologies for partnerships between academic institutions in industry partners. Cambrian continues to explore how these resources could be leveraged to augment applied research projects and provide the college with greater AI capacity to undertake projects. Cambrian is set to launch its cybersecurity program in the near future, and continues to position itself as a leader in the region.

5.3

Introduce process to showcase student capstone projects digitally to increase engagement with potential partners

- Continued to showcase project success stories as a way to attract students and industry partners
- Created a stand alone website promoting the Research and Development arm of the College

5.4

Establish new Industrial Research Chair

- Continued efforts to establish an industrial research chair. Areas of focus include health and mining research.

5.5

Launch a new Technology Access Centre (TAC)

- Continued to explore other areas in upon which a new TAC could be built

5.6

Build an applied research opportunity into every program at Cambrian College

- This is an aspirational goal in which the College hopes to be able to reasonably tell prospective students that applied research opportunities exist in every program. As the College continues to build its applied research capacity through faculty, staff, equipment, and broader partnership development, this could become a reality.

6.0

Objective: Enhance College Wellness by naming and embracing well-being as an important, stand-alone strategic priority for the entire Cambrian community – students, faculty and staff.

6.1

Expand our Cambrian Wellness Plan

- Established a College committee on Equity Diversity and Inclusion
- Re-established the College wellness committee to focus on a whole college approach
- Consulted students, faculty and staff on the pillars of wellness and Okanagan Charter to invite feedback and determine next steps for plan development
- Created a peer to peer student mentorship program with the Wellness Ninjas and established a subcommittee to explore new staff orientation and mentorship
- Strengthened community partnerships with the Canadian Mental Health Association, Public Health and Sudbury Districts, Health Sciences North, Positive Psychology Association of Canada, and the Centre for Innovation in Campus Mental Health
- Expanded education and training for staff including Mental Health training and Leadership training through LinkedIn Learning

6.2

Review and revise service model to meet current/future learner expectations

- Deferred

6.3

Create online reporting interface for the Behavioural Intervention Team

- Deferred

6.4

Promote general education positive psychology courses to students.

- Promoted course to Program Coordinators and students. One of the most popular courses with 350 students taking it last year.
- Included a module from Positive Psychology in our 'We CARE' initiative. Over 3400 people accessed these modules

6.5

Implement 7-1-7 schedule

- Introduced new semester model incorporating a 1-week study break into all semesters

6.6

Introduce a Health and Wellness micro-credential

- Approved and began delivery of a Health and Wellness, 4-course micro-credential

6.7

Develop a more robust, accessible and centralized center of wellness portal for staff, students and the community

- Upgraded the Glenn Crombie Centre for Accessibility and Wellness website
- Enhanced The Learning Portal at Ontario Colleges Library Services with Cambrian Wellness content

6.8

Transform to a smoke free campus environment by 2022, introducing smoking cessation supports for staff and students

- Transformed the College campus to a nearly completely smoke free space with the exception of two designated areas

6.9

Introduce a Diversity and Inclusion speaker series

Hosted the following sessions:

- Our Cambrian College Family: A wider look at Indigenous History by Rick McLean
- The power of education: Indigenous rights, resistance and resilience by Dr. Dawn Lavell Harvard
- Indigenous Perspectives in post-secondary education by Kory Wilson.
- Collaborated with outside organizations on topics such as Residential Schools, Orange Shirt day, Missing Murdered Indigenous Women & Girls, and Inuit Culture, Language and drumming sessions, all conducted through zoom sessions, hosted by Elders and alumni.

6.10

Introduce a Cambrian President's Wellness Speaker Series

- Hosted the first Wellness Speaker, Paula Allen, Global Leader, Total Wellbeing, SVP, Morneau Shepell, on the topic of the Mental Health Index in light of the Global Pandemic

6.11

Redefine the work environment to be more adaptable and flexible for staff

- Pivoted and reviewing policies and procedures as they relate to the post-pandemic world

7.0

Objective: Promote a Sustainable Campus by going beyond expectations and considering the environment in every aspect of our work, from straightforward tactics like electricity management and waste diversion, to targeted programs, learning strategies and curriculum outcomes.

7.1

Develop a Sustainability Plan

- Developed the energy component of the Sustainability Plan

7.2

Introduce sustainability goals into curriculum and delivery

- Began work to introduce the UN Sustainability Goals into the Thinking, Reasoning, Relating course (General Education Electives)

7.3

Introduce a sustainability micro-credential

- Slated for development in 2021-22 cycle

7.4

Implement phase 2 of energy efficiency improvements and reduce carbon emissions

- Implemented an energy savings capital project with Honeywell. The investment will modernize our spaces through upgraded LED lighting, optimizing roof top unit operations, introducing predictive maintenance, replacement of chillers and improving the building envelope.
- Began work on a geothermal project to reduce our carbon footprint

7.5

Set a goal for green house gas (GHG) reductions

- Committed to implementing a carbon footprint reduction strategy that will meet the provincial guidelines for reduction by 2050

8.0

Objective: Grow and Steward Industry Partnerships by strengthening the economic and social fabric of the communities we serve, and extending our experience, expertise and services across our province.

8.1

Develop a partner, alumni and community engagement plan

- Conducted research on best practices relating to partnership development
- Formed a Strategic Partnership Development Committee. The Framework and Terms of Reference were approved by the members. Subcommittees were formed to tackle specific partnership opportunities.

8.2

Develop a WIL strategy to engage employers and partners

- Established a subcommittee to address Work Integrated Learning opportunities and develop a strategy

8.3

Conduct an organizational assessment and campaign feasibility study

- Deferred until the completion of the Campus Modernization plan

8.4

Create a major gift fundraising strategy

- Deferred until the completion of the Campus Modernization plan

8.5

Revitalize Continuing Education to incorporate community

- Relaunched Continuing Education with a series of fully asynchronous micro-credentials. 11 programs are available for registration on the new site with others Commencing in the summer term
- Included the design and launch of social media campaign, new website, approval of over 20 micro-credentials, and securing financial support to source a new registration platform.
- Launched Cambrian's "We Care" – Community Advocacy, Resiliency and Empowerment series. A series of free, non-credit course modules and resources for personal enrichment. The modules were developed by subject matter experts and as of the start of 2021, 3400 people had accessed these modules.

8.6

Introduce a center for corporate and specialized training for all partners

- Created a dedicated corporate training classroom in the Glencore Centre for Innovation, with 24 new powered desks, new chairs and dedicated computers for participants

8.7

Execute a successful fundraising campaign

- Surpassed \$1.1M in annual philanthropic giving, including record Giving Tuesday campaign

Financial **PERFORMANCE**

The College ended the 2020/21 year with an operating surplus of \$8.7M mainly due to significant increases in enrolment over what was expected in both domestic and international enrolment. Strong performance in investments also provided approximately \$1.5M in investment income. The College saw lower income from the prior year in Ancillary operations including residence and parking.

Expenses were generally lower than in the previous year across most areas due to cost restraints and limited on campus operations. Offsetting the expense decreases were investments required to operate during the pandemic including increased cleaning of the campus and items required for virtual delivery.

In addition, \$4.5M was invested at the College in various capital projects including deferred maintenance (\$1.1M), information technology (\$1.7M) and academic equipment and lab improvements (\$1.3M).

Ending the year in a positive position has allowed the College to appropriate \$8.0M towards future needs such as deferred maintenance and investment in strategic priorities. Overall, the College ended the year with a positive working capital ratio of 1.6:1, which indicates that the College is in good financial health.

The focus in the next year will be to continue to remain financially sustainable as the College works to return to campus.

Overview





SUBSIDIARIES and FOUNDATIONS

The Cambrian College Foundation has continued to make strides in the advancement of the department, including supports to focus on quality data, research activities, communications and engagement initiatives. Additionally, the Foundation Board of Directors welcomed two new directors representing the technology and construction sectors.

The Foundation continues to secure new donations from private donors, corporations, and foundations, growing our endowment to \$12.3 million, a 21% increase over the previous year. We are also pleased to report that employee giving continues to grow and thrive, currently sitting at a record 43% support. Overall fundraising revenue and gift-in-kind support continues to move in an upward trend, achieving 35% growth overall, with new endowment revenue increasing 156% and annual award revenue increasing 77%.

Total gifts to the foundation have increased 15% and new donors have grown by 12%, with noticeable increases in support from external foundations/charities and individual donors. Donors upgrading their gifts increased by 20%, and downgraded gifts saw a noticeable drop down 42%.

In addition, the Foundation saw a growth of 2% in Alumni Affinity program revenue, comprised of funds related to enrollment in various health, life, home and auto insurance policies and credit card programs offered at a discounted rate to Cambrian alumni, students, staff and faculty. Cambrian continues to invest in alumni relations, securing new connections through social media activities, virtual events, surveying, polling and overall increased engagement efforts.

We will build upon our successes by continuing to deepen our relationships with alumni and donors through quality engagement, communications, and partnership opportunities.

CONTACT Us

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The 2020-2021 Annual Report is available for download from the College's website at www.cambriancollege.ca or can be emailed free of charge upon request by contacting Cambrian College.



APPENDIX A

Strategic Mandate Agreement Report Back

www.ontario.ca/page/2020-2025-strategic-mandate-agreement-cambrian-college-applied-arts-and-technology

APPENDIX B

Audited Financial Statements

See page 18.

APPENDIX C

KPI Performance Report

See page 17.

APPENDIX D

Advertising and Marketing Complaints

No complaints were received by Cambrian College during the 2020-21 academic year.

APPENDIX E

2020-21 Cambrian College Board of Governors

BOARD CHAIR

Paul Pedersen

BOARD VICE CHAIR

Maureen McLelland

GOVERNORS

Bruce Bichel

Sonia Del Missier

Haley Hill

Gianni Grossi

Jeanne Naponse

Philip Potgieter

Jessica Valiquette

Jason Bubba

Michael DiBrina

Lori Gauthier

Kati McCartney

Janneke Nicholls

Jeff Smith

PRESIDENT and TREASURER

Bill Best

Ex-Officio Member of the Board

COORDINATOR, PRESIDENT'S OFFICE AND BOARD LIAISON:

Melanie Cacciotti

KPI PERFORMANCE REPORT



2020-21 KPI SUMMARY REPORT

Results for the 2019-20 cycle were interrupted due to COVID-19 and the results have only now been released in May 2021. The surveys for 2020-21 were also delayed; it is currently unclear when the complete results for the 2020-21 cycle are expected to be released.

The following table contains the results released to date.

Key Performance Indicator	CAMBRIAN			PROVINCE		
	2018-19	2019-20	2020-21	2018-19	2019-20	2020-21
Graduation Rate	71.9%	69.1%	-	67.2%	66.4%	-
Graduate Satisfaction Rate	85.8%	83.1%	-	79.9%	78.9%	-
Graduate Employment Rate	90.2%	91.9%	-	86.2%	85.5%	-
Employer Satisfaction Rate	89.6%	84.2%	-	89.6%	91.1%	-

Highlights –

- **Graduation Rate** and Graduate Satisfaction were in the top quarter of colleges in the system.
- **Graduate Employment Rate** was the highest in the college system.
- Number of responses for the Employer Satisfaction survey remain low (<20). Employer satisfaction may be impacted by low response rates, which can increase variability in results.

2020-2021

FINANCIAL STATEMENTS

Consolidated Financial Statements of

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Year ended March 31, 2021

DRAFT

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

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Year ended March 31, 2021

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INDEPENDENT AUDITORS' REPORT

To the Governors of Cambrian College of Applied Arts and Technology

Opinion

We have audited the consolidated financial statements of Cambrian College of Applied Arts and Technology (the "Entity"), which comprise:

- the consolidated statement of financial position as at March 31, 2021
- the consolidated statement of operations for the year then ended
- the consolidated statement of statement of changes in net assets (deficit) for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of remeasurement gains and losses for the year then ended
- and the notes and schedules to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at March 31, 2021, and its consolidated results of operations, its consolidated remeasurement gains and losses and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibility under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other responsibilities in accordance with these requirements.

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

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Responsibility of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, internal 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 purposes of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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- 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 the events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient audit evidence regarding the financial information of the entities or business activities within the Group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada
June 10, 2021

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Financial Position

March 31, 2021, with comparative information for 2020

	2021	2020
Assets		
Current assets:		
Cash	\$ 65,627,736	\$ 50,345,708
Short-term investments (note 3)	4,243,960	1,065,753
Accounts receivable (note 15(a))	8,433,531	7,528,788
Grants receivable	341,973	2,599,889
Prepayments and inventories	1,344,764	1,401,884
Current portion of Student Centre receivable (note 2)	147,016	139,852
	80,138,980	63,081,874
Restricted investments (note 3)	8,501,375	8,173,553
Student Centre receivable (note 2)	1,495,971	1,642,717
Student Centre interest rate swaps	284,663	396,278
Capital assets (note 4)	76,106,314	75,932,815
	\$ 166,527,303	\$ 149,227,237
Liabilities, Deferred Contributions and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 5)	\$ 10,557,137	\$ 13,185,325
Deferred contributions (note 6)	33,810,473	22,433,414
Current portion of employment-related obligations (note 7)	3,945,772	3,733,392
Current portion of long-term debt (note 8)	1,436,948	1,365,555
	49,750,330	40,717,686
Employment-related obligations (note 7)	2,243,000	2,189,000
Long-term debt (note 8)	9,333,139	10,698,942
Deferred capital contributions (note 9)	45,159,660	45,232,808
Interest rate swaps (note 8)	359,483	517,947
	106,845,612	99,356,383
Net assets:		
Unrestricted	4,589,962	4,573,214
Capital (note 10)	22,464,821	20,587,975
Internally restricted (note 11)	22,531,860	15,710,465
Endowment (note 11)	8,501,375	8,173,553
	58,088,018	49,045,207
Accumulated remeasurement gains	1,593,673	825,647
	59,681,691	49,870,854
	\$ 166,527,303	\$ 149,227,237

See accompanying notes to consolidated financial statements.

On behalf of the Board:

_____ Chair, Board of Governors

_____ President

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Operations

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenue (Schedule):		
Grants and reimbursements	\$ 35,637,261	\$ 38,077,045
Tuition fees	34,359,444	38,406,959
Business development	3,478,799	5,827,351
International programs and other	21,257,131	18,744,952
Restricted	2,146,318	760,721
Investment income	448,669	988,000
Amortization of deferred capital contributions (note 9)	2,559,784	2,436,430
	99,887,406	105,241,458
Expenses (Schedule):		
Academic	41,195,785	42,385,389
Administration	14,922,743	16,238,473
Special projects	6,733,006	7,517,841
Physical resources	8,502,944	8,049,479
Student services	8,100,146	7,945,732
Business development	3,190,291	3,946,110
International activities	3,348,433	4,907,617
Amortization of capital assets	4,220,662	4,132,725
Scholarships, bursaries and other	692,027	876,229
Provision for employment-related obligations	266,380	58,560
	91,172,417	96,058,155
Excess of revenue over expenses	\$ 8,714,989	\$ 9,183,303

See accompanying notes to consolidated financial statements.

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Changes in Net Assets (Deficit)

Year ended March 31, 2021, with comparative information for 2020

	2021							2020	
	Operating	Unrestricted Employment related	Interest Rate Swaps	Total Unrestricted	Capital (note 10)	Internally Restricted (note 11)	Endowed (note 11)	Total	Total
Net assets (deficit), beginning of year	\$ 11,564,683	(5,922,392)	(1,069,077)	4,573,214	20,587,975	15,710,465	8,173,553	\$ 49,045,207	\$ 39,754,388
Excess (deficiency) of revenue over expenses	9,438,604	(266,380)	-	9,172,224	(1,661,526)	1,204,291	-	8,714,989	9,183,303
Endowments received	-	-	-	-	-	-	327,822	327,822	107,516
Net change in investment in capital assets	(1,155,476)	-	-	(1,155,476)	3,538,372	(2,382,896)	-	-	-
Appropriation	(8,000,000)	-	-	(8,000,000)	-	8,000,000	-	-	-
Net assets (deficit), end of year	\$ 11,847,811	(6,188,772)	(1,069,077)	4,589,962	22,464,821	22,531,860	8,501,375	\$ 58,088,018	\$ 49,045,207

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Remeasurement Gains and Losses

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Accumulated remeasurement gains, beginning of year	\$ 825,647	\$ 1,523,088
Unrealized gains (losses) attributable to:		
Fixed income	(36,046)	23,102
Equity Instruments	(101,324)	(803,515)
Derivative - interest rate swap	46,849	34,683
	(90,521)	(745,730)
Realized (gains) losses attributable to:		
Fixed income	26,021	(2,616)
Equity instruments	832,526	50,905
Net remeasurement gains for the year	858,547	48,289
Accumulated remeasurement gains, end of year	\$ 1,593,673	\$ 825,647

See accompanying notes to consolidated financial statements.

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Consolidated Statement of Cash Flows

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operations:		
Excess of revenue over expenses	\$ 8,714,989	\$ 9,183,303
Adjustments for:		
Realized gain (loss) on investments	(1,619,822)	258,437
Amortization of deferred capital contributions	(2,559,784)	(2,436,430)
Amortization of capital assets	4,220,662	4,132,725
Provision for employment-related obligations	266,380	58,560
	9,022,425	11,196,595
Changes in non-cash working capital (note 14)	10,159,164	1,196,271
	19,181,589	12,392,866
Financing activities:		
Repayment of long-term debt	(1,294,410)	(1,532,721)
Endowment contributions	327,822	107,516
	(966,588)	(1,425,205)
Investing activities:		
Purchase of investments	(12,216,422)	(4,110,009)
Proceeds on sale of investments	11,051,392	3,738,205
Decrease in Student Centre receivable	139,582	132,524
	(1,025,448)	(239,280)
Capital activities:		
Purchase of capital assets	(4,394,161)	(8,290,174)
Net capital contributions received	2,486,636	2,725,555
	(1,907,525)	(5,564,619)
Increase in cash	15,282,028	5,163,762
Cash, beginning of year	50,345,708	45,181,946
Cash, end of year	\$ 65,627,736	\$ 50,345,708

See accompanying notes to consolidated financial statements.

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2021

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

1. Significant accounting policies:

(a) Basis of presentation:

These consolidated financial statements reflect the assets, liabilities, revenues and expenses of the unrestricted fund, capital fund and internally restricted and endowed funds and include the activities of The Cambrian College of Applied Arts and Technology and Cambrian College Foundation. All significant intercompany balances and transactions have been eliminated upon consolidation.

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

(b) Revenue recognition:

i) Contributions are accounted for under the deferral method of accounting as follows:

Operating grants are recorded as revenue in the period to which they relate. Grant amounts relating to future periods are deferred and recognized in the subsequent period when the related activity occurs. Grants approved but not received are accrued.

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

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

Unrestricted investment income is recognized as revenue when earned. Restricted investment income that must be maintained as an endowment is credited to deferred contributions until the related expense is incurred.

Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at rates corresponding to those of the related capital assets.

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

ii) Tuition fees are recognized as revenue over the teaching days which occur during the fiscal year.

iii) Business development revenue which includes residence, parking and other sundry revenues are recognized when products are delivered on services provided to the student or client, the sales price is fixed and determinable, and collection is reasonably assured.

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2021

1. Significant accounting policies (continued):

(c) Capital assets:

Capital asset purchases are recorded at cost. Property and equipment which are donated are recorded at their fair market value at the date of acquisition. When a capital asset no longer contributes to the College's ability to provide services, it is written down to its residual value. Any unamortized deferred capital contribution amount related to the capital asset is recognized in revenue in the Consolidated Statement of Operations, provided that all restrictions have been complied with. Amortization of capital assets is recorded on the straight-line basis at the following annual rates:

Buildings	2.5%
Parking lots	10%
Equipment	10% - 20%

(d) Employment future benefits:

Vacation entitlements are accrued for as entitlements are earned (note 7).

The College is a member of the Colleges of Applied Arts and Technology ("CAAT") Pension Plan, which is a multi-employer, defined benefit plan. The College also provides defined retirement and post-employment benefits and compensated absences to certain employee groups. These benefits include pension, health and dental and non-vesting sick leave. The actuarial determination of the accrued benefit obligations for pensions and other retirement benefits uses the projected benefit method prorated on service. The most recent actuarial valuation of the benefit plans for funding purposes was as of January 1, 2020, and the next required valuation will be as of January 1, 2023.

The College has adopted the following policies with respect to accounting for these employee benefits:

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

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2021

1. Significant accounting policies (continued):

(d) Employment future benefits (continued):

- (iv) The cost of short-term disability and other leaves is determined using management's best estimate of the length of the compensated absences.

(e) Use of estimates:

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Items subject to such estimates and assumptions include the carrying value of capital assets, valuation allowances for receivables; valuation of derivative financial instruments; and assets and obligations related to employee future benefits. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

(f) Financial instruments:

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

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

Unrealized changes in fair value are recognized in the consolidated statement of remeasurement gains and losses until they are realized, when they are transferred to the consolidated statement of operations.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

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

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2021

1. Significant accounting policies (continued):

(f) Financial instruments (continued):

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

Level 1	Fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2	Fair value measurements are those derived from market-based inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly
Level 3	Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data

(g) Student organizations:

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

2. Student Centre receivable:

The Students' Associations have approved annual payments to reimburse the College for the related debt repayment on the Student Centre (note 8). Payments are consistent with the related debt. The current portion of the amount receivable is \$147,016 (2020 - \$139,852).

Under the existing terms and rates, principal due in each of the next five years and thereafter is approximately as follows:

2022	\$ 147,016
2023	154,845
2024	163,092
2025	171,778
2026	180,926
Thereafter	825,330
	\$ 1,642,987

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2021

3. Investments:

	2021	2020
Short-term investments	\$ 4,243,960	\$ 1,065,753
Restricted investments	8,501,375	8,173,553
	\$ 12,745,335	\$ 9,239,306

	Fair Value Hierarchy	2021	2020
Equities	Level 1	\$ 5,770,756	\$ 4,625,273
Mutual funds	Level 2	6,974,579	4,099,128
Fixed income	Level 2	–	514,905
		\$ 12,745,335	\$ 9,239,306

Equities have been separated from mutual funds to reflect their fair value hierarchy. Unrealized gains (losses) are reflected in the consolidated statement of remeasurement gains and losses.

The restricted investments of \$8,501,375 (2019 - \$8,173,553) are externally restricted for endowments as detailed in note 1.

4. Capital assets:

2021	Cost	Accumulated Amortization	Net book Value
Land	\$ 159,066	\$ –	\$ 159,066
Buildings	130,027,053	64,541,633	65,485,420
Parking lots	2,973,745	955,434	2,018,311
Equipment	16,133,653	7,690,136	8,443,517
	\$ 149,293,517	\$ 73,187,203	\$ 76,106,314

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2021

4. Capital assets (continued):

2020	Cost	Accumulated Amortization	Net book Value
Land	\$ 159,066	\$ –	\$ 159,066
Buildings	128,191,685	61,758,312	66,433,373
Parking lots	2,973,745	662,529	2,311,216
Equipment	14,258,329	7,229,169	7,029,160
	<u>\$ 145,582,825</u>	<u>\$ 69,650,010</u>	<u>\$ 75,932,815</u>

5. Accounts payable and accrued liabilities:

	2021	2020
Accounts payable and accrued liabilities	\$ 5,777,334	\$ 8,445,991
Accrued salaries, wages and benefits	4,779,803	4,739,334
	<u>\$ 10,557,137</u>	<u>\$ 13,185,325</u>

6. Deferred contributions:

	2021	2020
Student tuition fees	\$ 25,776,365	\$ 15,601,347
Externally restricted donations	3,718,434	3,408,252
Expenses for future periods	4,315,674	3,423,815
	<u>\$ 33,810,473</u>	<u>\$ 22,433,414</u>

Details of the continuity of these funds are as follows:

	2021	2020
Balance, beginning of year	\$ 22,433,414	\$ 19,759,565
Additional contributions received	34,382,928	22,089,862
Amounts taken to revenue	(23,005,869)	(19,416,013)
Balance, end of year	<u>\$ 33,810,473</u>	<u>\$ 22,433,414</u>

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2021

7. Employee future benefits:

	2021	2020
Current portion:		
Vacation	\$ 3,733,411	\$ 3,532,620
Maternity top-up	212,361	200,772
	3,945,772	3,733,392
Non-pension employee future benefits	580,000	571,000
Sick leave benefits - non-vested	1,663,000	1,618,000
	2,243,000	2,189,000
	\$ 6,188,772	\$ 5,922,392

Vacation

The accrual for vacation represents the liability for earned but unpaid vacation entitlements.

Employee Future Benefits

Other employee future benefits:

The College allocates to certain employee groups a specified number of days each year for use as paid absences in the event of illness or injury. These days do not vest and are available immediately. Employees are permitted to accumulate their unused allocation each year, up to the allowable maximum provided in their employment agreements. Accumulated days may be used in future years to the extent that the employee's illness or injury exceeds the current year's allocation of days. Sick leave is paid out at the salary in effect at the time of usage. The most recent actuarial valuation of these sick leave benefits was completed February 11, 2020 and the result of this valuation have been extrapolated to March 31, 2021. The related benefit liability was determined by independent actuaries on behalf of the college system as a whole.

The following tables outline the components of the College's sick leave benefit entitlement:

	2021	2020
Accrued benefit obligation	\$ 1,920,000	\$ 2,010,000
Unamortized actuarial gains	(257,000)	(392,000)
Sick leave benefit entitlement liability	\$ 1,663,000	\$ 1,618,000

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2021

7. Employee future benefits (continued):

	2021	2020
Current service cost	\$ 203,000	\$ 81,000
Interest on accrued benefit obligation	32,000	30,000
Benefit payments	(217,000)	(120,000)
Amortized actuarial losses	27,000	16,000
Sick leave benefit expense	\$ 45,000	\$ 7,000

The probability that the employee will use more sick days than the annual accrual and the excess number of sick days used are within ranges of 0% to 26.2% (2020– 0% - 23.7%) and 0 to 51.0 days (2020 – 0 to 48.0 days) respectively for age groups ranging from 20 and under to 65 and over in bands of five years.

Non-pension Employee future benefits:

The College provides extended health care, dental insurance and life insurance benefits to certain of its employees under a multi-employer plan under CAAT. This coverage may be extended to the post-employment period. The most recent actuarial valuation of these employee future benefits was completed February 5, 2020 for the non-pension post-retirement plan and February 11, 2020 for the continuation of medical and dental benefits and the life waiver of premium benefit for employees currently on long-term disability. The results of these valuations have been extrapolated to March 31, 2021.

The related benefit liability was determined by independent actuaries on behalf of the college system as a whole. Variances between actuarial funding estimates and actual experience may be material and any differences are generally to be funded by the participating members. The College recognizes as expense for current services the amount of its required contribution in a given year and the change in the accrued benefit liability in the year.

The following tables outline the components of the College's employee future benefits liability and the related recovery:

	2021	2020
Accrued benefit obligations	\$ 654,000	\$ 637,000
Fair value of plan assets	(153,000)	(142,000)
Funded status – plan deficit	501,000	495,000
Unamortized actuarial gains	79,000	76,000
Employee future benefits liability	\$ 580,000	\$ 571,000

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2021

7. Employee future benefits (continued):

	2021	2020
Current service cost	\$ 3,000	\$ 4,000
Interest on accrued benefit obligation	1,000	2,000
Experience (gains) losses	15,000	(9,000)
Benefit payments	(4,000)	(5,000)
Amortized actuarial gains	(6,000)	(6,000)
Employee future benefits (recovery) expense	\$ 9,000	\$ (14,000)

Non-pension Employee future benefits (continued):

The significant actuarial assumptions adopted in estimating the College's accrued benefit liability are as follows:

	2021	2020
Discount rate	1.70%	1.60%
Dental benefit cost escalation	4.0%	4.0%
Medical benefits cost escalation:		
Hospital and other medical drugs	4.0%	4.0%
Drugs	8.0% decreasing To 4.0% in 2040	8.0% decreasing to 4.0% in 2040

8. Long-term debt:

	2021	2020
Ontario Financing Authority - Residence	\$ 6,363,960	\$ 6,922,222
Bankers acceptances - Residence	1,438,485	1,965,335
- Student Centre	1,642,987	1,782,569
NORCAT	1,324,655	1,394,371
	10,770,087	12,064,497
Less: current portion	(1,436,948)	(1,365,555)
	\$ 9,333,139	\$ 10,698,942

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2021

8. Long-term debt (continued):

The College has entered into an unsecured loan agreement with the Ontario Financing Authority for the residence. The residence loan bears interest at a fixed rate of 5.26%, and is repayable in blended monthly payments of \$75,753 with the final payment due on December 31, 2029.

The banker's acceptances were advanced under variable rate credit facilities in the principal face amounts of \$2.276 million and \$2.690 million for the residence and \$2.580 million for the Student Centre. Interest rates are adjusted monthly and were 1.2% - 1.49% plus stamping fees at March 31, 2021. The facilities are secured by a general security agreement. The Students' Associations are responsible to reimburse the College for the debt repayments on the Student Centre (note 2).

The College has entered into interest rate derivative agreements to manage the volatility of interest rates. The College converted floating rate debt for fixed rate debt at 5.2% to 5.74%. The fair value of the interest rate swaps of \$359,483 (2020 - \$517,947) has been determined using Level 3 of the fair value hierarchy.

The College has entered into an unsecured NORCAT balance with interest at 3.58%, payable in blended monthly payments of \$15,612 maturing November 2030.

Under the existing terms and rates, principal due in each of the next five years and thereafter is approximately as follows:

2022	\$ 1,436,948
2023	1,510,630
2024	1,261,110
2025	1,019,054
2026	1,071,041
Thereafter	4,471,304
	<u>\$ 10,770,087</u>

9. Deferred capital contributions:

Deferred capital contributions represent the unamortized and unspent balances of donations and grants received for capital asset acquisitions. Details of the continuity of these funds are as follows:

	2021	2020
Balance, beginning of year	\$ 45,232,808	\$ 44,943,683
Additional contributions received, net	2,727,463	2,963,429
Amounts amortized to revenue	(2,559,784)	(2,436,430)
Transfer to other funds	(240,827)	(237,874)
Balance, end of year	<u>\$ 45,159,660</u>	<u>\$ 45,232,808</u>

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CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2021

9. Deferred capital contributions (continued):

The balance of unamortized and unspent funds consists of the following:

	2021	2020
Unamortized deferred contributions	\$ 44,514,393	\$ 45,062,912
Unspent contributions	645,267	169,896
	<u>\$ 45,159,660</u>	<u>\$ 45,232,808</u>

10. Capital net assets:

Capital net assets are calculated as follows:

	2021	2020
Capital assets	\$ 76,106,314	\$ 75,932,815
Amounts financed by:		
Deferred capital contributions - unamortized	(44,514,393)	(45,062,912)
Long-term liabilities, net of student receivable	(9,127,100)	(10,281,928)
	<u>\$ 22,464,821</u>	<u>\$ 20,587,975</u>

11. Internally restricted and endowed net assets:

Details of internally restricted and endowed net assets are as follows:

	March 31, 2020		March 31, 2021	
	Balance, beginning of year	Additions/ Transfers	Disbursements/ Transfers	Balance, end of year
Infrastructure appropriation	\$ 13,521,509	\$ 8,000,000	\$ 2,382,896	\$ 19,138,613
Student activities fund	5,530	-	-	5,530
Conferences and projects	310,145	-	21,552	288,593
Restricted funds	<u>1,873,281</u>	<u>2,028,104</u>	<u>802,261</u>	<u>3,099,124</u>
	15,710,465	10,028,104	3,206,709	22,531,860
Endowment	8,173,553	327,822	-	8,501,375
	<u>\$ 23,884,018</u>	<u>\$ 10,355,926</u>	<u>\$ 3,206,709</u>	<u>\$ 31,033,235</u>

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2021

11. Internally restricted and endowed net assets (continued):

	March 31, 2019 Balance, beginning of year	Additions/ Transfers	Disbursements/ Transfers	March 31, 2020 Balance, end of year
Infrastructure appropriation	\$ 7,927,037	\$ 9,600,000	\$ 4,005,528	\$ 13,521,509
Student activities fund	5,700	—	170	5,530
Conferences and projects	288,045	66,142	44,042	310,145
Restricted funds	1,997,119	757,078	880,916	1,873,281
	10,217,901	10,423,220	4,930,656	15,710,465
Endowment	8,066,037	107,516	—	8,173,553
	\$ 18,283,938	\$ 10,530,736	\$ 4,930,656	\$ 23,884,018

12. Pension plan:

All full-time employees of the College, and any part-time employees who opt to participate, are members of the Colleges of Applied Arts and Technology Pension Plan (the "Plan"), a multi-employer jointly-sponsored defined benefit plan for public colleges in Ontario and other employers. The College makes contributions to the Plan equal to those of employees. Contribution rates are set by the Plan's governors to ensure the long-term viability of the Plan. Since the Plan is a multi-employer plan, the College's contributions are accounted for as if the plan were a defined contribution plan with the College's contributions being expensed in the period they come due.

Any pension surplus or deficit is a joint responsibility of the members and employers and may affect future contribution rates related to full-time members. The College does not recognize any share of the Plan's pension surplus or deficit as insufficient information is available to identify the College's share of the underlying pension assets and liabilities. The most recent actuarial valuation filed with pension regulators as at January 1, 2020 indicated an actuarial surplus of \$2.9 billion. The College made contributions to the Plan and its associated retirement compensation arrangement of \$5,305,1007 (2020 - \$5,125,861), which has been included in the consolidated statement of operations.

13. Commitments and contingencies:

(a) The College has entered into agreements to lease equipment and premises. The total annual minimum lease payments to maturity are approximately as follows:

2022	\$ 759,051
2023	287,478
2024	261,691
2025	194,038
	\$ 1,502,258

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CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2021

13. Commitments and contingencies (continued):

- (b) Contingencies: The College is involved with outstanding and pending litigation and claims which arise in the normal course of operations, primarily as a result of grievances filed under the provisions of the union collective agreements. In management's opinion any liability that may arise from such contingencies would not have a significant adverse effect on the consolidated financial statements of the College. Losses in excess of the provision recorded in the consolidated financial statements, if any, arising from these contingencies will be accounted for in the year in which they are determined.
- (c) The College has entered into a capital lease of equipment. The College is not required to make payments on this lease unless energy savings are realized.

14. Changes in non-cash working capital:

	2021	2020
Cash provided by (used in):		
Increase in accounts receivable	\$ (904,743)	\$ (2,245,517)
Decrease (increase) in grants receivable	2,257,916	(332,700)
Decrease in prepayment and inventories	57,120	80,758
Increase (decrease) in accounts payable and accrued liabilities	(2,628,188)	1,019,881
Increase in deferred contributions	11,377,059	2,673,849
	<u>\$ 10,159,164</u>	<u>\$ 1,196,271</u>

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2021

15. Risk management:

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations, resulting in a financial loss. The College is exposed to credit risk relating to its cash, grants and accounts receivable and current and long-term investments. The College holds its cash accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the College's cash accounts are insured up to \$300,000 (2020 - \$300,000).

Accounts receivable are comprised of government, student receivables, the current portion of long-term receivables and other receivables. Student receivables are ultimately due from students, and credit risk is mitigated by financial approval processes before a student is enrolled and the highly diversified nature of the student population. Government receivables are ultimately due primarily from MCU, as well as other government entities, and credit risk is mitigated by the governmental nature of the funding source. Other receivables arise during the course of the College's normal operations and are due from a diverse customer base. The College measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is set up based on the College's historical experience regarding collections.

Student and other receivables not impaired are collectible based on the College's assessment and past experience regarding collection rates. The maximum exposure to credit risk of the College at March 31, 2021 is the carrying value of these assets.

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2021

15. Risk management (continued):

(a) Credit risk (continued):

The amounts outstanding at year end were as follows:

As at March 31, 2021	1 - 90 days	91 - 180 days	181 - 270 days	270+ days	Total
Grants receivable	\$ 341,973	\$ -	\$ -	\$ -	\$ 341,973
Accounts receivable	7,728,168	734,137	196,977	499,347	9,158,629
Current portion of student centre receivables	147,016	-	-	-	147,016
Student centre receivables	-	-	-	1,495,971	1,495,971
Gross receivables	8,217,157	734,137	196,977	1,995,318	11,143,589
Impairment allowances	431,883	75,698	51,068	166,449	725,098
Net receivables	\$ 7,785,274	\$ 658,439	\$ 145,909	\$ 1,828,869	\$ 10,418,491

As at March 31, 2020	1 - 90 days	91 - 180 days	181 - 270 days	270+ days	Total
Grants receivable	\$ 2,599,889	\$ -	\$ -	\$ -	\$ 2,599,889
Accounts receivable	7,502,619	236,457	91,327	117,264	7,947,667
Current portion of student centre receivables	139,852	-	-	-	139,852
Student centre receivables	-	-	-	1,642,717	1,642,717
Gross receivables	10,242,360	236,457	91,327	1,759,981	12,330,125
Impairment allowances)	367,677	15,077	15,941	20,184	418,879
Net receivables	\$ 9,874,683	\$ 221,380	\$ 75,386	\$ 1,739,797	\$ 11,911,246

The maximum exposure to investment credit risk is outlined in note 2.

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

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CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2021

15. Risk management (continued):

(b) Market risk:

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

The investment policies of the College and the Foundation operate within the constraints of the investment guidelines issued by the MCU. The policies' application is monitored by management, the investment managers and the Board of Governors. Diversification techniques are utilized to minimize risk.

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

(i) Currency risk:

Currency risk arises from the College's operations in different currencies and converting non-Canadian earnings at different points in time at different foreign currency levels when adverse changes in foreign currency rates occur. The College does not have any material transactions or financial instruments denominated in foreign currencies.

(ii) Interest rate risk:

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. The College is exposed to this risk through its interest bearing investments, bankers' acceptance loans and long-term debt.

The College mitigates interest rate risk on its long-term debt through derivative financial instruments (interest rate swaps) that exchange the variable rate inherent in the bankers' acceptance loans and long-term debt for a fixed rate as described in note 8. Therefore, fluctuations in market interest rates would not impact future cash flows and operations relating to the long-term debt.

(iii) Equity risk:

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The College is exposed to this risk through its mutual fund holdings within its investment portfolio. At March 31, 2021, a 10% movement in the stock markets, with all other variables held constant, would have an estimated effect on the fair values of the College's equity and mutual fund holdings of \$1,275,000 (2020 - \$923,000).

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2021

15. Risk management (continued):

(c) Liquidity risk:

Liquidity risk is the risk that the College will not be able to meet all of its cash outflow obligations as they come due. The College mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise. Accounts payable are all current and the terms of the long-term debt are disclosed in note 8.

Derivative financial liabilities mature as described in note 8.

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

The following table sets out the contractual maturities (representing undiscounted contractual cash flows) of financial liabilities:

As at March 31, 2021	Within 6 months	6 - 12 months	1 - 5 years	5+ years	Total
Accounts payable	\$ 10,557,137	\$ -	\$ -	\$ -	\$10,557,137
Long-term debt	-	1,436,948	4,861,837	4,471,302	10,770,087
Lease commitments	-	759,051	743,207	-	1,502,258
	\$ 10,557,137	\$ 2,195,999	\$ 5,605,044	\$ 4,471,302	\$ 22,829,482

As at March 31, 2020	Within 6 months	6 - 12 months	1 - 5 years	5+ years	Total
Accounts payable	\$ 13,185,325	\$ -	\$ -	\$ -	\$ 13,185,325
Long-term debt	-	1,365,555	5,236,169	5,462,773	12,064,497
Lease commitments	-	626,512	666,218	-	1,292,730
	\$ 13,185,325	\$ 1,992,067	\$ 5,902,387	\$ 5,462,773	\$ 26,542,552

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Consolidated Financial Statements

Year ended March 31, 2021

15. Risk management (continued):

(d) Other risk:

The College's main sources of revenue are tuition fees and government operating grants. In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This resulted in the Canadian and Provincial governments enacting emergency measures to combat the spread of the virus. The College halted all in-person activity and closed its facilities to staff and students and moved to an online education format in March 2020 based on recommendations from Public Health Ontario. In spring 2020, the College allowed for essential staff to return to campus and practical training to be completed in person. The College will continue to operate in this hybrid model with online program delivery and practical training until government and Ministry regulations allow a full return to campus.

In response to the adverse impact the pandemic has had on domestic and international tuition fee revenue, as well as ancillary revenue including residence and parking fees, the College has undertaken certain cost cutting measures. The Provincial government has provided financial relief in the form of grants totaling \$775,256.

The impact of COVID-19 is expected to negatively impact operations for a duration that cannot be reasonably predicted. The further overall operational and financial impact is highly dependent on the duration of COVID-19, including the potential occurrence of additional waves of the pandemic, and could be affected by other factors that are currently not known at this time. Management is actively monitoring the effect of the pandemic on its financial condition, liquidity, operations, suppliers, and workforce. Given the daily evolution of the pandemic and the global responses to curb its spread, the College is not able to fully estimate the effects of the pandemic on its results of operations, financial condition, or liquidity at this time.

16. Comparative information:

Certain 2020 comparative information has been reclassified to conform with the presentation adopted in 2021.

CAMBRIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Schedule of Revenue

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Grants and reimbursements:		
MCU		
Operating	\$ 18,975,096	20,068,930
Specific purpose	10,393,820	10,624,428
Other	4,981,580	5,780,312
Federal government - other	886,115	939,340
Ontario government grants - other	400,650	664,035
	\$ 35,637,261	38,077,045
Tuition fees:		
Full-time	\$ 33,071,299	36,397,611
Part-time	1,288,145	2,009,348
	\$ 34,359,444	38,406,959
Business Development:		
Residence	\$ 3,199,053	4,630,600
Parking	171,905	732,015
Hospitality/conference planning	66,441	257,575
Rentals	41,400	207,161
	\$ 3,478,799	5,827,351
International programs and other:		
Miscellaneous	\$ 1,577,295	3,142,096
Other tuition related fees	2,330,825	2,214,859
International programs	17,160,845	12,775,926
Contract training/Enterprise Centre	188,166	612,071
	\$ 21,257,131	18,744,952
Restricted:		
Donations	\$ 545,487	621,268
Investment income	1,455,340	73,311
Other	145,491	66,142
	\$ 2,146,318	760,721

**CAMBRIAN COLLEGE OF APPLIED ARTS
AND TECHNOLOGY**

Schedule - Consolidated Operating Expenses by Cost Object

Year ended March 31, 2021, with comparative information for 2020

	Academic	Administration	Special Projects	Physical Resources	Student Services	Business Development	International Activities	Total 2021	Total 2020
Academic salaries	\$ 25,991,049	96,775	983,349	-	190,725	-	-	\$ 27,261,898	\$ 27,748,063
Support salaries	3,500,578	3,191,014	2,061,091	1,223,929	3,804,694	166,077	163,054	14,110,437	15,330,289
Fringe benefits	6,572,449	1,582,453	981,989	495,837	1,479,059	110,805	175,524	11,398,118	11,131,099
Administration salaries	2,214,879	3,159,251	1,296,225	599,688	1,496,604	258,324	565,809	9,590,780	8,955,203
Contracted services	350,706	783,661	149,375	2,123,455	338,661	1,354,144	1,583,054	6,683,056	9,320,969
Utilities and services	2,039	-	5,800	1,130,779	-	372,149	-	1,510,767	1,376,314
Interest on long-term debt	-	49,323	-	-	-	449,445	-	498,768	569,258
Instructional supplies and development	1,512,309	287,461	165,074	-	174,808	-	-	2,139,653	1,790,204
Supplies and other	29,602	621,924	71,166	139,150	54,636	12,871	1,420	930,770	1,396,554
Promotion and public relations	18,299	447,800	108,385	686	224,087	10,863	99,515	909,635	1,009,819
Equipment maintenance	207,160	1,791,374	4,641	685,613	23,439	34,566	-	2,746,793	2,476,756
Information technology	55,708	716,964	12,436	-	5,626	-	-	790,734	674,245
Professional fees	30,372	725,189	1,665	5,657	46,102	176,233	177,777	1,162,996	1,287,446
Travel	14,194	5,913	48,599	2,652	1,685	-	16,415	89,457	879,423
Stipends and allowances	-	-	470,215	-	-	-	-	470,215	565,963
Rentals	-	12,431	205,132	-	-	22,204	-	239,766	258,766
Facilities maintenance	43,114	-	-	1,728,525	-	182,847	-	1,954,485	1,630,391
Clinical and field work	508,388	32,874	-	-	-	-	-	541,262	542,150
Bursaries	8,209	417,276	-	-	146,753	-	555,724	1,127,962	1,254,595
Professional development	5,442	109,717	19,282	1,279	14,075	-	3,282	153,077	338,643
Special events	7,390	70,268	113,030	-	80,633	578	3,848	275,748	857,154
Insurance	-	341,794	-	-	-	-	-	341,794	302,190
Municipal taxation	-	-	-	353,250	-	-	-	353,250	348,038
Cost of sales	73,545	-	-	-	-	33,864	-	107,410	279,127
Printing and duplicating	15,899	45,160	2,338	107	2,228	486	-	66,217	287,273
Telecommunications	23,753	368,761	26,302	12,336	14,765	2,053	2,164	450,134	252,594
Fees and memberships	10,699	65,358	6,914	-	1,566	2,781	847	88,165	128,119
	\$ 41,195,785	14,922,743	6,733,006	8,502,944	8,100,146	3,190,291	3,348,433	\$ 85,993,347	\$ 90,990,641