

CONESTOGA

Connect Life and Learning



# ANNUAL REPORT

2021/22



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# Message from the President

The year 2021-22 was unique in the history of Conestoga as we continued to operate in the shadow of the global pandemic. Thanks to the widespread availability of vaccines and strict adherence to infection prevention and control measures, we had the opportunity to create a safe working and learning environment and welcome more students and employees back to campus as we embarked on the first year of Conestoga's 2021-2024 Strategic Plan.

While the last two years have presented unique challenges as a result of COVID-19, they have also presented new opportunities to accelerate our digital transformation and develop new, more flexible models for learning and working that will continue to shape our path going forward.

Despite the challenges, Conestoga made substantial progress over the past year towards the realization of our vision for leadership in applied learning and research to meet the needs of the communities we serve. We've maintained our strong focus on quality programming and services while building capacity to address urgent workforce needs in areas such as health care and the skilled trades.

We've continued to invest in new and enhanced facilities that will support our growing enrolment and engaged a record number of international students from more than 85 countries around the world. A new Conestoga campus in Milton, announced in June 2021, will expand our reach and provide new opportunities to support learners and businesses in one of Ontario's fastest growing communities.

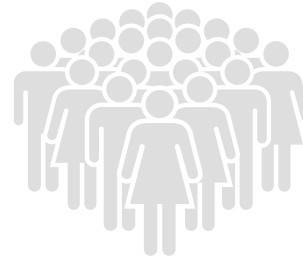
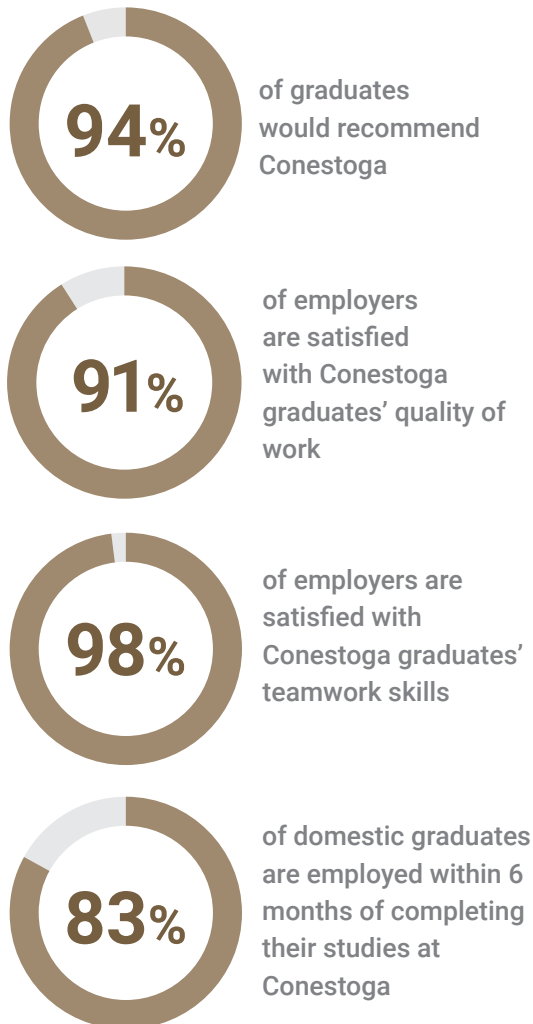


Strong financial performance in 2021-22 will support further investment in our campuses and facilities as we grow, providing students with an outstanding learning experience and preparing them for successful futures.

The dedication and flexibility demonstrated by Conestoga's Board of Governors, our staff, students and partners has been instrumental in our success, enabling us to make progress towards our goals through these challenging times.

Thank you for your continued support,  
**John Tibbits, President**

# CONESTOGA AT A GLANCE



**31,599**  
FULL-TIME STUDENTS

**13,293**  
PART-TIME & CONTINUING EDUCATION STUDENTS

**10,000**  
GRADUATES ANNUALLY

**18,904**  
FULL-TIME INTERNATIONAL STUDENTS

**2,707**  
APPRENTICESHIP STUDENTS

**160,000+**  
ALUMNI

**240**  
FULL-TIME PROGRAMS

**17**  
DEGREES

**87**  
DIPLOMA/ADVANCED DIPLOMAS

**51**  
CERTIFICATES

**64**  
GRADUATE CERTIFICATES

**21**  
APPRENTICESHIPS

**103**  
PROGRAM ADVISORY COMMITTEES

**1038**  
PROGRAM ADVISORY COMMITTEE MEMBERS





## Vision

A recognized leader in applied learning and research that enables student success in meeting workforce demands

## Mission

To promote the prosperity and well-being of the communities we serve through the delivery of programming, workforce development, and industry-focused research that meets local, regional, and international demands

## Values

### **Student focus**

We create the environments for students to realize their potential and graduate as individuals who can make meaningful contributions to their communities.

### **Collaboration**

We work with government, industry, community, and international partners to reach our strategic goals and create a vibrant learning and working environment built on excellence, quality, and respectful interactions.

### **Accountability**

We fulfill our commitments to the organization and the broader college community by assuming responsibility for our individual conduct, action, and results.

### **Inclusiveness**

We promote and foster a college community that is characterized and enriched by equity, diversity, and inclusivity.

### **Innovation**

We constantly strive to improve, enhance, and rethink the programs and services we provide to achieve ongoing improvement and higher standards of performance.

# 2021/22 ANNUAL REPORT



**THIS ANNUAL REPORT DETAILS OUR PROGRESS AGAINST THE 2021-22 BUSINESS PLAN AND IS ALIGNED WITH THE STRATEGIC PRIORITIES AND THE THREE PILLARS OF CONESTOGA'S 2021-2024 STRATEGIC PLAN.**

## **QUALITY**

Demonstrating excellence in programming and services while providing an outstanding learning and working environment for students and employees

## **CAPACITY**

Continuing campus growth with enhanced access to programming for diverse learners and increased enrolment to meet the workforce needs of the communities we serve

## **SUSTAINABILITY**

Develop and enhance stakeholder relationships and partnerships and support employers in responding to changing social and economic conditions while optimizing organizational performance and supporting environmental sustainability



# 2021/22 ACHIEVEMENTS

## PILLAR 1 - QUALITY



Conestoga's exponential growth over the past several years has been accompanied by a significant investment in services and practices to support the quality of academic programs and processes. A College Quality Assurance Audit Process concluded in 2021 resulted in the highest possible quality ranking along with commendations from an independent panel of auditors, who concluded that "A quality culture is modelled throughout the college." At Conestoga, ensuring quality student and employee experiences drives what we do and how we do it.



## Quality Programming and Services

To ensure high quality, Conestoga continues to adapt and transform programming and processes across the college. Annual program reflections (APRs) combined with major program reviews (MPRs) completed on a five-year cycle help ensure continuous improvement of programs. These initiatives assess program performance and support student success. In 2021-22, 42 non-degree programs participated in the Major Program Review (MPR) framework and 323 Annual Program Reflections (APR) were completed.

Student feedback helps to improve and enrich the learning experience. Results from the annual student survey are embedded in both APRs and MPRs and contribute to ongoing improvements in teaching and learning as well as the overall student experience. Identification and analysis of courses with low success rates helps to determine areas for improvement.

Professional development opportunities support Conestoga employees in their efforts to deliver quality programming and services while meeting evolving needs. Given the increased emphasis on technology-based solutions to support remote and hybrid program delivery, workshops for faculty included such topics as using Zoom in synchronous and asynchronous classes; favourite apps for learning; creating videos for action; designing

accessible, engaging, and interactive presentations; and the use of Pressbooks.

Teaching & Learning consultants provided a range of courses to enhance faculty effectiveness in-person and in virtual environments. Pre-recorded topics are available 24/7, and faculty can meet with consultants for personalized sessions to address areas of interest.

Employee development workshops on topics such as working in effective teams, intercultural customer service, and equity, diversity and inclusion attracted more than 7,300 registrations in 2021-22. Conestoga employees are also encouraged to pursue lifelong learning and professional development through the availability of tuition assistance and funding support for eligible programs and activities.

Remote and hybrid learning environments have inspired Conestoga to create immersive learning simulations across program areas, providing students with accessible experiential learning. A new Mobile XR Studio now available at Conestoga can bring immersive VR/XR experiences to any campus to support student learning. This innovation is unique in Ontario and creates many new opportunities for immersive learning.







## Supporting Student Success

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Conestoga is committed to supporting student success and achievement. The launch of a new Student Success Portal (SSP) in 2021-22 enhanced student access to services by providing a unified location for students to book appointments, review appointment consultation notes, and access service information and resources such as videos and tutorials.

A new, personalized orientation website includes a user-friendly design, personalized information, transition checklists, and activities for incoming students based on their program, campus, and background. The website also provides direct access to Conestoga 101, a unique online learning course designed to support a successful transition to college for our students.

Efforts to increase student awareness of essential information, programs and services were enhanced in 2021-22 to further support both their success

and their satisfaction. These efforts included the development of promotional materials and social media campaigns as well as the introduction of new processes to simplify referrals and access to services. The Essential Elements tool now included in each eConestoga course shell guides faculty in updating course information and helps provide students with a consistent learning experience.

A provincial initiative launched in 2021-22 includes new opportunities to provide accommodations for students requiring support. Open access digital tools and a best practice guide associated with this initiative will also help students increase their understanding of their own abilities and needs.

## Outstanding Working and Learning Environment

Supporting students' health and well-being through increased access and awareness of available services was a focus area in 2021-22. A new interdisciplinary CARE team was launched to manage and support complex student issues and enhance campus response processes. A new Health Promotion Specialist was hired to assess and address student needs and ensure that appropriate supports are available when and as they are needed. These changes and our Medical Clinic are particularly important in meeting the needs of international students as they transition to a new country.

The availability of sports and recreational activities helps contribute to a positive college experience. In response to changing needs and expectations, Conestoga recently introduced esports for students, with plans underway to create a dedicated esports facility. Academic programs were also developed over the past year for students who want to pursue a career in this growing area.

New resources were introduced in 2021-22 to support employee well-being and contribute to a positive working experience. *All Things Conestoga* is a dedicated website for employees that provides access to information related to mental health, self-care, and college-related resources. Eligibility for Employee & Family Assistance Program services was expanded to include all employees and families.

Employee Experience & Development in collaboration with Student Engagement developed and delivered a broad range of programming to foster a positive learning and working community at Conestoga. Initiatives included special events and activities honouring diverse groups as well as broader awareness and training sessions on topical issues such as Sexual Violence Awareness and Sexual and Gender Based Violence Prevention. Programming will continue to evolve to reflect changing interests and needs.

Team development initiatives and programs were introduced to enhance the employee experience and assist teams in functioning effectively. The Academic Leader Action Roundtable (ALAR) provides a forum for academic leaders to focus on human resources and academic leadership as well as financial and operations planning. Discussion groups held on a monthly basis provide ongoing opportunities to discuss current and emerging challenges and develop potential solutions. Team and individual coaching is provided by International Coaching Federation certified coaches.

Technical training is provided by the IT department on a monthly basis in areas such as Zoom, Microsoft Teams, and SharePoint. The IT website provides comprehensive support to both students and employees.





## Fostering Engagement

Fostering engagement and relationships with all stakeholder groups is crucial for the college. Many initiatives were undertaken in 2021-22 to engage our stakeholders and build or sustain positive relationships.

Alumni Engagement continued efforts to build meaningful relationships with Conestoga graduates and create broader understanding of the impact of graduates within their industries and communities. In 2021-22, greater emphasis was placed on engaging in digital and online spaces to share and celebrate alumni successes, communicate college support services available to graduates and provide opportunities to connect with the college.

Donor Relations & Stewardship continued to sustain and nurture the college's relationship with retirees, friends and partners, while providing meaningful experiences that offer creative opportunities to engage with the college.

Conestoga's traditions of recognizing employees' achievement and contributions to the college and the community were maintained through virtual events such as the Employees for Excellence in

Education (E3) annual conference, the President's Townhall series, and the Retiree and Guild receptions held to celebrate employee milestones.

Employees and stakeholders were engaged in the development of Conestoga's new Strategic Plan, with opportunities to participate in focus groups, provide opinions and input, and help shape our path forward. A new online onboarding program developed in 2021-22 will ease transition for the newest members of our employee community.

The pandemic continued to influence the approaches taken to engagement with key stakeholder groups. Virtual events and digital communication strategies were used to help prospective students find information, make connections and determine the best path to meet their career and academic goals.

In Conestoga's Gig Lab business incubator for freelance businesses, students and alumni received coaching in positioning their offering, setting up the mechanics of a business and sales, marketing, and customer service.

**FOSTERING ENGAGEMENT  
AND RELATIONSHIPS WITH  
ALL STAKEHOLDER GROUPS  
IS CRUCIAL FOR THE  
COLLEGE.**



# 2021/22 ACHIEVEMENTS

## PILLAR 2 - CAPACITY



Conestoga is committed to continued growth to provide high quality education opportunities for more local and international learners. Increasing capacity at existing campuses and establishing additional locations will support continued development of the college and its programming as we expand current programs to address today's workforce needs and establish new programs to meet the demands of the future.







## Campus Expansion and Enhancement

During 2021-22, Conestoga continued to invest in the revitalization of existing facilities with a focus on developing new campus spaces to support college growth. Significant projects include expansion at the Downtown Kitchener campus. Renovations of existing unused space at this location will create additional academic spaces for use beginning in September, 2022. The renovations also include space for expanded career services and entrepreneurship activities to better serve students, alumni, and our communities.

Planning continues for the development of Conestoga's future campus at the Milton Education Village in collaboration with Wilfrid Laurier University and the Town of Milton. In 2021-22, the college also established an IELTS Testing Centre in Milton to provide local access to English language testing services and secured an additional location that will bring additional Conestoga programming to Milton in September, 2023.

Conestoga continued to expand the PSW and Nursing programs in 2021-22 with support provided through the Cowan Foundation as well as capital investments and provincial grant funding. Partnerships with Schlegel Villages and other long-term care providers have been instrumental in our success at expanding the delivery of health-care

programming within our communities and across the province.

Development of Conestoga's Skilled Trades campus in Cambridge continued in 2021-22, with the initial phase of the new facility on-track to open in September 2022. The new campus will provide additional capacity to help address the growing demand for skilled trades workers and feature state-of-the-art facilities and equipment that will help attract more students to careers in the trades.

In 2021-22, Conestoga invested in additional technology for hy-flex classrooms to expand and enhance hybrid learning opportunities. These classrooms provide technology options that support students learning in-person as well as those studying remotely. Conestoga has also invested resources into online learning programs to enhance high quality program options for students.

A Work Location Initiative completed in 2021-22 provided guidance, policies, and plans for employees' return to campus following the COVID-19 pandemic. The initiative includes a blueprint for current and future space renovations and flexible options that will allow employees to remain connected to the campus whether working in-person, hybrid, or remotely.



## Enrolment Growth and Diversification

Conestoga continues to plan for both domestic and international enrolment growth across all campus locations as we work to meet current and emerging workforce demands and prepare learners for success in the jobs of the future.

Conestoga developed 14 new programs in 2021-22 and continues to provide new options in consultation with our Program Advisory Committees (PACs) to meet market demand.

A new marketing plan was completed in 2022 to ensure that Conestoga remains the top choice for local domestic students in the communities the college serves. Promotion and recruitment activities continue to evolve to meet changing needs and expectations, and include a range of virtual and online options as well as in-person events and tours.

During the past year, Conestoga attracted more international students than any other Ontario college. This achievement resulted from continued efforts to support international students through high quality services and a broad range of program options. Providing multiple campus location options with access to transportation plays an important role in our success at supporting international students, who often face challenges related to housing and related costs.

Conestoga's international recruitment team has been expanded to include representatives in the Philippines, Vietnam, Pakistan, Thailand, Brazil, and Eastern Europe. This investment and focus will expand the diversity of Conestoga's international student population. As COVID travel restrictions are

removed, applications from international students continue to increase.

The inclusion of international exchange and learning opportunities in Conestoga programs supports the delivery of a high quality learning experience for students and employees. A detailed program review has commenced to identify specific opportunities across all programs to provide students with international learning experiences.

Initiatives to encourage participation by underrepresented groups at Conestoga continued to grow in 2021-22. Conestoga is a leader in dual credit programming and works closely with local school boards at each campus location to provide skills development opportunities for at-risk youth. The college's Jill of all Trades initiative has received significant financial support in the past year to provide more opportunities to encourage young women to consider a career in the trades. Conestoga's Indigenous Services team continues to provide social, cultural and academic supports to Indigenous students with new initiatives now underway that will result in further opportunities in future.

Extensive work on the enrolment dashboard was completed in 2021. This dashboard provides additional visibility to enrolment plans by program and by campus and aids with budgeting and capacity planning. Using space effectively and efficiently allows Conestoga to achieve growth plans in a sustainable way.



## Developing In-Demand Graduates

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An important part of our work focuses on providing employers with graduates who have the skills and knowledge to make a positive contribution in the workplace. Conestoga's efforts to ensure that graduates are work-ready included a number of initiatives in 2021-22.

Workshops and one-on-one meetings supported domestic and international graduates in their efforts to present themselves professionally and effectively during interviews. A new *Graduate Job Search Day* initiative specifically designed for international students and graduates provided enhanced support for their job search and successful transition to work. New, dedicated programming for graduating students as well as mini fairs held in-person at each campus also helped to promote post-graduate job search success.

Through the use of technology, students, alumni and community job seekers can now access support 24/7 in the critical areas of resume and interview skill development.

A new experiential module for Work Integrated Learning (WIL) opportunities piloted in 2021-22 on the MyCareer platform enhanced the overall student experience in navigating WIL placements by facilitating quality placements and meaningful experiential learning outcomes.

Engaging in applied research empowers students to join the next generation of innovators. It provides opportunities for students to learn and grow in a rich experiential learning environment while driving collaboration and engagement with industry and community partners.

The Conestoga Entrepreneurship Collective (CEC) was created to empower and inspire students, graduates, and alumni to successfully participate in Waterloo Region's innovation economy and entrepreneurship ecosystem. CEC provides pathways to support launching a new business, becoming a freelancer, or developing critical support services for the technology ecosystem.



## Market-Driven Programs and Applied Research

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Conestoga continues to expand applied research activities with further development of centres of innovation. These activities support Conestoga's commitment to providing a full range of accessible, career-focused programs aligned to workforce and community needs.

Annual rankings by Research Infosource, a Canadian leader in research and development intelligence, placed Conestoga among Canada's top 20 research colleges for 2021, with research income exceeding \$6.3M. Members of Conestoga's Program Advisory Committees (PACs) provide insights into current and future business needs for future ready graduates. In 2021-22, more than 1,000 industry and community leaders were engaged in PACs to provide input and guidance on college programming.



**OPPORTUNITY TO LEARN IN RICH  
EXPERIENTIAL LEARNING ENVIRONMENTS**



## Technology Infrastructure

Conestoga continues to invest in building and maintaining digital capacity as we work towards the achievement of our quality, capacity, and sustainability goals.

Technology investment is essential to the success of flexible working, teaching, and learning arrangements. In 2021-22, this investment included hy-flex classroom and BYOD (Bring Your Own Device) academic spaces. With a continued emphasis on hybrid learning models going forward, Conestoga will continue to monitor and revise standards to provide students with the best possible learning experience.

New teaching booths were established at each campus location to support online teaching options. A staff laptop initiative supports more flexible work arrangements and provides standardized equipment and accessories in employee work areas across all campuses.

Hybrid programs continue to be developed through investments in the Online Learning department and the Virtual Reality initiative. At the beginning of the pandemic, Conestoga invested \$2M in these projects to support additional growth. In the past year, additional staff have been hired for these areas and a new recording studio has been completed to provide better quality online learning options for all programs.

Providing students and employees with a high quality technology experience is essential to current and future growth. In 2021-22, some IT staff were relocated to a new administrative centre that provides an updated data centre and technology support. Conestoga is also working through the process of selecting a new ERP (Enterprise Resource Planning) solution to support future technology needs. Implementation of the new ERP system is expected to commence in 2022.

Cybersecurity continues to be a focus at Conestoga with additional investments made over the past year to mitigate risks. Multi-factor authentication (MFA) was implemented during 2021 and new processes put in place to minimize the risk of cybersecurity attacks. The college will continue to increase investment in this area.

As hybrid and remote options continue to be developed, Conestoga is overhauling the telecommunications systems to provide cost-effective and efficient ways to communicate internally and externally with less reliance on the physical phone system. The project is now underway and is expected to be complete in late 2022.



# 2021/22 ACHIEVEMENTS

## PILLAR 3 - SUSTAINABILITY



For Conestoga, strategic growth, collaborative partnerships, community engagement and responsible resource management provide a strong foundation for the achievement of our ambitious vision. In 2021-22, we continued our efforts to develop and enhance stakeholder relationships and partnerships and support employers in responding to changing social and economic conditions while optimizing organizational performance and supporting environmental sustainability.



## Optimizing Organizational Performance

Conestoga has effectively adjusted to an environment that has been reshaped by the challenges and complexity of a global pandemic. Optimizing organizational performance is a key factor in responding to these changes.

While efficiency continues to be a focus in organizational performance, Conestoga continues to invest in projects and plans that support the college's goals and strategic priorities. Financial results for the 2021-22 fiscal year provide the necessary resources to support the capital plans for growth.

The Skilled Trades Campus in Cambridge represents a significant investment by the college. The Project Steering Committee meets regularly and reports to the Board and its committees to ensure that the project remains on time and on budget, with Phase 1 scheduled to open by September, 2022. Bringing programs from various campuses including Doon, Cambridge, and Waterloo to a single, trades-focused campus will help to optimize the performance of the programs and provide additional services and support for trades programming.

Conestoga is committed to expansion in Milton in partnership with the Town of Milton and Wilfrid Laurier University. In 2021-22, the college finalized the transfer of property from the Town for future development and completed the purchase of additional property that will support the expanded delivery of Conestoga programming in Milton in September, 2023. A longer term master plan is also underway to prepare for future growth.

A Work Location Initiative was launched at Conestoga during the past year to address new remote and hybrid work and learning options. As Conestoga continues to grow and compete

for top talent, this flexibility has proven to be a significant factor in our ability to attract and retain employees and students. The initiative includes a multi-year renovation plan to provide hybrid working environments in a sustainable and cost-effective manner.

In response to significant enrolment growth and the adoption of new learning models, the college will develop functional space plans for each campus to optimize the use of existing space and provide appropriate learner and employee supports. In 2021-22, some of Conestoga's administrative and employee functions in IT, Online Learning, and Finance were moved to a central location to provide additional academic and student space at the Doon campus. A more detailed student enrolment planning model has been developed and provides key information to help guide program decisions and the budget process.

During the pandemic, many services were provided to students in an online format. In some cases, these virtual options proved to be more timely and effective than their in-person counterparts in addressing student needs. Conestoga has undertaken a full review of our service delivery model to determine where online options should be available to augment in-person services.

Conestoga continues to work with other colleges on collaborative agreements to save costs and resources. Conestoga has increased the use of Ontario Education Collaborative Marketplace (OECM) and collaborative Ministry agreements in the past year. As well as providing cost savings, these collaborative agreements allow the college to move ahead more quickly and save resources in negotiating and working with vendors.



## Supporting Environmental Sustainability

All aspects of managing current facilities and planning new infrastructure at Conestoga are approached through a sustainability lens as we work towards improving energy efficiency, reducing GHG emissions, and implementing waste reduction strategies.

In March 2020, the pandemic required staff and students to adjust to a new reality of working and learning from home. Over the past two years, this transition has dramatically altered previous practices and processes. A printing review in 2021-22 revealed a substantial reduction in the number of printers required and resulted in guidance to students and employees on other options to reduce printing and paper storage. In addition to reducing costs, the initiative has provided students and employees alike with alternatives that will reduce printing and storage requirements going forward.

A capital replacement plan is underway to identify short term and long term equipment and operating system replacements. This review also identifies areas where replacements could result in energy-efficient alternatives. Conestoga continues to include energy projects in the repairs and maintenance plan as part of our effort to address environment sustainability.

A college-wide waste management plan is underway and will be updated to account for changes in waste management needs as more employees and students return to campus. A waste audit is completed each year to identify areas for improvement. Significant reductions in paper-based documents and printing requirements over the past two years have already generated significant improvements.



**Phase one of the installation of a 1.3MW photovoltaic system that converts light into electricity at the Doon campus began in 2021. The system is expected to be operational in September 2022, with phase two included in the 2022-23 capital budget. The installation of such systems will significantly improve energy efficiency at each campus.**



## Community Engagement and Marketing

Conestoga continues to pursue a range of initiatives and partnerships that support enrolment goals, enhance the student learning experience and address the needs of the communities we serve.

In 2021-22, marketing and recruitment efforts continued to leverage digital technologies and platforms as a means of engaging prospective students and sharing information regarding Conestoga programs and services. Targeted digital marketing campaigns, increased engagement levels with the college website, and enhanced opportunities for prospective students to connect virtually with Conestoga contributed to an increase in first-year domestic student enrolment in 2021-22.

Conestoga is an active contributor and partner to local municipalities and civic organizations as we work to build a brighter future for the communities we serve. Examples of engagement over the past year include a plan to work in collaboration with the City of Cambridge for the development of a new soccer complex. As envisioned, the complex will create high quality sports and recreation opportunities for athletes and youth across the

community as well as for our students, while showcasing the City as a destination of choice for sports tourism.

The college is also working with the City of Kitchener and other stakeholders for the development of a new Secondary Plan for Lower Doon to guide and manage growth and change in the neighbourhood that hosts Conestoga's flagship campus.

In addition to these initiatives, the college continues to support local Chambers of Commerce and provide representation and input on a wide range of municipal, regional, provincial, national and international committees.

The college continues to rely on the generous support of donors, partners and friends to enhance programming, contribute to ongoing development projects and provide direct support for students. In 2021-22, the value of cash gifts and gifts-in-kind donated to Conestoga exceeded \$7.4M. A total of 38 new award funds were established and more than \$1.5M in awards was distributed to students.



## Supporting Economic and Social Growth

The social and economic impacts of the COVID-19 pandemic continued through 2021-22, as new variants caused high levels of virus transmission across the province, challenging an already strained health care system. Through this period, Conestoga advanced a number of initiatives that will address both the immediate and longer term economic and social needs of the communities we serve.

The addition of more Conestoga ONSITE locations for the local delivery of health care education and training programs across Ontario has increased access in rural and remote communities and helps address the province's urgent need for additional health care professionals. In 2021-22, Conestoga operated 16 ONSITE locations across the province and trained approximately 1,650 new Personal Support Workers.

Development continued on a new, dedicated Skilled Trades campus in Cambridge, with Phase 1 of the project scheduled to open in Fall 2022. When complete, the new campus will serve as Ontario's largest, most comprehensive trades training centre, helping address the urgent need for more skilled trades workers.

Despite travel restrictions and other challenges posed by the pandemic, Conestoga continued to focus on recruiting and supporting international students who serve as a primary source of new

talent to support business and industry needs. Support from the federal government in allowing students to begin studies remotely from their home countries helped to keep international enrolment strong throughout the year.

The gradual re-opening and expansion of Conestoga's IELTS testing centres in 2021-22 supported both those seeking entry to post-secondary training and individuals required to demonstrate English-language proficiency to achieve permanent resident status. New testing sites were added in Milton and Vancouver, and more than 6,300 tests were administered over the course of the year. Conestoga's IELTS sites are used to support other community needs as well: for example, the new Milton site is also used for the delivery of dual credit programming for local high school students hoping to matriculate from secondary school to college.

Conestoga continues to work closely with industry and community partners to identify and address emerging workforce needs.

Our college and our community have an important role to play in Ontario's post-pandemic recovery. A [vision paper](#) developed by Conestoga and released in November 2021 outlines the unique contributions the college can make in leading the province back to a prosperous future.





# 2021/22 FINANCIAL PERFORMANCE



## In-year Significant Activity

- Enrolment increases in 2021-2022 resulted in a significant increase in tuition and student fee revenue. Programs were offered in an online format, or hybrid format. As restrictions were lifted during the year, students were able to travel and attend in-person classes.
- Renovation and capital projects that had been put on hold in the previous year moved forward to build capacity and update student and employee spaces.
- Investments in technology occurred throughout the year to provide a high quality experience for students and staff as many continued to study and work from home.
- Funding provided through the Cowan Foundation as well as through a provincial grant initiative allowed Conestoga to provide tuition reimbursements and additional support to many PSW students.

## YEAR-END FISCAL POSITION

The 2021-22 fiscal year results confirm Conestoga's ability to continue to adjust quickly to changing environmental influences.

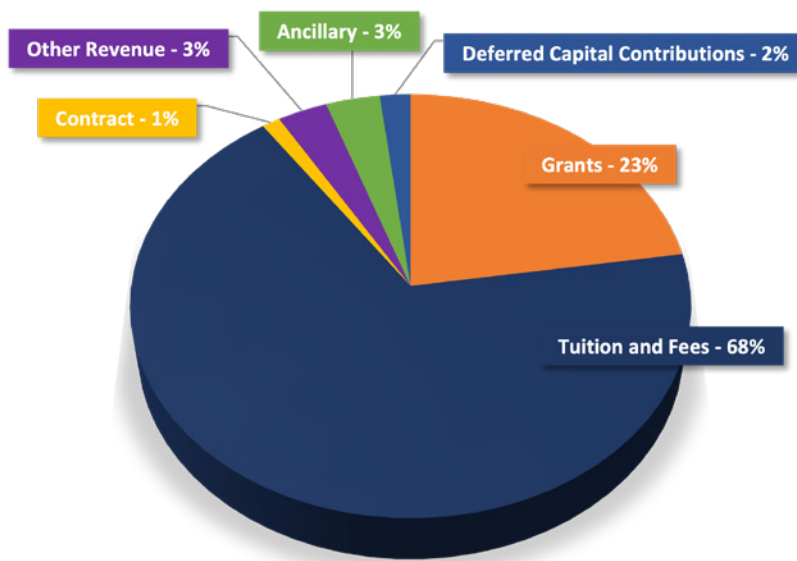
The table below summarizes 2021-22 fiscal results as compared to 2020-21. The net surplus is \$27.7M more than the 2020-21 surplus, resulting from the following:

- Operating revenue increased by \$123.2 million or 37.4 per cent. The gradual lifting of COVID-19 restrictions resulted in higher revenue from tuition and student fees due to higher student enrolment as well as increased contract training and ancillary fees
- Operating expenses were \$96.2 million or 33.1 per cent above 2020-21 due to an increase in instructional supplies, non-capital equipment, repairs and maintenance projects and additional salaries and benefits expenses to meet the needs of higher enrolment.

	2021-22 Actual Fiscal Year Results (000's)	2020-21 Actual Fiscal Year Results (000's)	% Change
<b>Non-Capital Related</b>			
Revenue	453,034	329,796	37.4%
Expenditure	386,719	290,488	33.1%
<b>Operating Surplus</b>	<b>\$66,315</b>	<b>\$39,308</b>	
<b>Capital Related</b>			
Capital Contribution Amortization	8,943	8,079	10.7%
Depreciation	17,699	17,453	1.4%
<b>Net Capital Amortization Expenditure</b>	<b>(\$8,756)</b>	<b>(\$9,373)</b>	
<b>NET SURPLUS FOR FISCAL YEAR</b>	<b>\$57,599</b>	<b>\$29,935</b>	<b>92.4%</b>

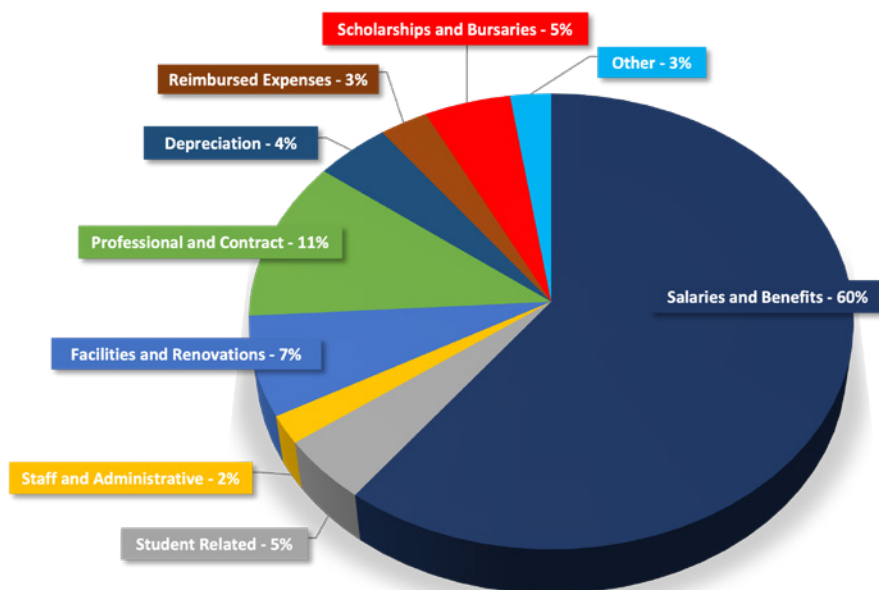
## Operating Revenue

Student tuition and fees make up the majority of the college's revenue at over 68%. Provincial Operating and other grants make up 23% of revenues and the remaining revenues consist of contract revenue, ancillary revenue, amortization of deferred capital contributions, and other. Overall revenue increased from \$330M in 2020-2021 to \$462M in 2021-22.



## Operating Expenditures

Salaries and benefits make up the majority of the college's operating expenditures at over 60%. Remaining expenditures consist of student-related expenditures, staff and administrative, professional and contract, facilities and renovations, depreciation, scholarships and bursaries, reimbursed expenses, and other. Overall expenditures increased from \$204M in 2020-2021 to \$308M in 2021-22.



# APPENDICES

The following pages include required reporting items as established by the Ministry of Colleges and Universities' Governance and Accountability Framework.

## KPI PERFORMANCE REPORT

	2016-17		2017-18		2018-19		2019-2021 <sup>1</sup>		2020-2021 <sup>2</sup>		2021-2022 <sup>3</sup>	
	Conestoga	Ontario Colleges	Conestoga	Ontario Colleges	Conestoga	Ontario Colleges	Conestoga	Ontario Colleges	Conestoga	Ontario Colleges	Conestoga	Ontario Colleges
	%		%		%		%		%		%	
Post-Secondary Graduation Rates	71.3	71.3	72.8	66.8	74.1	67.2	72.4	N/A	73.7	65.9	82.4	N/A
<b>KPI Provincial Survey:</b>												
KPI Employment Rate	86.4	86.4	89.3	85.7	88.4	86.2	86.9	85.5	83.2	77.0	N/A	N/A
KPI Employer Satisfaction	94.4	94.4	92.8	92.5	88.2	89.6	92.9	91.1	90.5	90.6	N/A	N/A
KPI Graduate Satisfaction	81.7	81.7	82.7	79.5	80.7	79.9	81.6	78.9	80.9	78.0	N/A	N/A
Program-Related Student Satisfaction	83.0	83.2	80.4	80.0	82.3	82.2	83.4	83.2	84.1	82.3	86.2	84.2

<sup>1</sup> 2019-20 KPI data: Conestoga was one of 19 Ontario colleges that individually undertook the Student Satisfaction KPI Survey and agreed to share the data. Data from the Graduate and Employer Surveys was officially released May 12, 2021.

<sup>2</sup> 2020-21 KPI Graduate and Employer survey data became available November 2021. Student Satisfaction KPI survey was cancelled - comparable data is no longer available.

<sup>3</sup> Collection of the 2021-22 Graduate and Employer survey data was delayed to Summer 2022. Given the cancellation of the KPI Student Satisfaction Survey, the most comparable metric is program-related student satisfaction rate; this rate is the average of the two capstone questions: Overall satisfaction with Program Knowledge and Skills and overall satisfaction with teaching and learning quality. A measure of student satisfaction now collected through the Ontario College Student Experience Survey.

## SUMMARY OF ADVERTISING AND MARKETING COMPLAINTS RECEIVED

Conestoga has received no Advertising or Marketing complaints.

## LIST OF 2021-2022 GOVERNORS

Sana Banu	Kimberley Hogan	Harmandeep Singh
Frank Boutzis (Chair)	Amar Kumar	Real Tanguay
Jane Black	Bob Magee	John Tibbits (President)
Bill Dahms	Heather McLachlin	Lisa Trimble
Krystal Darling	Mary Anne Melanson	Dave Walden
Lidia Feraco	Aaron Scheewe	
Martha George	Minto Schneider	

## REPORTING ITEM: FULL-TIME POSTSECONDARY ENROLMENT BY CREDENTIAL

Full-time post-secondary program enrolment by credential (November 1):

	2016-17*	2017-18*	2018-19*	2019-20*	2020-21*	2021-22*
<b>Certificate</b>	13%	11%	10%	8%	7%	12%
<b>Diploma</b>	37%	36%	36%	36%	34%	29%
<b>Advanced Diploma</b>	23%	21%	17%	14%	14%	9%
<b>Graduate Certificate</b>	10%	16%	24%	30%	31%	41%
<b>Degree</b>	17%	16%	13%	11%	13%	9%
<b>N/A</b>						

\*These numbers do not include co-op students or Continuing Education registrations.

## REPORTING ITEM: APPRENTICESHIPS

### 2021-2022 achievements

Conestoga has maintained its position among Ontario's largest apprenticeship training delivery agents. In 2020-21, the original seat purchase was \$8.60 million: despite numerous challenges caused by the pandemic, Conestoga successfully delivered education valued at \$6.52 million.

In response to guidance provided by the Ministry, Conestoga resumed onsite learning activities in July 2020, operating in alignment with evolving Public Health guidelines while consulting with the local apprenticeship office to mitigate the impact on the academic progression of apprentices. To provide a safe learning environment, Conestoga completed a thorough review of the design and capacity of shops, mandated COVID-19 vaccinations and the use of PPE for all on-campus students, employees and visitors, and revised academic delivery plans to accommodate pandemic restrictions.

In 2021/22, Conestoga continued to provide increased pathways into the skilled trades. Conestoga partnered again with St. Leonards' Community Services and the Grand Erie Workforce Planning Board in Brantford to offer a 5-week "Foundations for Trades" program, followed by a four-week work placement. This program, geared towards youth aged 16-29, provides an excellent pathway to a career in the skilled trades. The program was provincially funded, with Conestoga offering 5 cohorts during the year.

Conestoga also ran three provincially funded pre-apprenticeship programs: Carpentry, Machining, and Women in Skilled Trades (WIST) General Carpenter. Despite challenges faced as a result of the pandemic, all three resulted in strong job placements upon completion.

Conestoga also offered a federally funded pre-apprenticeship welding program through the Increasing Canada's Prosperity Through Skilled

Trades project. This was part of a national program that Conestoga is leading with a focus on attracting under-represented groups to a career in the skilled trades. This was the third year of this national project during which Conestoga worked with 10 colleges across the country to deliver welding training resulting in numerous success stories. The project will be completed in March 2023 with four final projects. More than 450 individuals across the country will have received training in welding and been provided the opportunity to gain work in this much needed field of work.

In response to critical workforce needs, Conestoga delivered a second year of a pilot project for Agricultural Equipment Operators in 2021-22 as part of the Canadian Agricultural Partnership. This training initiative supports the development of in-demand skills for the agricultural sector. A new Agricultural Equipment Maintenance and Operation certificate program has received Ministry approval and will start in 2023.

Conestoga also received trademark approval for our Jill of All Trades event in 2021-22. This one-day event is designed to inspire young women to consider careers in the skilled trades. Conestoga has also secured sponsorship commitments for this event, and is now looking to partner with institutions across the country over the next four years to offer this outstanding experience for more young women.

Construction of Conestoga's new Skilled Trades Campus got underway in 2021-22, with Phase 1 set to open in September 2022. Trades that will move into this building in the first phase include electrical, plumbing, carpentry, and machining. Programs in millwright and electro-mechanical programming, and HVAC will begin at this campus in Fall 2023.

The School College Work Initiative (SCWI) continued to offer seats in the college level 1 apprenticeship programs through the Ontario Youth Apprenticeship



Program (OYAP). In 2021-2022, 25 students were registered in Plumbing, Brick and Stone Masonry, Automotive Service Technician, Truck and Coach Technician, General Machinist, Carpentry and Refrigeration and Air Conditioning Systems Mechanic. In addition, more than 740 students from grades seven and eight participated in hands-on workshops, exploring electrical careers in trades and apprenticeship by participating in Explore Your Future activities.

The School of Trades & Apprenticeship will recognize 2021-22 student achievement with more than 230 industry and donor-sponsored awards, valued at close to \$327,000 at the annual spring Trades and Apprenticeship Awards Ceremony.

Conestoga is committed to leadership in skilled trades education and has recently negotiated its largest seat purchase to date, valued at more than \$10 million.

#### Conestoga's Apprenticeship training days:

	2016-17 6 hour days	2017-18 6 hour days	2018-19 6 hour days	2019-20 6 hour days	2020-21 6 hour days	2021-22* 6 hour days
<b>Block Release</b>	59,564	68,769	69,053	80,488	47,479	91,820
<b>Day Release</b>	34,536	36,409	36,076	37,604	42,301	38,184
<b>Total # of days</b>	94,100	105,178	105,129	118,092	89,780	130,004

\*The Ministry notified us that the final information is delayed so we have provided the information as of April 1st

## REPORTING ITEM: DIPLOMA TO DEGREE PATHWAYS

### 2021-2022 Achievements

Conestoga continues to explore pathway development opportunities with post-secondary institutions from across Canada and around the world. In 2021-22, Conestoga completed 70 academic agreements - 65 domestic and 5 international - including agreements with CIIS Educational Services Society (Punjab-India), Niagara University (Lewiston New York-US), Technical University of Liberec (TUL) (Liberec-Czech Republic), Saskatchewan Polytechnic (Saskatoon-Saskatchewan), Thompson Rivers University (Kamloops-BC), Yukon University (Whitehorse-Yukon), Brock University (St. Catherine's-Ontario) and Trent University, (Peterborough-Ontario).

Additional, dedicated staffing was added to the Credit Transfer team to support the academic areas by helping address backlogs in the evaluation and processing of Credit Transfer requests. The Credit Transfer Evaluator also provides advice to the academic areas regarding course equivalencies. Development of ongoing Credit Transfer focused training sessions added to the College's PDEV program and preparation for Credit Transfer promotional opportunities to support the return of and in-person Open House and recruiting activities.

## REPORTING ITEM: APPLIED RESEARCH

### 2021-2022 achievements

Applied research at Conestoga delivers innovative solutions to real-world challenges presented by industry and community partners through faculty-led projects that harness skills and expertise of students from across a wide range of programs at the college.

Applied research aligns with Conestoga's vision to meet workforce challenges by enabling student success and industry-focused research that meets local, regional, and international demands. Applied research also supports the goals set out in Conestoga's Strategic Plan, supporting:

- **Quality** through the demonstration of excellence and strengthening of curriculum and services
- **Capacity** through providing student experiences in applied research that contribute to a diverse workforce
- **Sustainability** through strengthening partnerships with industry and community partners to support economic and environmental sustainability

Conestoga has consistently ranked in the top 20 research colleges in Canada since 2016 and continues to demonstrate why it is a leader in polytechnic education, placing 7th in paid student research positions. Conestoga also placed 10th in completed research projects and 11th in research partners, demonstrating our commitment to industry and community partners. In 2021, over \$6 million in new funding led to 58 new research projects engaging 222 faculty members and over 4200 students.

Applied research at Conestoga services a broad-spectrum of industries and sectors as demonstrated below in some of our funded research activities.

### Supporting Post-pandemic Economic Recovery

In 2021, the College and Community Innovation (CCI) program launched the Applied Research and Technology Partnership Grants, a special 2-year funding opportunity to support economic recovery by helping businesses leverage innovative research and technologies and seize opportunities to develop new products and services.

### Southern Ontario Network for Advanced Manufacturing Innovation: Supporting Economic Recovery for SMEs through Sustainability, Profitability and Growth

(Natural Sciences and Engineering Research Council (NSERC) Grant- Applied Research and Technology Partnership Grants: Option 2- \$1,000,000 over 2 years)

Researchers in Conestoga's Smart Manufacturing and Advanced Recycling Technologies (SMART) Centre and Conestoga's Food Research and Innovation Lab (CFRIL) will engage small and medium sized enterprises in projects related to transportation, energy, medical devices, and food processing.

### Automation and Digitization to Address Productivity and Workforce Challenges

(Natural Sciences and Engineering Research Council (NSERC) Grant- Applied Research and Technology Partnership Grants: Option 1- \$440,000 over 2 years)

Researchers in Research Centres and Labs across the college will explore automation and digitization solutions to address productivity challenges in the manufacturing and food processing sectors.

### Community and Social Innovation

The Natural Sciences and Engineering Research Council (NSERC) College-Community Social Innovation Fund fosters community innovation by connecting the expertise and capabilities of the College with the research needs of community organizations. Conestoga had a success rate more than twice the national average and was awarded two grants that will bring together researchers, students and partners to address challenges in community innovation.

### Canadian Institute for Safety, Wellness & Performance

(Natural Sciences and Engineering Research Council (NSERC) Grant- College and Community Social Innovation Fund (CCSIF)- \$360,000 over 3 years)

Aligning with their previous successful research projects to address worker safety and wellness across Canada, the Canadian Institute for Safety, Wellness & Performance will aim to improve worker

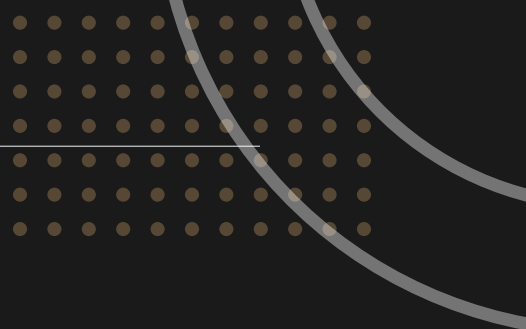
health and performance in the construction industry through developing tools to reduce the physical demands associated with construction work.

### **Interdisciplinary Studies**

(Natural Sciences and Engineering Research Council (NSERC) Grant- College and Community Social Innovation Fund (CCSIF)- \$360,000 over 3 years)

Faculty in Interdisciplinary studies were awarded \$360,000 for Weejeedamin: An Indigenous Land-based Futurity project, an innovative development and application of land co-management strategies rooted in traditional Indigenous land-based practices and knowledge.





# FINANCIALS

AUDITED FINANCIAL STATEMENTS

The Conestoga College Institute of Technology and  
Advanced Learning

# **CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2022**

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**THE CONESTOGA COLLEGE INSTITUTE OF TECHNOLOGY  
AND ADVANCED LEARNING**  
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**Year Ended March 31, 2022**

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements of The Conestoga College Institute of Technology and Advanced Learning (the "College") are the responsibility of management and have been approved by the Board of Governors (the "Board").

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

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

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

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

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

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



John W. Tibbits

President



Jacinda Reitsma

Vice President, Finance and Corporate  
Services

May 19, 2022

## Independent Auditor's Report

To the Board of Governors of  
The Conestoga College Institute of Technology and Advanced Learning

### Opinion

We have audited the consolidated financial statements of The Conestoga College Institute of Technology and Advanced Learning (the "College"), which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of revenue and expenditures, changes in fund balances, remeasurement gains and losses and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2022, and the results of its operations, its remeasurement gains and losses, changes in fund balances, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

### Basis for Opinion

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

### Other Matter

The financial statements of the College for the year ended March 31, 2021, were audited by another auditor who expressed an unmodified opinion on those statements on May 20, 2021.

### Responsibilities 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 PSAS, 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 College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the College or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibilities for the Audit of the 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 GAAS 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 financial statements.

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

- Identify and assess the risks 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, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the College's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the College to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 Entity to express an opinion on the consolidated financial statements. We are responsible for the direction supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

*Deloitte LLP*

Chartered Professional Accountants  
Licensed Public Accountants  
May 19, 2022



## THE CONESTOGA COLLEGE INSTITUTE OF TECHNOLOGY AND ADVANCED LEARNING

## Consolidated Statement of Financial Position

March 31, 2022, with comparative figures for March 31, 2021

<b>Assets</b>	<b>2022</b>	<b>2021</b>
<i>Current Assets:</i>		
Cash (Note 10)	\$406,710,894	\$302,050,239
Grants receivable	5,055,693	5,554,933
Accounts receivable	9,339,185	6,000,105
Current portion of pledges receivable (Note 3)	3,300,000	2,300,000
Inventory	1,034,317	1,707,396
Prepaid expenses	733,209	728,280
	<b>426,173,298</b>	<b>318,340,953</b>
Long-term investments (Note 2 and 10)	5,695,384	5,635,855
Long-term pledges receivable (Note 3)	7,703,296	12,533,296
Capital assets (Note 4)	350,244,738	284,873,208
	<b>\$789,816,716</b>	<b>\$621,383,312</b>
<b>Liabilities</b>		
<i>Current Liabilities:</i>		
Accounts payable and accrued liabilities	\$47,180,847	\$29,603,198
Vacation pay accrual	12,592,941	11,259,820
Deferred revenue (Note 5)	305,982,898	236,158,695
Current portion of long-term debt (Note 6)	2,420,575	2,353,943
Deferred contributions (Note 7)	2,891,581	2,407,974
	<b>371,068,842</b>	<b>281,783,630</b>
Long-term debt (Note 6)	19,002,686	21,423,261
Deferred capital contributions (Note 8)	143,914,862	146,400,884
Post-employment benefits and compensated absences (Note 9)	6,531,000	6,497,000
	<b>540,517,390</b>	<b>456,104,775</b>
<b>Fund Balances (Deficits)</b>		
<i>Unrestricted:</i>		
Operations	15,347,465	20,098,959
Vacation	(12,592,941)	(11,259,820)
Post-employment benefits and compensated absences	(6,531,000)	(6,497,000)
Investment in capital assets (Note 4)	184,906,615	114,695,120
<i>Restricted fund balances:</i>		
Internally restricted (Note 10)	62,000,000	42,000,000
Externally Restricted (Note 10)	480,360	456,615
Endowed (Note 10)	5,709,645	5,686,236
	<b>249,320,144</b>	<b>165,180,110</b>
Accumulated Remeasurement losses (gains)	(20,818)	98,427
	<b>\$789,816,716</b>	<b>\$621,383,312</b>
Commitments (Note 11)		
<i>See accompanying notes to consolidated financial statements</i>		

## APPROVED BY THE BOARD



Frank Boutzis, Board Chair



John Tibbits, President

**THE CONESTOGA COLLEGE INSTITUTE OF TECHNOLOGY AND ADVANCED LEARNING**

## Consolidated Statement of Revenue and Expenditures

Year ended March 31, 2022, with comparative figures for March 31, 2021

<b>Revenue</b>	<b>2022</b>	<b>2021</b>
Tuition Fees	\$280,443,669	\$192,858,490
Grants	104,148,878	86,834,636
Other Student Fees	32,731,055	23,308,085
Ancillary operations	15,791,185	10,490,655
Contracted services	5,333,915	3,079,166
Other	11,820,758	11,401,006
Interest	2,489,952	1,824,189
Restricted revenue	1,758,997	1,076,608
Amortization of deferred capital contributions (Note 8)	8,943,419	8,078,717
<b>Total revenue</b>	<b>463,461,828</b>	<b>338,951,552</b>
<b>Expenditures</b>		
Salaries and benefits	244,101,885	209,562,059
Professional and contract fees	46,010,679	23,520,854
Student related expenses	19,052,208	15,560,305
Supplies and staff related expenses	6,551,747	4,128,465
Facilities related expenses	29,618,342	19,643,803
Other expenses	11,144,049	8,941,341
Reimbursed expenses	11,718,703	3,978,639
Amortization of capital assets	17,698,604	17,451,659
Scholarships, bursaries and work-study	20,084,226	6,211,654
<b>Total expenditures</b>	<b>405,980,443</b>	<b>308,998,779</b>
<b>Excess of revenue over expenditures</b>	<b>\$57,481,385</b>	<b>\$29,952,773</b>

*See accompanying notes to consolidated financial statements*

## THE CONESTOGA COLLEGE INSTITUTE OF TECHNOLOGY AND ADVANCED LEARNING

## Consolidated Statement of Cash Flows

Year ended March 31, 2022, with comparative figures for March 31, 2021

Net Inflow (Outflow) of Cash Related to the Following Activities	2022	2021
<b>Operating</b>		
Excess of revenue over expenditures – Restricted Fund	\$23,745	\$17,455
Excess of revenue over expenditures – Operating Fund	57,457,640	29,935,318
Items not involving cash:		
Amortization of capital assets	17,698,604	17,451,659
Amortization of deferred capital contributions	(8,943,419)	(8,078,717)
Post-employment benefit and compensated absences expense	912,000	1,090,000
	<b>67,148,570</b>	<b>40,415,715</b>
Cash paid for post-employment benefits and compensated absences	(878,000)	(875,000)
Changes in non-cash working capital items:		
Grants receivable	499,240	(854,393)
Accounts receivable	(3,339,080)	4,949,797
Inventory	673,079	(534,179)
Prepaid expenses	(4,929)	(3,475)
Accounts payable and accrued liabilities	17,577,649	(7,098,163)
Vacation pay accrual	1,333,121	(662,514)
Deferred revenue	69,824,203	111,292,556
	<b>152,833,853</b>	<b>146,630,344</b>
<b>Financing</b>		
Net change in deferred contributions	483,607	(4,322)
Endowment contributions	208,649	180,498
Repayment of long-term debt	(2,353,943)	(2,289,230)
	<b>(1,661,687)</b>	<b>(2,113,054)</b>
<b>Capital</b>		
Deferred grants and capital contributions	6,457,397	5,103,362
Purchase of capital assets	(56,620,134)	(9,630,253)
	<b>(50,162,737)</b>	<b>(4,526,891)</b>
<b>Investing</b>		
Decrease in pledges receivable	3,830,000	2,246,488
Net purchase of investments	(178,774)	(243,749)
	<b>3,651,226</b>	<b>2,002,739</b>
<b>Net cash inflow</b>	<b>104,660,655</b>	<b>141,993,138</b>
<b>Cash, beginning of year</b>	<b>302,050,239</b>	<b>160,057,101</b>
<b>Cash, end of year</b>	<b>\$406,710,894</b>	<b>\$302,050,239</b>

See accompanying notes to consolidated financial statements



## THE CONESTOGA COLLEGE INSTITUTE OF TECHNOLOGY AND ADVANCED LEARNING

## Consolidated Statement of Changes in Fund Balances

Year ended March 31, 2022, with comparative figures for March 31, 2021

	Operations	Post-employment benefits and vacation	Investment in Capital Assets	Internally Restricted Fund	Externally Restricted Fund	Endowment Fund	2022 Total	2021 Total
<b>Balances March 31, 2021</b>	\$20,098,959	(\$17,756,820)	\$114,695,120	\$42,000,000	\$456,615	\$5,686,236	\$165,180,110	\$135,046,839
<b>Excess of revenue over expenditures (expenditures over revenue)</b>	66,212,825		(8,755,185)		23,745		57,481,385	29,952,773
<b>Vacation pay</b>	1,333,121	(1,333,121)						
<b>Post-employment benefits and compensated absences</b>	34,000	(34,000)						
<b>Capital asset additions financed with operating funds</b>	(50,162,737)		50,162,737					
<b>Repayment of long-term debt</b>	(2,353,943)		2,353,943					
<b>Transfer to Internally Restricted Fund (Note 10)</b>	(20,000,000)			20,000,000				
<b>Transfer to Operations (Note 10)</b>	185,240					(185,240)		
<b>Donated land (Note 4)</b>			26,450,000				26,450,000	
<b>Endowment contributions (Note 10)</b>						208,649	208,649	180,498
<b>Fund balances (deficits), end of year</b>	<b>\$15,347,465</b>	<b>(\$19,123,941)</b>	<b>\$184,906,615</b>	<b>\$62,000,000</b>	<b>\$480,360</b>	<b>\$5,709,645</b>	<b>\$249,320,144</b>	<b>\$165,180,110</b>

See accompanying notes to consolidated financial statements

**THE CONESTOGA COLLEGE INSTITUTE OF TECHNOLOGY AND ADVANCED LEARNING**

## Consolidated Statement of Remeasurement Gains and Losses

Year ended March 31, 2022, with comparative figures for March 31, 2021

	2022	2021
Accumulated remeasurement gains (losses) at beginning of year	\$98,427	\$(720,904)
Change in unrealized gains(losses) on investments	<u>(119,245)</u>	<u>819,331</u>
Accumulated remeasurement (losses) gains at end of year	<u><b>\$(20,818)</b></u>	<u><b>\$98,427</b></u>

*See accompanying notes to consolidated financial statements*

## **THE CONESTOGA COLLEGE INSTITUTE OF TECHNOLOGY AND ADVANCED LEARNING**

### **Notes to the Consolidated Financial Statements**

Year ended March 31, 2022

The Conestoga College Institute of Technology and Advanced Learning ("Conestoga") was established pursuant to Ontario regulation 34/03 made under the Ontario Colleges of Applied Arts and Technology Act, 2002. Conestoga is an agency of the Crown and provides postsecondary, vocationally oriented education in the areas of applied arts, business, health sciences, and technology.

Conestoga operates on a not-for-profit basis and is a registered charity and, as such, is exempt from income taxes under the Income Tax Act (Canada).

## **1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURE**

### **BASIS OF CONSOLIDATION**

These consolidated financial statements include the accounts of Conestoga and its wholly-owned subsidiary, Conestoga College Communications Corp., a not-for-profit corporation that is licensed by the Canadian Radio-Television and Telecommunications Commission to operate a radio station.

### **BASIS OF PRESENTATION**

The consolidated financial statements of Conestoga have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board ("PSAB for Government NPOs") and includes the following significant accounting policies.

### **REVENUE RECOGNITION**

Conestoga follows the deferral method of accounting for contributions which include donations and government grants.

Tuition fees are recorded over the term of the semester. Fees received for semesters not yet completed or for semesters commencing in a subsequent fiscal period are recorded as deferred revenue.

Contracted services and ancillary revenues including parking, bookstore, residence, and other sundry revenues are recognized when products are delivered or services are provided to the student or client, the sales prices are fixed and determinable, and collection is reasonably assured.

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

Externally restricted contributions and restricted investment income are recognized as revenue in the year in which the related expenses are incurred.

Restricted contributions for the purchase of depreciable capital assets are deferred and recognized as revenue over the useful life of the related asset. Contributions of non-depreciable assets are recorded as a direct increase to net assets.

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

Restricted investment income that must be maintained as an endowment is credited to net assets. Unrestricted investment income is recognized as revenue of the unrestricted fund when earned.



## **THE CONESTOGA COLLEGE INSTITUTE OF TECHNOLOGY AND ADVANCED LEARNING**

### **Notes to the Consolidated Financial Statements**

Year ended March 31, 2022

#### **USE OF ESTIMATES**

The preparation of the consolidated financial statements, in conformity with PSAB for Government NPOs requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. Areas of key estimation include determination of allowance for doubtful accounts, amortization of capital assets, amortization of deferred capital contributions, vacation pay accrual, and actuarial estimation of post-employment benefits and compensated absences liabilities.

#### **POST-EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES**

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

#### **VALUATION OF INVENTORY**

Inventories are valued at the lower of cost and net realizable value. Cost is determined on an average cost basis.

#### **PLEDGES RECEIVABLE**

Pledges receivable includes corporate pledges for major capital projects as well as the portion of the student capital development fee receivable which is applied to Conestoga's building assets. Pledges receivable are recognized if the amount to be received is reasonably estimated and the ultimate collection is reasonably assured.

## THE CONESTOGA COLLEGE INSTITUTE OF TECHNOLOGY AND ADVANCED LEARNING

### Notes to the Consolidated Financial Statements

Year ended March 31, 2022

#### CAPITAL ASSETS

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

Construction in progress costs are capitalized as incurred. Once put in use, the assets are transferred to their appropriate capital asset category and are amortized on a basis consistent with the policy below.

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

Site Improvements	10 years
Buildings and Building Improvements	20 to 40 years
Furniture, Equipment and Vehicles	5 years
Information Technology	2 to 5 years
Leasehold Improvements	Term of the lease

#### VACATION PAY

Conestoga recognizes vacation pay as an expense on an accrual basis.

#### FINANCIAL INSTRUMENTS

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

##### Fair value

This category includes derivatives, cash and investments. They are initially recognized at cost and subsequently carried at fair value. Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized when they are transferred to the statement of operations of the appropriate fund.

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

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

##### Amortized cost

This category includes grants receivable, accounts receivable, pledges receivable, accounts payable and accrued liabilities and long-term debt. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

**THE CONESTOGA COLLEGE INSTITUTE OF TECHNOLOGY AND ADVANCED LEARNING**

## Notes to the Consolidated Financial Statements

Year ended March 31, 2022

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

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

**2. FINANCIAL INSTRUMENTS CLASSIFICATION**

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

	<b>Fair Value</b>	<b>Amortized Cost</b>	<b><u>2022</u> Total</b>
Cash and short-term deposits	\$406,710,894	-	\$406,710,894
Investments	5,695,384	-	5,695,384
Grants receivable		\$5,055,693	5,055,693
Accounts receivable		9,339,185	9,339,185
Pledges receivable		11,003,296	11,003,296
Accounts payable and accrued liabilities		47,180,487	47,180,487
Long-term debt		21,423,261	21,423,261

	<b>Fair Value</b>	<b>Amortized Cost</b>	<b><u>2021</u> Total</b>
Cash and short-term deposits	\$302,050,239	-	\$302,050,239
Investments	5,635,855	-	5,635,855
Grants receivable	-	\$5,554,933	5,554,933
Accounts receivable	-	6,000,105	6,000,105
Pledges receivable	-	14,833,296	14,833,296
Accounts payable and accrued liabilities	-	29,603,198	29,603,198
Long-term debt	-	23,777,204	23,777,204

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

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities using the last bid price;

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**THE CONESTOGA COLLEGE INSTITUTE OF TECHNOLOGY AND ADVANCED LEARNING**
**Notes to the Consolidated Financial Statements**

Year ended March 31, 2022

				<b><u>2022</u></b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Cash and short-term deposits	\$406,710,894	-	-	\$406,710,894
Investments	1,417,392	\$4,277,992	-	5,695,384
Total	<u>\$408,128,286</u>	<u>\$4,277,992</u>	<u>-</u>	<u>\$412,406,278</u>

				<b><u>2021</u></b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Cash and short-term deposits	\$302,050,239	-	-	\$302,050,239
Investments	1,400,136	\$4,235,719	-	5,635,855
Total	<u>\$303,450,375</u>	<u>\$4,235,719</u>	<u>-</u>	<u>\$307,686,094</u>

			<u>2022</u>		<u>2021</u>
	<u>Level</u>	<u>Fair Value</u>	<u>Book Value</u>	<u>Fair Value</u>	<u>Book Value</u>
Canadian Equities	1	\$299,880	\$233,427	\$269,875	\$234,378
Canadian Fixed Income Investments	2	220,012	250,000	49,502	50,000
Foreign Equities	1	1,117,512	961,213	1,130,261	1,051,862
Money Market Mutual Funds	2	-	-	15,000	15,000
Canadian Fixed Income Mutual Funds	2	2,287,661	2,444,260	2,457,212	2,444,260
Foreign Equity Mutual Funds	2	1,099,669	1,169,761	695,173	750,227
Other	2	670,650	657,541	1,018,832	991,701
		\$5,695,384	\$5,716,202	\$5,635,855	\$5,537,428

**3. PLEDGES RECEIVABLE**

Pledges receivable includes corporate pledges of \$1,600,000 (2021-\$2,400,000) for major capital projects, as well as the student capital development fees which are related to the Recreation Centre building assets and the Waterloo Campus assets of \$9,403,296 (2021-\$12,433,296).



**THE CONESTOGA COLLEGE INSTITUTE OF TECHNOLOGY AND ADVANCED LEARNING**

Notes to the Consolidated Financial Statements

Year ended March 31, 2022

**4. CAPITAL ASSETS**

(a) Capital assets consist of the following:

	<b>Capital Costs</b>	<b>Accumulated Amortization</b>	<b><u>2022</u> Net Book Value</b>
Land	\$70,601,001	-	\$70,601,001
Site Improvements	8,061,646	\$6,424,888	1,636,757
Buildings and Building Improvements	300,357,737	97,607,421	202,750,316
Furniture, Equipment and Vehicles	48,678,879	36,075,332	12,603,547
Information Technology	26,985,143	25,306,076	1,679,067
Leasehold Improvements	18,845,189	9,081,179	9,764,010
Construction in Progress	51,210,040	-	51,210,040
	<b>\$524,739,635</b>	<b>\$174,494,897</b>	<b>\$350,244,738</b>

	<b>Capital Costs</b>	<b>Accumulated Amortization</b>	<b><u>2021</u> Net Book Value</b>
Land	\$44,151,001	-	\$44,151,001
Site Improvements	8,061,646	\$6,120,120	1,941,525
Buildings and Building Improvements	300,357,737	89,917,108	210,440,629
Furniture, Equipment and Vehicles	43,602,341	30,988,925	12,613,415
Information Technology	25,877,838	24,304,705	1,573,133
Leasehold Improvements	16,339,796	5,464,434	10,874,362
Construction in Progress	3,279,142	-	3,279,142
	<b>\$441,669,501</b>	<b>\$156,796,293</b>	<b>\$284,873,208</b>

In September 2021, the College finalized an agreement with the Town of Milton to transfer property from the Town of Milton to Conestoga College for future development in the Milton Education Village. The value of the land, which includes 14 acres of developable land, is assessed at \$26,450,000 and is recorded as a land donation. The agreement includes direction for the College regarding use and development requirements.

(b) Investment in capital assets

The net book value of capital assets is financed by:

	<b><u>2022</u></b>	<b><u>2021</u></b>
Capital assets	\$350,244,738	\$284,873,208
Deferred capital contributions	(143,914,862)	(146,400,884)
Long-term debt	(21,423,261)	(23,777,204)
Investment in capital assets ending balance	<b>\$184,906,615</b>	<b>\$114,695,120</b>

	<b><u>2022</u></b>	<b><u>2021</u></b>
Excess of expenditure over revenue		
Amortization of deferred capital contributions	\$8,943,419	\$8,078,717
Amortization of capital assets	(17,698,604)	(17,451,659)
Excess of expenditures over revenue for the year	<b>(\$8,755,185)</b>	<b>(\$9,372,942)</b>

**THE CONESTOGA COLLEGE INSTITUTE OF TECHNOLOGY AND ADVANCED LEARNING**

## Notes to the Consolidated Financial Statements

Year ended March 31, 2022

**5. DEFERRED REVENUE**

Details of the year-end balance are as follows:

	<u><b>2022</b></u>	<u><b>2021</b></u>
Prepaid tuition fees for future semesters	\$258,119,903	\$193,128,250
Student tuition fees	21,860,491	22,995,998
Student fees and student financial aid	11,647,768	7,880,587
Grants and reimbursements	5,856,804	8,996,940
Other projects	8,497,931	3,156,920
	<u>\$305,982,898</u>	<u>\$236,158,695</u>

Prepaid tuition fees represent fees paid in advance for future semesters.

Student tuition fees are for academic courses in process at the end of the year.

Student fees represent unspent student fees collected during the year and student financial aid represents amounts set aside for the work study program.

Grants and reimbursement are unexpended externally restricted grants to be spent on specific projects.

Other projects include contributions, donations, and deposits related to small projects and activities of the College.

**6. LONG-TERM DEBT**

	<u><b>2022</b></u>	<u><b>2021</b></u>
Ontario government Residence Loan bearing interest at 3.511%. Repayable in May and November each year in a blended payment of \$634,494, due May 4, 2027.	\$6,296,954	\$7,317,895
Student Rec Centre Loan from Ontario Financing Authority bearing interest at 2.273%. Repayable in April and October each year in a blended payment of \$849,795, due October 6, 2031.	15,126,307	16,459,309
	<u>21,423,261</u>	<u>23,777,204</u>
Less: Current portion	2,420,575	2,353,943
	<u>\$19,002,686</u>	<u>\$21,423,261</u>

The Consolidated Statements of Revenue and Expenditures and Changes in Fund Balances include interest expense related to long-term debt in the amount of \$585,507 (2021-\$651,350).

**THE CONESTOGA COLLEGE INSTITUTE OF TECHNOLOGY AND ADVANCED LEARNING**

## Notes to the Consolidated Financial Statements

Year ended March 31, 2022

The estimated principal portion of long-term debt payments are as follows:

2023	\$2,420,575
2024	2,489,183
2025	2,559,830
2026	2,632,579
2027	2,707,495
Thereafter	8,613,599
Total	<u>\$21,423,261</u>

**7. DEFERRED CONTRIBUTIONS**

Deferred contributions reported in the Restricted Fund relate to donations received for student bursaries and interest earned on related endowed and unspent funds, to the extent they are unspent. Changes in the deferred contributions balance in the Restricted Fund are as follows:

	<u>2022</u>	<u>2021</u>
Beginning balance	\$2,407,974	\$2,412,296
Add: donations and grant received during year	2,091,018	1,135,005
Add: net interest on endowed and unspent funds	230,877	(80,174)
Less: amounts recognized as revenue in the year	(1,838,288)	(1,059,153)
Ending balance	<u>\$2,891,581</u>	<u>\$2,407,974</u>

**8. DEFERRED CAPITAL CONTRIBUTIONS**

Contributions restricted for the purpose of capital purchases are deferred and then amortized over the life of the asset at the corresponding rate of amortization.

	<u>Ministry Funded Grants</u>	<u>Other</u>	<u>2022 Total</u>	<u>2021 Total</u>
Opening balance	\$112,445,150	\$33,955,735	\$146,400,885	\$149,376,239
Deferred	5,637,993	819,404	6,457,396	5,103,362
Amortization	(6,953,410)	(1,990,009)	(8,943,419)	(8,078,717)
Ending balance	<u>\$11,129,733</u>	<u>\$32,785,130</u>	<u>\$143,914,862</u>	<u>\$146,400,884</u>

The majority of Other Deferred Capital Contributions include funding received from federal funding agencies, municipal agencies, corporate entities, etc.

**THE CONESTOGA COLLEGE INSTITUTE OF TECHNOLOGY AND ADVANCED LEARNING**

Notes to the Consolidated Financial Statements

Year ended March 31, 2022

**9. POST-EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES LIABILITY**

The following tables outline the components of Conestoga's post-employment benefits and compensated absences liabilities and the related expenses.

				<u>2022</u>
	Post-employment benefits	Non-vesting sick leave	Vesting sick leave	Total liability
Accrued employee future benefits obligations	\$1,837,000	\$6,636,000	\$62,000	\$8,535,000
Value of plan assets	(502,000)	-	-	(502,000)
Unamortized actuarial gains (losses)	-	(1,494,000)	(8,000)	(1,500,000)
Total liability	\$1,335,000	\$5,142,000	\$54,000	\$6,531,000

				<u>2021</u>
	Post-employment benefits	Non-vesting sick leave	Vesting sick leave	Total liability
Accrued employee future benefits obligations	\$1,821,000	\$7,084,000	\$139,000	\$9,044,000
Value of plan assets	(432,000)	-	-	(432,000)
Unamortized actuarial gains (losses)	(8,000)	(2,059,000)	(48,000)	(2,115,000)
Total liability	\$1,381,000	\$5,025,000	\$91,000	\$6,497,000

				<u>2022</u>
	Post-employment benefits	Non-vesting sick leave	Vesting sick leave	Total expense
Current year benefit cost	\$7,000	\$597,000	\$5,000	\$609,000
Interest on accrued benefit obligation	2,000	130,000	2,000	134,000
Amortized actuarial (gains) losses	(\$46,000)	178,000	37,000	169,000
Total expense	(\$37,000)	\$905,000	\$44,000	\$912,000

				<u>2021</u>
	Post-employment benefits	Non-vesting sick leave	Vesting sick leave	Total expense
Current year benefit cost	\$52,000	\$748,000	\$4,000	\$804,000
Interest on accrued benefit obligation	2,000	117,000	3,000	122,000
Amortized actuarial (gains) losses	-	164,000	-	164,000
Total expense	\$54,000	\$1,029,000	\$7,000	1,090,000

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



## THE CONESTOGA COLLEGE INSTITUTE OF TECHNOLOGY AND ADVANCED LEARNING

### Notes to the Consolidated Financial Statements

Year ended March 31, 2022

#### ***Retirement Benefits***

##### *CAAT Pension Plan*

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

Any pension surplus or deficit is a joint responsibility of the members and employers and may affect future contribution rates related to full-time members. The College does not recognize any share of the Plan's pension surplus or deficit as insufficient information is available to identify the College's share of the underlying pension assets and liabilities. The most recent actuarial valuation filed with the regulators as at January 1, 2022 indicated an actuarial surplus of \$4.4 billion. The College made contributions to the Plan and its associated retirement compensation arrangement of \$17,601,214 (2021- \$16,373,064), which has been included in the consolidated statement of revenue and expenditures.

##### ***Post- Employment Benefits***

Conestoga extends post-employment life insurance, health and dental benefits to certain employee groups subsequent to their retirement. Conestoga recognizes these benefits as they are earned during the employees' tenure of service. The related benefit liability was determined by an actuarial valuation study commissioned by the College Employer Council. The results are extrapolated from the most recent February 2020 actuarial valuation.

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

##### a) Discount rate

The present value as at March 31, 2022 of the future benefits is determined using a discount rate of 2.9% (2021-1.7%).

##### b) Drug costs

Drug costs are assumed to increase 8.0% per annum in 2022 (2021-8.0%), grading down to 4.0% per annum by 2040.

##### c) Hospital and other medical

Hospital and other medical costs are assumed to increase at 4.0% per annum in 2022 (2021-4.0%)

Medical premiums are assumed to increase 6.29% per annum in 2022 (2021-6.42%), grading down to 4.0% per annum by 2040.

##### d) Dental costs

Dental costs are assumed to increase at 4.0% per annum in 2022 (2021-4.0%).

## THE CONESTOGA COLLEGE INSTITUTE OF TECHNOLOGY AND ADVANCED LEARNING

### Notes to the Consolidated Financial Statements

Year ended March 31, 2022

#### ***Compensated Absences***

##### *Non-Vesting Sick Leave*

Conestoga allocates to certain employee groups a specified number of days each year for use as paid absences in the event of illness or injury. These days do not vest and are available immediately. Employees are permitted to accumulate their unused allocation each year, up to the allowable maximum provided in their employment agreements. Accumulated days may be used in future years to the extent that the employees' illness or injury exceeds the current year's allocation of days. Sick days are paid out at the salary in effect at the time of usage. The related benefit liability was determined by an actuarial valuation study commissioned by the College Employer Council. The results are extrapolated from the most recent February 2020 actuarial valuation.

##### *Vesting Sick Leave*

Conestoga has provided for vesting sick leave benefits during the year. Eligible employees after 10 years of service are entitled to receive 50% of their accumulated sick leave credits on termination or retirement to a maximum of 6 months' salary. The program to accumulate sick leave credits ceased for employees hired after March 31, 1991. The related benefit liability was determined by an actuarial valuation study commissioned by the College Employer Council. The results are extrapolated from the most recent August 2019 actuarial valuation.

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

	<u>2022</u>	<u>2021</u>
Wage and salary escalation	1.0-2.0%	1.0-2.0%
Discount rate	2.9%	1.7%

## **10. ENDOWED AND RESTRICTED FUND BALANCES**

#### *Internally Restricted Fund Balance*

The Internally restricted fund includes funds restricted by the College for approved future capital projects. The balance at March 31, 2022 is \$62,000,000 (2021-\$42,000,000).

#### *Externally Restricted Fund Balance*

The Union Employment Stability Fund is required under the terms of the collective agreements for academic and support staff and is to be used to enhance employment stability. Under the agreements Conestoga makes annual contributions on a per capita basis. Disbursements must be authorized by a joint Union/College Committee.

	<b>Student Bursary/ Scholarship/ Loan</b>	<b>Union Employment Stability</b>	<u>2022 Total</u>	<u>2021 Total</u>
Externally Restricted Fund Balance	\$36,639	\$443,721	\$480,360	\$456,615

**THE CONESTOGA COLLEGE INSTITUTE OF TECHNOLOGY AND ADVANCED LEARNING**

## Notes to the Consolidated Financial Statements

Year ended March 31, 2022

**Endowment and Restricted Fund**

Included in cash, short term deposits, and investments are amounts restricted for endowments, bursaries, scholarships, and restricted funds. Endowed assets represent funds held by Conestoga which have been permanently endowed. The annual income earned on the endowed funds may be used only for the externally restricted purpose specified by the donor. Restricted funds may be expended only for the purpose specified by the donor. The changes during the year in endowed and restricted fund assets are noted below:

	<b>Endowment Fund</b>	<b>Restricted Fund</b>	<b><u>2022</u> Total</b>	<b><u>2021</u> Total</b>
Opening balance included in cash and short-term deposits, and investments	\$5,784,663	\$2,864,589	\$8,649,252	\$7,636,290
Unrealized investment gains (losses)	(119,245)	-	(119,245)	819,331
Transfer to operations	(185,240)	-	(185,240)	-
Contributions	208,649	2,091,018	2,299,667	1,315,503
Bursary and scholarship activity	-	(1,583,666)	(1,583,666)	(1,121,872)
Ending balance included in cash, short term deposits, and investments	5,688,827	3,371,941	9,060,768	8,649,252
Deferred contributions and unrealized investment losses	20,818	(2,891,581)	(2,870,763)	(2,506,401)
Ending fund balance	\$5,709,645	\$480,360	\$6,190,005	\$6,142,851

**11. COMMITMENTS**

As of March 31, 2022, outstanding capital asset commitments approximate \$55,700,000 primarily related to the construction and expansion of Conestoga's facilities. The internally restricted net assets and unrestricted net assets will be used to fund these future commitments.

Conestoga has entered into various agreements to lease premises. The minimum payments required to the maturity dates of existing leases are as follows:

2023	\$4,961,047
2024	4,956,333
2025	3,657,621
2026	666,582
2027	527,721
Thereafter	916,391

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**12. FINANCIAL INSTRUMENTS RISK MANAGEMENT****CREDIT RISK**

Accounts receivable and certain long-term pledges receivable are ultimately due from students. Credit risk is mitigated by financial approval processes before a student is enrolled and the highly diversified nature of the student population. Students with funds owing to Conestoga are not able to receive marks, a T2202a tax form or register for the next term. Continuing education students are required to pay in advance before they can be registered in a course.

	<b>Total</b>	<b>Current</b>	<b>Past Due 31-60 days</b>	<b>Past Due 61-90 days</b>	<b>Past Due Over 90</b>
Grants receivables	\$5,055,693	\$5,055,693	-	-	-
Pledges receivable	11,003,296	11,003,296	-	-	-
Student receivables	2,721,510	147,776	175,067	220,935	2,177,732
Other receivables	9,291,458	8,224,626	146,771	128,057	792,004
Less: bad debt allowance	(2,673,783)	-	-	-	(2,673,783)
Net receivables	<u>\$25,398,174</u>	<u>\$24,431,391</u>	<u>\$321,838</u>	<u>\$348,992</u>	<u>\$295,953</u>

Conestoga estimates its aggregate exposure to credit risk as the sum of its reported balances owing from third parties recorded on the Consolidated Statement of Financial Position.

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

**INTEREST RATE RISK**

From time to time, Conestoga enters interest rate swap contracts as part of its risk management strategy to minimize exposure to interest rate fluctuations related to floating rate loans and mortgages. Conestoga has fixed the interest rate on \$21,423,261 of long-term debt and therefore is not exposed to any interest rate risk on these financial instruments.

**CURRENCY RISK**

Conestoga does not have any material transactions or financial instruments denominated in foreign currencies.

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



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#### LIQUIDITY RISK

Liquidity risk arises through an excess of financial obligations over available financial assets at any point in time. Conestoga's objective in managing liquidity risk is to maintain sufficient readily available resources in order to meet its financial obligations as they fall due. Management monitors rolling forecasts of Conestoga's liquidity reserve (comprises undrawn borrowing facility, cash and cash equivalents) on the basis of expected cash flow. Conestoga currently settles its financial obligations out of cash. The following table sets out the contractual maturities at the fiscal year end (representing undiscounted contractual cash-flows of financial liabilities).

	Up to 1 year	1-5 years	>5 years
Accounts payable	\$47,180,847	-	-
Long-term debt	2,420,575	\$12,539,238	\$6,463,448

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

#### 13. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's financial statement presentation.

#### 14. IMPACT OF COVID-19

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. In response to the pandemic, governments worldwide have enacted emergency measures to combat the spread of COVID-19, including travel restrictions, indoor and outdoor gathering limits, stay at home orders other than for essential activities, and minimum physical distancing requirements. On September 7, 2021, the College policy requiring proof of full vaccination for employees, students, and visitors on campus took effect. The College also continues to require masks for all those on campus to reduce the risk of transmission of COVID-19. Certain restrictions have continued over the past two years and the College continues to assess changes in public health guidance to ensure a safe work and learning environment.

The extent of the impact of the pandemic on Conestoga's business, operational and financial performance for the upcoming year remains uncertain. The impacts will depend on future developments, including the continued spread and severity of the virus, vaccine efficacy and availability, reinstatement of physical distancing requirements, the duration of related travel advisories and restrictions and any delays in the student visa approval process. Management has considered the potential impacts of the pandemic on its approved capital and operating budget for the year ending March 31, 2023 and assessed its operational and liquidity risks and believes there are no significant issues, given Conestoga's strong working capital base and access to resources to support operations in the coming year.

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## Analysis of Operating Fund Revenue

March 31, 2022, with comparative figures for March 31, 2021

	<u>2022</u>	<u>2021</u>
<b>Grants and government contracts:</b>		
Operating – basic and enrolment growth	\$24,375,451	\$34,162,297
Operating – second career	856,570	895,505
Operating – performance	23,406,693	16,525,202
Operating – supplementary	1,000,820	1,051,443
Operating – premise rental	223,460	226,578
Operating – per capita tax	645,150	674,250
Apprentice related	10,304,903	9,536,385
Employment services	3,360,980	3,274,015
Literacy basic skills	2,632,910	2,676,985
Student support services and special business	1,701,518	1,820,126
Other Ontario	4,819,710	4,015,642
Municipal grants	1,307,850	1,454,898
Non-Government grant	19,307,519	3,035,496
Federal grants	10,205,344	7,485,814
	<b>104,148,878</b>	<b>86,834,636</b>
<b>Tuition:</b>		
Full time post secondary programs	269,882,544	183,658,886
Part-time courses and seminars	9,324,649	8,739,691
Full fee recovery programs	117,853	83,468
Apprentice	1,118,643	937,558
	<b>280,443,669</b>	<b>193,419,603</b>
<b>Other student fees</b>	<b>32,731,055</b>	<b>23,471,932</b>
<b>Contracted services</b>	<b>5,333,915</b>	<b>3,079,166</b>
<b>Other:</b>		
Day-care revenue	1,257,231	569,323
Ancillary operations	15,791,185	10,507,987
Donation revenue	2,110,892	1,435,236
Interest revenue	2,489,952	1,824,189
Application fees	6,401,600	4,710,761
Gain recognized for access rights	-	2,301,542
Miscellaneous revenue	2,051,036	2,384,144
	<b>30,101,895</b>	<b>23,733,182</b>
<b>Amortization of deferred capital contributions:</b>		
Grant	6,953,410	6,588,318
Other	1,990,009	1,490,399
	<b>8,943,419</b>	<b>8,078,717</b>
	<b>\$461,702,831</b>	<b>\$338,617,236</b>

See accompanying notes to consolidated financial statements