

# Keyano College

**ANNUAL REPORT 2006**





## Mission Statement

Keyano College is committed to providing excellent education, training and services that will prepare people for the challenges of work and enhance individual growth. Keyano College holds the fundamental belief that its purpose is to enable students to meet the challenges of the future through accessible programming that maximizes the potential of students and promotes individual and community development, which will improve the quality of life in our region and throughout Alberta.

## Accountability Statement

Keyano College's Annual Report for the year ended June 30, 2006 was prepared under the Board's direction in accordance with the Government Accountability Act and ministerial guidelines established pursuant to the Accountability Act. All material economic, environmental or fiscal implications of which we are aware have been considered in preparation of this report.

## Board of Governors 2005-2006

**Chair** – John Wilson

**Keyano College President** – Jim Foote

**Public Members** – Hector Demers, Bill Gendreau, Carna MacEachern, George McGuigan, Rick Nilson, Tim Revington

**Faculty Member** - Blair Hemstock

**Support Staff Member** - Andrew Johnstone

**Student Member** - Louise Casemore

## Senior Executive

**President** – Jim Foote

**Vice President of Finance & Administration** – Al Adibi

**Vice President of Instruction** – Marylea Jarvis

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# Message from the Board Chair

Keyano College sits in one of the most economically vibrant regions in the world. We are experiencing unprecedented growth fueled by an industry that has attracted international attention and billions of dollars in investments. Keyano College has always adapted to the changing needs of industry in our region. That change is happening at a rate never seen before and we are focused on meeting current training needs and increasing our capacity to meet the needs of tomorrow.

The reach of Keyano College extends far beyond the borders of Fort McMurray. Our teaching universe extends north to Fort Chipewyan, south to Edmonton, northwest to Fort MacKay and southeast to Gregoire Lake, Janvier and Conklin. Through eCampusAlberta and our participation in Alberta-North our reach into the rural communities is constantly growing. Through technological change and the implementation of the Alberta SuperNet, we are able to more effectively connect students in outlying areas to our Clearwater Campus.

We have been challenged by staff recruitment and retention, and as a board have focused on making Keyano College the employer of choice in the region. Thanks to the provincial government we are able to offer a cost-of-living allowance for our staff. This financial boost has helped to soften the impact of high rents and huge mortgages. We have also been able to create some transitional staff housing using existing facilities at Reidel Place and Penhorwood.

Keyano College has always played an important role in the development of our community. Our diverse educational offerings provide terrific opportunities for individual growth. Our Workforce Development programming has been embraced by

industry and is experiencing exponential growth. Keyano Theatre continues to build the human spirit with great productions and concerts.

Construction of the Syncrude Sport & Wellness Centre is in the final stages. This community-use facility reflects Keyano's commitment to wellness and sports excellence. We received over \$30 million from the provincial government, \$1 million from the Regional Municipality of Wood Buffalo and over \$3.5 million from donors. When we open the doors this summer, we will be enormously proud of this facility. It will also be the home of the Wood Buffalo Sports Hall of Fame.

Perhaps the greatest challenge facing us is the tremendous skill shortage of this region, province and country. Industry is counting on Keyano College to increase capacity and program offerings to meet their needs. To that end, we are planning to build the Oil Sands Trades and Technology Centre, a \$100 million expansion to our Clearwater Campus. Through the generosity of our funding partners and the continued support of government, we will shortly embark on this critical project that will change the shape of Keyano College.



**John Wilson**  
*Chair, Board of Governors*  
*Keyano College*

# President's Report

We live in interesting and dynamic times. The recent municipal census identified almost 80,000 people who live in our region, or who spend much of their time working here (shadow population). The number of oilsands companies and projects in Wood Buffalo continues to rise as does the projected capital investments. While the need for skilled labour is rising at an exponential rate, huge attrition numbers fueled by an aging workforce combined with inadequate training capacity is fast becoming the number one concern of industry and government.

Keyano College sits at the epicentre of the hottest economy in Canada, if not the world. Walking through our halls you can feel the excitement, energy and global impact of what is happening all around us. We have students and staff who have joined us from countries around the world.

There has been much discussion and press attention around the infrastructure crisis in Wood Buffalo. Our population is growing so fast, that basic services are being stretched to their limits. There is just not enough money to keep up with the frenetic development and social implications being driven by the oilsands. Keyano College is experiencing many of the same challenges with huge capital and expansion needs and not enough money to go around.

While we struggle with the challenges, we are embracing the opportunities. Industry and government are looking to Keyano College for strong leadership in creating solutions to the skilled labour shortage. We have developed a compelling business

case to build The Oil Sands Trades and Technology Centre, an expansion to our Clearwater Campus that will enable us to increase the number of trades and technology students we can accommodate each year by over 200 per cent.

We have also undertaken construction of the \$36 million Syncrude Sport & Wellness Centre. A showcase for the entire community, this facility will vastly improve access to recreational and training resources for our students, staff and community. As we make the move into the Centre this summer, space will be vacated enabling us to begin the first steps of "Heart of the Campus".

The "Heart of the Campus" project will result in a "one stop shopping" environment for our students, integrating student services and the office of the registrar with finance, human resources and the bookstore. Space vacated by athletics will eventually become a new library.

This was a year of incredible change in the College environment. We began the process of moving to the Management Information System (MIS) for student services that will greatly improve the registration process and overall student experience. Our Computer Services team improved our computer infrastructure in preparation for a move to the Outlook email system, webmail and installation of over 400 new computers. Working towards an "anyplace, anytime" work environment, Computer Services continues to improve the functionality and efficiency of our work flow.

I am excited about the improvements that Keyano College has made in its recruitment and retention of staff. One of our priorities is to be the employer of choice in Wood Buffalo. We worked with government to offer our employees a \$525 per month living allowance. Using some of our existing housing assets, we have been able to offer transitional housing options for staff new to the community. Three year agreements with CUPE and the Faculty Association have given us labour stability and predictable budget targets.

Keyano College has always been focused on providing educational opportunities for students. Through our collaborative agreements with other institutions, we have been able to expand our degree completion options. Our first University of Alberta Bachelor of Education program will begin in the fall of 2007. Our Bachelor of Science in Nursing with the U of A is experiencing great success. We were also able to sign Memoranda of Understanding with both SAIT Polytechnic and the University of Calgary which will result in expanded offerings for our students in Engineering Technology and Social Work. A Memorandum of Agreement with the University of Lethbridge was signed in the fall of 2006 which will explore the possibility of offering a Bachelor of Fine Arts in Drama in the future.

One of the keys of success for industry in the coming years will be their ability to engage the Aboriginal workforce. Our Aboriginal Education team has done some excellent work in exploring new opportunities and programs that will increase

Aboriginal participation in the oilsands. Keyano College's Aboriginal Financial Management program in partnership with Syncrude Canada Ltd. continues to garner national attention. The Aboriginal Skills Employment Partnership has built a bridge enabling students to make the transition into the industrial workforce. A successful partnership with the Business Development Corporation is giving graduates of our Aboriginal Entrepreneurship Program access to start-up business loans of up to \$20,000.

We have only begun to explore new ways of delivering educational services during this dynamic period of Alberta's history. If we are to be successful in the long term, we need to work closely with our communities, industry and government to find creative solutions to the challenges we face. We are fortunate to have committed staff who strive to innovate, improvise and improve the way we do business.



**Jim Foote**  
*President, Keyano College*

# Goals and Expected Outcomes

## Goal 1

### Support the growing educational and training demands in the Wood Buffalo region by increasing enrolment in accordance with the target of 2000+ FLEs by 2010.

The Keyano College Board of Governors approved a number of strategic initiatives to help address the growing skill shortage in the region and the need for expanded academic programming.

Recommendations in the plan include:

- Expand existing and develop new programs based on the needs throughout the region
- Apply for Access Funding (Fast Track 2005) to expand the Power Engineering, Process Operator and Mine Operations programs to meet the current and projected labour needs at oilsands companies
- Construct a steam lab to increase the number of learners within the Technology and Trades division and help address the rising demand for power engineers and process operators
- Expand the mobile delivery of trades technical training to include the 2nd year electrical and other trades such as Steamfitter/Pipefitter as demanded by industry
- Seek degree completion opportunities with various university partners
- Increase the capacity of existing trades
- Add new trades such as Instrument Mechanic, Insulator, Plumber/Gasfitter, Steamfitter/Pipefitter
- Develop pre-trades programs
- Add course offerings in University Studies
- Develop strategies to retain existing staff and attract new staff
- Add more 2nd year and higher courses in University Studies so learners can complete at least half of their degree at Keyano College
- Collaborate with other post-secondary institutions through partnerships, brokerage arrangements and joint development in the areas of program development and delivery
- Investigate other alternative delivery strategies especially in the area of pre-trades and apprenticeship trades
- Utilize the eCampusAlberta portal, Alberta SuperNet and the Alberta-North partnership for distance education opportunities across the region
- Look at developing some of the non-credit courses into credit courses with opportunities for learners to complete a credential

In many ways, the 2005-2006 academic year was all about setting the stage for future growth. In a booming economy the demands for increased training capacity, staffing and programs are many. While our institution is reaching the limits of space and resources, our staff have done a tremendous job in rethinking how classes and shop spaces are utilized and ensuring that they are being used to their maximum potential.

While our staff have innovated, improvised and improved service delivery of programs, they covered gaps created by vacant positions. Keyano College has been forced to confront many of the same recruitment and retention problems being faced by all businesses in the Regional Municipality of Wood Buffalo. Through the efforts of our Human Resources department and a \$525 per month cost-of-living allowance funded by the Provincial government, our attrition rate has begun to decline.

With an exploding population, the need to provide expanded degree completion options is growing. Thanks to a successful collaboration with the University of Alberta, funding was secured to enable students to complete a Bachelor of Education degree in Elementary Education at Keyano College starting in Fall 2007. In March 2006, a Memorandum of Understanding was signed with the University of Calgary and

SAIT Polytechnic. Discussions are underway to offer the U of C's Social Work degree at Keyano College and reintroduce an Engineering Technology Program with SAIT Polytechnic as part of the Trades and Technology expansion.

A huge demand for nurses locally, provincially and nationally, caused us to accept the biggest intake ever of students in Keyano's Nursing Program. A total of 53 first year students began the 2005-2006 academic year striving for a four year University of Alberta Bachelor of Science in Nursing degree. Attracted to a profession that pays better than it did 10 years ago and has a high placement rate students from across the country are studying at Keyano. The program also produced its largest complement of graduates in 2005-2006, with 26 students receiving their BScN.

Keyano College and industry have always had a collaborative relationship. In advance of launching our Steamfitter/Pipefitter program in January 2007, Keyano College was able to partner with Red Deer College to provide onsite delivery at Opti-Nexen's Long Lake Project and at Suncor's Tar Island facility. We were also able to deliver the 2nd year electrical trade at Suncor.

The proposed expansion of our capacity to train power engineers and process operators has struck a positive chord

with industry. Suncor Energy has donated a Volcano water tube boiler from their Firebag Pilot Plant SAGD Project that will provide valuable steam time and the opportunity for students to obtain class #4 certification at Keyano College. The 145,000 pound unit was transported to Keyano College in December 2006 and is currently being installed at our Suncor Energy Industrial Campus. Anticipated to be a functional lab in 2008, we will be able to double the present intake of 112 students every two years to 224. As well the new boiler lab will allow 150 online learners enrolled in Power Engineering to obtain the steam time required to write their full ABSA (Alberta Boiler Safety Association) Fourth Class Exam.

Keyano College is an active partner in eCampusAlberta, offering courses in Office Administration, Aboriginal Child & Family Services, Aboriginal Addictions Services, and Journeyman Carpentry Upgrade. In 2005-2006 Keyano offered eight courses with a total enrolment of 71 students. Partnerships with other institutions help to ensure that students can complete entire credentials online. Keyano's participation is expected to increase as we include program areas such as Educational Assistant and Aboriginal Entrepreneurship courses on eCampus Alberta in the coming year.

# Goals and Expected Outcomes

## Goal 2

### **Plan and construct additional facilities that support the campus development required to effectively address the growing demand for program and services in the Wood Buffalo Region:**

1. Begin construction of the Syncrude Sport & Wellness Centre
  2. Implement the initial phases of the Campus Development Master Plan
  3. Finalize the Business Case for the expansion of Trades and Technology
- Collaborate with sport associations locally and regionally to address growing demands
  - Commence site preparation and foundation construction of the Syncrude Sport & Wellness Centre by October 2005
  - Syncrude Sport & Wellness Centre completed by April 2007
  - Complete and integrate Campus Development Master Plan, Trades and Technology Expansion Business Case
  - Launch new program and service initiatives
  - Work with Keyano College Foundation to raise required funds from private sources for capital costs of construction
  - Expand Keyano College facilities to meet the education and training needs of the rapidly growing communities and industries within the Regional Municipality of Wood Buffalo
  - Align documents with the Wood Buffalo Business Case 2005 which accurately reflects the needs and challenges of the region

Following an initial commitment of \$17.4 million from the Provincial government and \$1 million from the Regional Municipality of Wood Buffalo, the Keyano College Foundation launched its Sport & Wellness Centre Campaign. A long list of companies, large and small, came to the plate with donations totaling over \$3.5 million. Some of the key contributors included Syncrude Canada Ltd., Alberta Building Trades Council, Albian Sands Energy Inc., Canadian Natural

Resources Limited, Fort McMurray Youth Soccer Association and Total E & P Canada Ltd.

With funding in place, planning complete and construction crews at the ready, the Syncrude Sport & Wellness Centre began to take shape in April 2006. The 13,246 square metre facility will open to the public in summer 2007 and feature two indoor fields, a three court hardwood gymnasium, a four lane running track, a cardiovascular and strength training fitness centre, dance studio, aerobic studio, high performance training centre and child minding and child play area.

While construction is proceeding in the forefront, behind the scenes Keyano staff are developing the relationships and programming that will bring the centre to life. Albian Field will be home to the Fort McMurray Youth Soccer Association and their 1,500 members. The CNRL gymnasium will be home to Keyano Huskies Athletics and their basketball and volleyball programs.

The Syncrude Sport & Wellness Centre will also be home to the Alberta Sport Development Centre (ASDC) Northeast. ASDC supports the idea of a holistic training approach to reach optimal athletic potential by combining sport science applications with support from experts in nutrition, sport psychology and injury prevention.

Fostering sports training, education and excellence, the Syncrude Sport & Wellness Centre at Keyano College will be the appropriate home for the Wood Buffalo Sports Hall of Fame. The inaugural group of inductees will be announced in June and their tributes unveiled when the facility opens in September.



As staff and programs move into the Syncrude Sport & Wellness Centre, Keyano College will go through a space optimization process. The physical shuffling of departments will have a trickle down effect that will allow for the initial stages of “Heart of the Campus”.

The Campus Development Master Plan will provide a one-stop-shopping concept for students integrating student services, office of the registrar, counseling and career services, bookstore, finance, and human resources. A business case was developed around the construction of a new library in the space vacated by athletics.

According to recent projections, oilsands production is expected to more than triple in the next 10 years. In order to deliver more than three million barrels per day, existing plants

will continue expansions and new players will be entering the scene from all over the world. Keyano’s industry partners have identified eight new “in-demand” programs including Instrument Mechanic, Insulator, Plumber/Gasfitter, Steamfitter/Pipefitter (Apprenticeship programs); and Chemical Engineering Technology, Electrical Engineering Technology, Industrial Instrumentation Technology, and Inspection Technologies.

In order to expand capacity in the current trades and expand programming, Keyano College has applied for planning dollars for The Oil Sands Trades and Technology Centre. This 30,000 square metre, \$100 million dollar expansion of the Clearwater Campus will allow us to accommodate up to 2,694 students, an increase of over 200 per cent from current capacity.

# Goals and Expected Outcomes

## Goal 3

### Enhance services and programs delivered to Aboriginal communities served by Keyano College.

- Develop high quality learning opportunities that meet the needs of the community
- Continue to work with internal stakeholders to share expertise
- Investigate options for laddering programs to ensure learners can receive transfer credit to other programs within Keyano College and through transfer agreements with other post-secondary institutions
- Continue to work with various Aboriginal organizations, community advisory committees, industry partners, funders and post-secondary institutions to customize training to meet the needs of local Aboriginal populations and the industries that are within their area
- Provide culturally-appropriate supports and activities during program delivery
- Utilize distance education technologies to improve educational access in remote Aboriginal communities
- Share our in-house best practices with other jurisdictions
- Participate in pilot projects to “test-drive” various delivery technologies and methodologies
- Expand utilization of videoconferencing technology and SuperNet

Thanks to technological advancements our regional Aboriginal communities are linked to educational opportunities and resources like never before. The implementation of the Alberta SuperNet has connected Keyano College students virtually in Janvier, Fort Chipewyan, Conklin and Fort MacKay with our Clearwater Campus. Newly installed high-speed Internet connections and upgraded video-conferencing facilities allow our regional Aboriginal students to train without leaving their communities.

As a member of Alberta-North, Keyano College operates Community Access Points (CAP) in Conklin, Janvier, Gregoire

Lake/Anzac and Fort MacKay. These CAP sites not only provide technological access to education, but also invaluable one-on-one assistance with understanding and utilizing all the learning opportunities that exist.

Keyano College has developed a comprehensive Aboriginal Education Strategy through consultations with community leaders, industry and government. Innovative programming, industry partnerships and collaborations with other institutions have resulted in a number of success stories.

The Preparation for Academic and Career Education (PACE) program was combined with NAIT's Trades in Motion Program in Janvier. Keyano delivered PACE programming at our Regional Learning Centre in the community with graduating students moving into NAIT's Trades in Motion Program. The PACE component included three months compressed training in math, english, critical reading and writing. It also covered safety training, conflict and stress management, study habits, test taking and other essential skills.

Keyano College's Aboriginal Entrepreneurship Program took a big step forward in February 2006 when a partnership was announced with the Business Development Corporation (BDC). An Aboriginal Business Development Fund of \$250,000 was created enabling qualified entrepreneurs to obtain business loans of up to \$20,000. The program identifies entrepreneurs and potential loan candidates and offers them appropriate business training through mentoring and education. Topics covered include human resources, financial planning, marketing and conflict resolution.

At the beginning of the 2005-2006 academic year, Keyano College began offering an adaptation of the University of Alberta's Aboriginal Transition Program. Designed to increase

Aboriginal participation in University level programs, Keyano is able to provide courses that will enable Aboriginal students in the Wood Buffalo region to smoothly transition into university studies and ultimately achieve post-secondary success. The program is geared towards students who would like to pursue university education, but are experiencing a level of uncertainty. The Program focuses on providing students with the skills needed to be successful in their academic careers by offering courses on good study habits, how to learn effectively, critical reading, writing and research.

Keyano College's Aboriginal Education and Trades departments teamed up with the Wood Buffalo Partners in Aboriginal Training to offer a two-phase Aboriginal Skills Employment Partnership (ASEP) program that will prepare students to enter trades program. Phase one includes Preparation for Academic and Career Education and Connecting to College and Careers courses. In phase two, successful graduates of ASEP apply for entry into Mine Operations, Power Engineering, Process Operations or Mechanical Construction Trades Preparation programs.

## Goal 4

### Establish an Applied Research initiative and significantly expand Workforce Development.

#### STRATEGIES

- Develop an options paper to investigate how Applied Research could be nurtured at Keyano College
- Collaborate with various partners to enhance the Applied Research resources at Keyano College
- Develop a collaborative project with the Alberta Research Council
- Increase research and development activities at Keyano College
- Document and publish applied research activities
- Invest in applied research initiatives
- Participate with the applied research community of practice within Alberta and Canada
- Evaluate existing services and focus on in-demand services
- Expand existing services provided by Workforce Development
- Design pedagogically sound curriculum, training manuals, websites, databases, assessment tools and other education and training products for clients
- Broker programs from other post-secondary institutions to meet specific client needs
- Provide testing for employability, essential skills and work-relevant assessments
- Provide rental space for temporary, short-term, specialized training by Keyano College or its partners
- Investigate opportunities to expand services to clients
- Develop unique workforce development services specifically for the oilsands environment

# Goals and Expected Outcomes

## Goal 4

- Create opportunities to combine in-house adult education and instructional design expertise with content expertise in our partner organizations
- Liaise with industry partners to develop relevant and effective workforce development training
- Investigate opportunities to link non-credit workforce development to credit programming through Prior Learning Assessment practices and transfer credit processes
- Develop links between Applied Research and Workforce Development to investigate possible research and commercialization projects

Workforce Development at Keyano College is growing dramatically, in particular thanks to increasing demand from industry. Enrolment has increased in programs such as Purchasing Management, Construction Administration, Occupational Health and Safety and Computer Training.

In April 2006, Workforce Development began offering the Oil Sands Safety Association's Regional Orientation. This one hour basic introduction to safety on all oilsands sites runs six times a week with over 1,300 regional workers completing the session in the 2005-2006 academic year. Keyano began working with Interthink Inc. to offer basic level Project Management with links to the University of Alberta, Faculty of Extension for the Advanced Certificate program. Northern Lakes College Advanced Supervisory Skills certificate program was recreated and delivered to over 200 employees at Flint in May/June 2006.

A great success, the program has since been delivered to three other companies. With advice from Norquest College, Workforce Development designed and delivered two full sections of the English Through an Engineering Pipeline.

Whether it is executing the 2006 Regional Municipality of Wood Buffalo Census or rewriting a procedure manual for industry, Keyano College's Workforce Development department is providing invaluable services to the region. They have earned a solid reputation as being solutions driven and results oriented.

The impact of Workforce Development's success can be seen in the registration numbers. There was a 75 per cent increase in Continuing Education enrolment in the 2005-2006 academic year thanks in large part to the growth of Workforce Development.

Keyano College was strongly represented on the Innovation Management Committee, a sub-committee of the Alberta Association of Colleges and Technical Institutes that received \$900,000 in government funds to support applied research. It was part of a \$20 million request to government to build applied research capacity in Alberta colleges and technical institutes.

Keyano College also participated in a research initiative with Vancouver Coastal Health Authority and Providence Health Care to study the effectiveness of Keyano College's Shifting to Wellness Program®.

# Key Performance Measures



GRADUATE SURVEY HIGHLIGHTS			
	2000	2001	2002
Employment Rate:	89.3%	91.8%	92.0%
Graduate Satisfaction:	96.8%	97.0%	95.6%

**ADMINISTRATION EXPENDITURES: 7.4%**

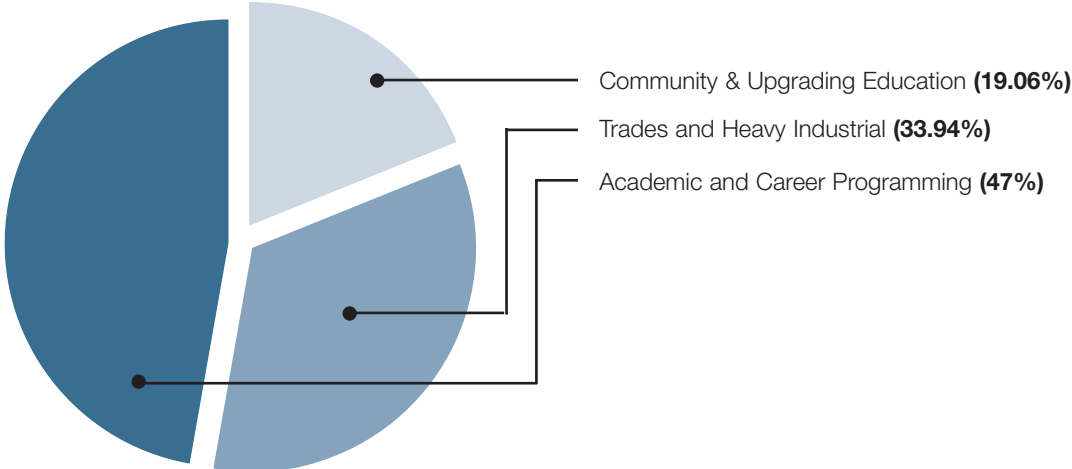
Administration expenditures as a percentage of total expenditures less ancillary expenditures.

ENROLMENT	
In 2005/2006 Keyano College experienced a -2.28 per cent decrease in enrolment over the previous year.	
2003/2004: .....	1,306 FLE
2004/2005: .....	1,322 FLE
2005/2006: .....	1,291 FLE
Total Credit Students: .....	4,049 (duplicated)
Continuing Education Registrations:	18,347 (duplicated)

**ENTERPRISE REVENUE: 26.8%**

Revenues less all government grants, tuition fees under policy, sponsored research (universities), ancillary services and earned capital contributions as a percentage of Alberta Advanced Education grants.

**ENROLMENT BY DIVISION**



# Operational Overview

**Keyano College continues to expand program offerings and program diversification based on the needs and demands of the Wood Buffalo Region. The College is dedicated to providing program excellence through utilizing a highly qualified, dedicated faculty and staff.**

## **MANDATE STATEMENT**

*[Approved by the Minister of Learning, July 8, 1992]*

Keyano College is a Board-governed, comprehensive community college that offers educational and training programs, courses and services to the residents of northeast Alberta. The College does so in accordance with the Colleges Act.

Keyano College continues to expand program offerings and program diversification based on the needs and demands of the Wood Buffalo Region. The College is dedicated to providing program excellence through utilizing a highly qualified, dedicated faculty and staff.

## **CORE PROGRAMS**

### **COMMUNITY AND UPGRADING EDUCATION**

Academic Upgrading  
Academic Foundations  
College Preparation  
Preparation for Academic and Career Education  
Transitional Program

### **Career, Certificate and Diploma**

Aboriginal Addictions Services  
Aboriginal Child and Family Services  
Aboriginal Entrepreneurship -  
*Sponsored by Albian Sands Energy Inc.*  
Community Wellness

### **Workforce Development**

Custom-designed training programs, courses and consulting services for business and industry are offered through the Workforce Development unit. Courses in trades, business and personal development, computer training and language skills can be tailored to meet the needs of learners.

### **ACADEMICS**

#### **Career, Certificate and Diploma**

Business Administration  
- Accounting  
- Human Resources Management  
- Management  
Computer Information Systems  
Early Learning & Child Care  
Educational Assistant  
Emergency Medical Technologist  
- Ambulance  
- Paramedic  
Environmental Technology -  
*Sponsored by Albian Sands Energy Inc.*  
Office Administration  
Office Software Specialist  
Practical Nurse  
Visual and Performing Arts  
- Drama  
- Music  
- Musical Instrument Repair  
- Visual Art and Design

### **University Studies**

*First- and second-year University Studies courses offered in:*

Arts  
Commerce  
Education  
Engineering  
Fine Arts  
Science

*Pre-professional transfer University Studies courses offered in:*

Pre-Architecture  
Pre-Chiropractic  
Pre-Dentistry  
Pre-Journalism  
Pre-Law  
Pre-Medicine  
Pre-Medical Lab Science  
Pre-Optometry  
Pre-Pharmacy  
Pre-Rehabilitation Medicine  
Pre-Social Work  
Pre-Veterinary

### **Collaborative Degree Programs**

*Keyano College/Athabasca University*  
Administration  
Arts  
General Studies

*Keyano College/University of Alberta*  
Bachelor of Science in Nursing (BScN)  
Bachelor of Education (BEd)

**TRADES AND HEAVY INDUSTRIAL**

Apprenticeship Programs

- Carpentry
- Electrician
- Heavy Equipment Technician
- Millwright
- Steamfitter/Pipefitter
- Welder

Coker Technician - *Sponsored by Suncor Energy Foundation*

Mechanical and Construction Trades Preparation

Mine Operations - *Sponsored by Suncor Energy Foundation*

Power Engineering

Process Operator - *Sponsored by Suncor Energy Foundation*

Truck Transport Training

**Facilities**

**Clearwater Campus**

The main campus - the Clearwater - is in downtown Fort McMurray. The majority of our programs, from Upgrading to Career Programs to University Studies to the Trades, are taught here.

**Suncor Energy Industrial Campus**

The Suncor Energy Industrial Campus is located in the MacKenzie Industrial Park on the south end of Fort McMurray. This Campus is home to our Heavy Industrial Programs and some Trades.

**Fort Chipewyan Campus**

The Fort Chipewyan Campus offers Upgrading courses and career-related programming.

**Human and Community Services Centre**

Located in Edmonton, Alberta, this Centre houses Keyano's Aboriginal Child and Family Services program.

**Learning Centres**

Learning Centres are located in four Wood Buffalo hamlets - Gregoire Lake, Janvier, Conklin and Fort MacKay - where distance-learning opportunities are provided.

**Staffing**

*Faculty:*

122 full-time and 9 part-time

*Administration:*

57 full-time and 3 part-time

*Support staff:*

135 full-time and 12 part-time

**Total: 338**

Tuition Fee Revenue as

a percentage of Net

Operating Expenditure: ..... **14.0%**

The information shown above provides a calculation of the ratio of institution tuition fee revenue to net operating expenditures, and demonstrates institution performance with respect to the 30 per cent tuition fee ceiling. The information was prepared in accordance with Section 3 of the Tuition Fee Regulation. It has been submitted to Alberta Learning and has been verified by Ministry staff.

# Keyano College Financial Statements

June 30, 2006

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## Auditor's Report

**To the Board of Governors of  
Keyano College**

I have audited the statement of financial position of Keyano College as at June 30, 2006 and the statements of revenue and expense, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the College's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also

includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the College as at June 30, 2006 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



*Auditor General*  
Edmonton, Alberta  
September 11, 2006



# Keyano College

## Statement of Financial Position



As at June 30, 2006	2006	2005
<b>ASSETS</b>		
Current:		
Cash (Note 3)	\$ 11,442,280	\$ 1,401,694
Short-term investments (Note 4)	5,845,317	893,823
Accounts receivable	2,723,790	1,918,487
Inventories (Note 5)	223,558	139,549
Prepaid expenses	230,985	210,866
	<b>20,465,930</b>	4,564,419
Long-term investments (Note 4)	8,360,854	8,187,122
Long-term accounts receivable (Note 6)	80,620	80,620
Tangible capital assets (Note 7)	67,120,034	61,167,867
	<b>\$ 96,027,438</b>	\$ 74,000,028
<b>LIABILITIES AND NET ASSETS</b>		
Current:		
Accounts payable and accrued liabilities	\$ 5,262,722	\$ 1,224,478
Accrued vacation pay	1,731,014	1,656,675
Unearned revenue (Note 8)	872,046	704,277
Long-term debt due within one year (Note 11)	309,139	293,247
Deferred contributions (Note 9)	2,711,397	1,437,131
	<b>10,886,318</b>	5,315,808
Long-term:		
Long-term debt (Note 11)	5,740,718	6,019,863
Deferred contribution for capital purposes (Note 10)	9,478,463	1,136,421
Unamortized deferred capital contributions (Note 12)	37,378,436	31,438,627
	<b>52,597,617</b>	38,594,911
Net assets:		
Endowments (Note 13)	1,426,191	1,252,523
Investment in tangible capital assets (Note 14)	23,691,741	23,431,163
Unrestricted net assets	7,425,571	5,405,623
	<b>32,543,503</b>	30,089,309
	<b>\$ 96,027,438</b>	\$ 74,000,028

The accompanying notes are part of these financial statements.

# Keyano College

## Statement of Revenue and Expense

For the year ended June 30, 2006	2006 Budget	<b>2006 Actual</b>	2005 Actual
<b>Revenue:</b>	(Note 15)		
Grants (Note 23)	\$ 24,501,668	<b>\$ 25,569,966</b>	\$ 22,596,622
Sales, rentals and services	5,218,568	<b>5,286,571</b>	4,883,366
Tuition	5,720,917	<b>6,745,358</b>	5,871,981
Education contracts	1,136,243	<b>686,715</b>	1,150,889
Investment income (Note 4)	260,875	<b>515,981</b>	415,014
Donations	794,177	<b>906,620</b>	805,156
Amortization of deferred capital contributions (Note 12)	1,904,096	<b>1,931,794</b>	1,934,435
	39,536,544	<b>41,643,005</b>	37,657,463
<b>Expense:</b>			
Salaries and benefits	25,049,008	<b>24,836,716</b>	22,662,815
Supplies and services	7,779,484	<b>7,587,302</b>	6,705,325
Scholarships and awards	401,931	<b>479,340</b>	498,106
Utilities	1,681,425	<b>1,516,352</b>	1,475,899
Cost of goods sold	543,096	<b>714,635</b>	645,379
Amortization	3,243,801	<b>3,356,951</b>	3,315,848
Interest on long-term debt	395,518	<b>382,836</b>	348,673
Loss on disposal of tangible capital assets	-	<b>23,211</b>	60,225
Transfer to Keyano Foundation (Note 23)	442,281	<b>465,136</b>	357,978
	39,536,544	<b>39,362,479</b>	36,070,248
Excess (deficiency) of revenue over expense	\$ -	<b>\$ 2,280,526</b>	\$ 1,587,215

The accompanying notes are part of these financial statements.

# Keyano College

## Statement of Changes in Net Assets

For the year ended June 30, 2006	2006				2005
	Endowments	Investment in Tangible Capital Assets	Unrestricted Net Assets	Total	Total
	(Note 13)	(Note 14)			
Beginning of year	\$ 1,252,523	\$ 23,431,163	\$ 5,405,623	\$ 30,089,309	\$28,407,760
Excess of revenue over expense	-	-	2,280,526	2,280,526	1,587,215
Endowments received	173,668	-	-	173,668	94,334
Tangible capital assets acquired from internal funds	-	1,463,277	(1,463,277)	-	-
Amortization of internally funded tangible capital assets	-	(1,425,157)	1,425,157	-	-
Net book value of disposals	-	(70,746)	70,746	-	-
Principal repayment of long-term debt	-	209,876	(209,876)	-	-
Repayment of capital lease obligations	-	83,328	(83,328)	-	-
	\$ 1,426,191	\$ 23,691,741	\$ 7,425,571	\$ 32,543,503	\$30,089,309

*The accompanying notes are part of these financial statements.*

# Keyano College

## Statement of Cash Flows

For the year ended June 30, 2006	2006	2005
Cash provided from operating activities:		
Excess of revenue over expense	\$ 2,280,526	\$ 1,587,215
Non-cash transactions:		
Amortization of tangible capital assets	3,356,951	3,315,848
Amortization of deferred capital contributions	(1,931,794)	(1,934,435)
Loss on disposal of tangible capital assets	23,211	60,226
	<b>3,728,894</b>	3,028,854
Changes in non-cash working capital (Note 19)	<b>(306,307)</b>	(3,603,931)
Cash generated from (used in) operating activities	<b>3,422,587</b>	(575,077)
Cash provided from (used in) investing activities:		
Purchases of tangible capital assets:		
Internally funded	<b>(1,463,277)</b>	(1,428,356)
Externally funded through contributions and debt	<b>(7,916,588)</b>	(2,258,860)
Proceeds on disposals of tangible capital assets	47,535	14,020
Purchases (disposal) of long term investments - net	<b>(173,731)</b>	271,945
Cash used in investing activities	<b>(9,506,061)</b>	(3,401,251)
Cash provided from (used in) financing activities:		
Capital contributions received	16,213,646	2,372,216
Endowment contributions	173,667	94,334
Long-term debt repayment - net	<b>(263,253)</b>	837,844
Cash generated from financing activities	<b>16,124,060</b>	3,304,394
Increase (decrease) in cash	<b>10,040,586</b>	(671,934)
Cash at beginning of year	<b>1,401,694</b>	2,073,628
Cash at end of year	<b>\$ 11,442,280</b>	\$ 1,401,694

The accompanying notes are part of these financial statements.

# Keyano College

## Notes to Financial Statements

June 30, 2006

### **Note 1 Authority and Purpose**

Keyano College operates under the authority of the Post-secondary Learning Act, Statutes of Alberta 2003, Chapter P-19.5. The College is a comprehensive community college serving primarily the north-eastern region of Alberta. The College is exempt from payment of income tax under Section 149 of the Income Tax Act.

### **Note 2 Summaries of Significant Accounting Policies and Reporting Practices**

#### **(a) General**

The financial statements of the College have been prepared in accordance with Canadian generally accepted accounting principles. The measurement of certain assets and liabilities is contingent upon future events; therefore, the preparation of these financial statements requires the use of estimates, which may vary from actual results.

#### **(b) Revenue Recognition**

Operating grants are recognized as revenue in the period when receivable. Operating grants received for a future period are deferred until that future period and are reflected as deferred contributions.

Amounts received for tuition fees and sales of goods and services are recognized as revenue at the time the goods are delivered or the services are provided.

Externally restricted non-capital contributions are deferred and recognized as revenue in the period in which the related expenses are incurred. Externally restricted amounts can only be used for purposes designated by the contributors. Any externally restricted contributions containing stipulations that the amounts should be retained as net assets or that the contributions should not be expended are recorded as direct increases in net assets. Such stipulations would include contributions made for endowment purposes or to be used to acquire non-amortizable property. Investment income earned on external endowments is recorded as a direct increase in net assets where the donor has stipulated that the economic value of endowments must be protected.

Externally restricted capital contributions are recorded as deferred contributions until the amount is invested to acquire tangible capital assets. Amounts invested representing externally funded tangible capital assets are then transferred to unamortized deferred capital contributions. Unamortized deferred capital contributions are recognized as revenue in the periods in which the related amortization expense of the funded tangible capital asset is recorded.

# Keyano College

## Notes to Financial Statements

June 30, 2006

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

**(b) Revenue Recognition (continued)**

Contributions of materials and services that would otherwise have been purchased are recorded at fair value when a fair value can be reasonably determined.

**(c) Inventories**

Inventories held for resale are valued at the lower of cost and net realizable value. Inventories held for consumption are valued at the lower of cost and replacement value.

**(d) Investments**

Short-term investments are recorded at the lower of cost and market value.

Long-term investments are recorded at cost. Gains or losses on long-term investments are recognized at liquidation or when the impairment in the value of an investment is other than temporary.

**(e) Tangible Capital Assets**

Tangible capital asset acquisitions are recorded at cost except for donated assets, which are recorded at fair market value at the time of receipt. Tangible capital assets are amortized on a straight line basis over the following estimated average useful lives:

	<b>Years</b>
Land improvements . . . . .	40
Buildings and renovations . . . . .	40
Furnishings and equipment. . . . .	10-25
Automotive and heavy equipment. . . . .	5-25
Library materials. . . . .	10
Audio-visual equipment . . . . .	10
Computer hardware and software . . . . .	5-10

**(f) Employee Future Benefits**

The College participates in the Local Authorities Pension Plan. This pension plan is a multi-employer defined benefit pension plan that provides pensions for the College’s participating employees, based on years of service and earnings.

Pension costs included in these financial statements comprise the amount of employer contributions required for its employees during the year, based on rates that are expected to provide for benefits payable under the pension plan. The College does not record the College’s portion of the pension plan’s deficit.

# Keyano College

## Notes to Financial Statements

June 30, 2006

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

#### (g) Expenses

Instruction encompasses all formal educational and instructional program elements. Institutional support includes all activities that provide institution-wide support to other programs. Academic support includes all activities that directly support the educational and instructional elements such as academic administration, library and audio-visual services. Student services include all activities or services to the student body of the institution including scholarships and bursaries.

#### (h) Translation of Foreign Currencies

Monetary assets are translated into Canadian dollars at the rate of exchange at Statement of Financial Position date. Non-monetary items are translated at historical exchange rates. Revenue and expense items are translated at the rate of exchange in effect on the dates they occur.

### Note 3 Cash

At June 30, 2006, the College had an available line of credit totaling \$1,000,000, none of which was drawn, which bears interest at Royal Bank prime plus 0.25%.

### Note 4 Investments

	2006				2005
	Short-term Investments	Long-term Investments	Total Cost	Market Value	Total Cost
Money market investments	\$ 4,678,487	-	4,678,487	4,678,487	\$ 893,823
Bonds	1,166,830	4,698,999	5,865,829	5,707,257	4,546,132
Equities	-	3,661,855	3,661,855	4,186,032	3,640,990
	\$ 5,845,317	8,360,854	14,206,171	14,571,776	\$ 9,080,945

As at June 30, 2006, \$1,426,191 (2005 - \$1,252,523) is restricted for endowment purposes.

# Keyano College

## Notes to Financial Statements

June 30, 2006

### **Note 4 Investments (continued)**

The Board of Governors has approved investment policies covering both short and long-term investments of the College and the Sports and Wellness Centre.

The investment policy is as follows:

- a) Quality constraint of "R1 or A1" or better for money market securities.
- b) All corporate and provincial bonds will be rated "A" or higher, with the exception of the portfolio manager having discretion to purchase "BBB" rated securities up to a maximum of 15% of the market value of the fixed income component.
- c) No more than 10% of the fund will be invested in any one issuer, other than investments guaranteed by the Government of Canada or any province.
- d) No more than 5% of the portfolio will be invested in any one corporate bond issue.
- e) The fixed income category of the portfolio shall be a minimum of 40% and a maximum of 60% of the portfolio.
- f) The equity category of the portfolio shall be a minimum of 40% and a maximum of 50% of the portfolio.
- g) No more than a maximum of 10% of the equity component, at market, will be invested in any one equity issue.

Investment policy for the Sports and Wellness Centre is as follows:

Given the short-term nature of the account, the portfolio will be invested in money market securities and short-term bonds.

- a) Money market category of the portfolio shall be a minimum of 50% and a maximum of 100% of the portfolio.
- b) Short-term bonds shall be a maximum of 30% of the portfolio.
- c) The Money Market Fund will invest in money market securities that are rated "R-1 mid" or better, as rated by the Dominion Bond Rating Service or Standard and Poor's Rating Service, with a 10% provision for "R-1 low" rated paper. The Fund's short-term bond holdings will include investment grade issues with at least an "A" rating from one of the major rating agencies.
- d) The Short-term Bond Fund will invest in investment grade bonds and "R-1" rated money market instruments, as rated by the Dominion Bond Rating Service or "A-1" by Standard & Poor's Rating Service. However, the fund will have a maximum exposure of 20% in "BBB" rated bonds or "R-1 low" rated paper.

The portion of the investments related to the Sports and Wellness Centre totaled \$5,800,302 at June 30, 2006.

# Keyano College

## Notes to Financial Statements

June 30, 2006

### Note 4 Investments (continued)

The effective yield for the portfolio on the bond investment is 4.90% (2005 – 3.90%). The bond investments mature as follows:

	1 – 5 years	6 – 10 years	Over 10 years	Total
Bonds	\$ 1,498,981	\$ 2,377,693	\$ 822,325	\$ 4,698,999

Investment Income	2006	2005
Interest earned on investments	\$ 448,149	\$ 423,118
Interest earned on operating funds	158,197	59,404
Total interest earned	606,346	482,522
Transferred to deferred contributions (Note 9)	(88,810)	(67,508)
Transferred to funds held on behalf of others	(1,555)	-
	\$ 515,981	\$ 415,014

### Note 5 Inventories

	2006	2005
Bookstore	\$ 186,941	\$ 104,693
Maintenance supplies	36,617	34,856
	\$ 223,558	\$ 139,549

### Note 6 Long-term Accounts Receivable

The College entered into an agreement to allow corporations to rent certain student residences for a period of five years. The long-term account receivable is GST that is recoverable from the Federal Government once these residences revert to College student use.

# Keyano College

## Notes to Financial Statements

June 30, 2006

### Note 7 Tangible Capital Assets

Tangible capital assets are summarized as follows:

	2006			2005
	Cost and Appraised Value	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 12,779,392	\$ -	\$ 12,779,392	\$ 12,779,392
Land improvements	463,183	57,898	405,285	416,865
Buildings and renovations	79,633,089	36,115,607	43,517,482	38,327,701
Furnishings and equipment	10,260,185	5,297,998	4,962,187	4,775,094
Automotive and heavy equipment	6,411,571	4,397,381	2,014,190	2,275,233
Library materials	2,052,828	1,805,578	247,250	272,674
Audio-visual equipment	1,122,263	604,675	517,588	359,389
Computer hardware and software	6,118,105	3,441,445	2,676,660	1,961,519
	<b>\$ 118,840,616</b>	<b>\$ 51,720,582</b>	<b>\$ 67,120,034</b>	<b>\$ 61,167,867</b>

The Province of Alberta has been granted an option to purchase the whole or any part of the land, buildings and improvements transferred to the College in 1984, at a value of \$47,534,300, for the nominal amount of \$1 per purchase.

### Note 8 Unearned Revenue

	2006	2005
Tuition fees	\$ 327,524	\$ 255,075
Contract programs	544,522	449,202
	<b>\$ 872,046</b>	<b>\$ 704,277</b>

# Keyano College

## Notes to Financial Statements

June 30, 2006

### Note 9 Deferred Contributions

Deferred contributions represent unspent amounts externally restricted for non-capital purposes.

	2006	2005
Contributions:		
Grants	\$ 19,032,774	\$ 2,845,662
Donations	422,060	351,037
Investment income (Note 4)	88,810	67,508
	<b>19,543,644</b>	3,264,207
Transferred to revenue:		
Grants	<b>(3,629,361)</b>	(2,706,323)
Donations and investment income	<b>(299,106)</b>	(318,029)
	<b>(3,928,467)</b>	(3,024,352)
Transferred to deferred contributions for capital purposes (Note 10)	<b>(8,774,708)</b>	(500,000)
Transferred to UDCC ( Note 12)	<b>(5,392,536)</b>	(1,028,187)
Transferred from (to) endowments	<b>(173,667)</b>	(94,334)
	<b>(14,340,911)</b>	(1,622,521)
Increase (decrease) during the year	<b>1,274,266</b>	(1,382,666)
Balance at beginning of year	<b>1,437,131</b>	2,819,797
Balance at end of year	<b>\$ 2,711,397</b>	\$ 1,437,131
The balance consists of funds restricted for:		
Scholarships and bursaries	<b>\$480,821</b>	\$442,723
New program start-up funds	<b>1,014,393</b>	621,657
Deferred contributions for maintenance	<b>1,216,183</b>	372,751
	<b>\$ 2,711,397</b>	\$ 1,437,131

# Keyano College

## Notes to Financial Statements

### June 30, 2006

#### Note 10 Deferred Contributions for Capital Purposes

	2006	2005
Contributions:		
Grants (Note 9)	\$ 8,774,708	\$ 500,000
Donations	2,046,401	844,030
	<b>10,821,109</b>	1,344,030
Transferred to unamortized deferred capital contributions (Note 12)	<b>(2,479,067)</b>	(207,609)
Increase during the year	<b>8,342,042</b>	1,136,421
Balance, beginning of year	<b>1,136,421</b>	-
Balance, end of year	<b>\$ 9,478,463</b>	\$ 1,136,421

#### Note 11 Long-term Debt

	2006	2005
<b>Alberta Capital Finance Authority</b> Debenture, interest at 6.5% per annum. Repayment of 25 consecutive annual installments of \$450,898, principal and interest combined, secured by tangible capital assets with a net book value of \$5,335,857. Maturity June 2026	<b>\$ 4,968,224</b>	\$ 5,088,378
<b>Obligations under Capital Lease</b> Interest at varying rates of 1.5% to 8.9%. Payments of \$99,274 annually principal and interest combined. Maturity ranging from October 2005 to July 2008	<b>139,608</b>	192,984
<b>Ford Credit</b> Interest at 0%, repayment of \$634 per month secured by related asset with a net book value of \$29,107. Maturity August 2009	<b>24,128</b>	31,748
<b>Alberta Capital Finance Authority</b> Debenture, interest at 4.26% per annum. Repayment of 20 consecutive semi-annual installments of \$61,939, principal and interest combined, secured by tangible capital assets with a net book value of \$1,274,538. Maturity March 2015	<b>\$ 917,897</b>	\$ 1,000,000
	<b>6,049,857</b>	6,313,110
Current portion	<b>309,139</b>	293,247
	<b>\$ 5,740,718</b>	\$ 6,019,863

# Keyano College

## Notes to Financial Statements

June 30, 2006

### Note 11 Long-term Debt (continued)

Repayment of principal in each of the next five fiscal years will be as follows:

2007	<b>\$ 309,139</b>
2008	<b>264,324</b>
2009	<b>253,462</b>
2010	<b>259,383</b>
2011	<b>272,746</b>

All acquired intangibles, accounts, monies, accounts receivable, instruments, claims or rights, choices in action and insurance proceeds derived directly or indirectly from the operations of the student residence have been pledged as security on the Alberta Capital Finance Authority debenture.

Long-term debt is subject to certain covenants with respect to loan payments, property tax payments, and certain contract restrictions. As at June 30, 2006, the College is in compliance with all such covenants. It is management's opinion that the College is likely to remain in compliance with all long-term debt covenants throughout the next 12 months subsequent to June 30, 2006.

### Note 12 Unamortized Deferred Capital Contributions

Unamortized deferred capital contributions represent the external funding of tangible capital assets which will be recognized as revenue in future periods.

	<b>2006</b>	2005
Balance at beginning of year	<b>\$ 31,438,627</b>	\$ 32,137,266
Add amount transferred		
Deferred contribution (Note 9)	<b>5,392,536</b>	1,028,187
Deferred contribution for capital purpose (Note 10)	<b>2,479,067</b>	207,609
Less amount amortized to revenue	<b>(1,931,794)</b>	(1,934,435)
Balance at end of year	<b>\$ 37,378,436</b>	\$ 31,438,627

### Note 13 Endowments

Endowments are comprised of externally restricted amounts that are required to be maintained intact.

# Keyano College

## Notes to Financial Statements

June 30, 2006

### Note 14 Investments in Tangible Capital Assets

	2006	2005
Tangible capital assets	\$ 67,120,034	\$ 61,167,867
Less Debt	(6,049,857)	(6,298,077)
Unamortized deferred capital contributions (note 12)	(37,378,436)	(31,438,627)
Balance at end of year	\$ 23,691,741	\$ 23,431,163

### Note 15 Budget

The budget was approved by the Board of Governors on April 27, 2005.

### Note 16 Funds Held on Behalf of Others

As of June 30, 2006, the College had \$472,138 (2005 - \$262,630) in funds held in trust for other parties. These amounts are not included in these financial statements.

### Note 17 Ancillary Operations

The College's ancillary operations revenue included in sales, rentals and services and ancillary operations direct expense are summarized as follows:

	2006	2005
Revenue:		
Student residence	\$ 1,980,374	\$ 1,881,592
Food services facility rental contract	42,872	32,309
Bookstore	840,596	686,057
Theatre	999,717	687,864
Parking	234,665	195,877
	\$ 4,098,224	\$ 3,483,699
Expense:		
Student residence	\$ 1,741,993	\$ 1,246,090
Food services facility rental contract	20,560	127
Bookstore	819,935	694,544
Theatre	1,258,851	1,033,875
Parking	209,563	123,540
	\$ 4,050,902	\$ 3,098,176

# Keyano College

## Notes to Financial Statements

June 30, 2006

### Note 18 Salaries and Benefits

	2006				2005
	Salary (Note 1)	Other cash benefits (Note 2)	Other non-cash benefits (Note 3)	Total	Total
Board Chairman	\$ -	\$ 4,510	\$ 49	\$ 4,559	\$ 4,684
Board members - 10	-	23,029	23	23,052	25,891
President	130,000	-	24,152	154,152	153,547
Vice President - Instruction	116,646	-	24,782	141,428	131,801
Vice President - Finance and Administration	116,514	-	36,782	153,296	145,254
Dean, Academics	97,649	-	15,150	112,799	99,083
Dean, CUE	97,649	-	15,150	112,799	99,083
Dean, Trades	97,649	-	15,150	112,799	99,083

Notes:

1. Salary includes pensionable regular base pay.
2. Other cash benefits include honoraria.
3. Employer share of all employee benefits and contributions or payments made on behalf of employees including pension, automobile allowances, health care, dental, vision, and group life insurance, accidental death dismemberment insurance and other allowances.

### Note 19 Changes in Non-Cash Working Capital

	2006	2005
Short-term investments	\$ (4,951,494)	\$ (810,500)
Accounts receivable	(805,303)	(527,921)
Inventories	(84,009)	18,482
Prepaid expenses	(20,119)	(31,637)
Accounts payable and accrued liabilities	4,038,244	(992,189)
Accrued vacation pay	74,339	73,234
Unearned revenue	167,769	49,266
Deferred contributions	1,274,266	(1,382,666)
	\$ (306,307)	\$ (3,603,931)

# Keyano College

## Notes to Financial Statements

### June 30, 2006

#### **Note 20 Commitments and Contractual Obligations**

As at June 30, 2006 the College has contractual commitments of \$31,447,610 relating to the Syncrude Sports and Wellness centre project.

#### **Note 21 Pension Costs**

The pension expense recorded in these financial statements is equivalent to the College's annual contributions payable of \$1,469,552 for the year ended June 30, 2006 (2005 - \$1,255,808). At December 31, 2005, the Local Authorities Pension Plan reported a deficit of \$863,558,000 (2004 - deficit of \$1,288,924,000). January 1, 2005, the employers' contribution rates were increased further by .77%.

#### **Note 22 Financial Instruments**

The College as part of its operations carries a number of financial instruments. It is management's opinion that the College is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed. The carrying amounts of accounts receivable, accounts payable, accrued liabilities, vacation pay, and current portion of long-term debt approximate their fair value due to the short-term maturities and market interest rates of these items.

The fair values of the College's investments are based on cash surrender value, and described in Note 4.

The carrying value of the College's long-term debt approximates its fair value, as there have been no significant changes in lending rates or other conditions.

# Keyano College

## Notes to Financial Statements

### June 30, 2006

#### Note 23 Related Party Transactions

- (a) Related Party Transactions - Keyano College Foundation ("the Foundation")

The Keyano College Foundation is a registered charitable organization, and receives donations from various sources for the advancement of Keyano College.

The Foundation financial statements (which are prepared using the Restricted Fund method of revenue recognition) are not consolidated in the College's financial statements. The financial summaries of the unconsolidated entity as at June 30, 2006 and 2005 are as follows:

	2006	2005
<b>Financial Position</b>		
Total assets	\$ 3,280,866	\$ 3,742,355
Total liabilities	\$ 35,229	\$ 20,919
Net assets	\$ 3,245,637	\$ 3,721,436

All of the Foundation's net assets must be provided to the College or used for the College's benefit. As at June 30, 2006, \$2,898,442 (2005 - \$3,313,348) of the Foundation's net assets are restricted for College programs.

	2006	2005
<b>Results of Operations</b>		
Revenue	\$ 2,373,364	\$ 2,743,687
Expenses	2,849,163	2,100,146
Excess of revenue over expenses	\$ (475,799)	\$ 643,541

Total expenses include contributions of \$2,051,746 (2005 - \$1,498,065) to the College.

	2006	2005
<b>Cash Flows</b>		
Cash from operations and increase (decrease) in cash	\$ (46,584)	\$ 84,394

Total revenue includes contributions from the College of \$466,887 (2005 - \$357,978) toward salaries and other operating costs of the Foundation. In addition, the College provided certain administrative services and accommodations at no cost to the Foundation.

# Keyano College

## Notes to Financial Statements

June 30, 2006

### Note 23 Related Party Transactions (continued)

- (b) The College is a provincial corporation as all the members of the Board of Governors are appointed either by the College Act or by a combination of orders by the Lieutenant Governor in Council and the Minister of Advanced Education.
- (c) Transactions between the College and Province are included in the following balances as at June 30, 2006.

	Revenue	Deferred contributions	Unamortized Deferred Capital Contributions
Operating grant	\$ 22,240,924	\$ 41,620	\$ -
Infrastructure grant	589,218	10,490,891	5,149,641
Access grant	1,174,109	70,464	-
Apprenticeship grant	451,618	561,134	198,188
Other grants	1,114,097	341,175	44,707
Total	\$ 25,569,966	\$ 11,505,284	\$ 5,392,536

### Note 24 Approvals of Financial Statements

The Board of Governors approved these financial statements.





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**KEYANO**  
**COLLEGE**

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