

Keyano College

ANNUAL REPORT 2007/2008





Accountability Statement

The Keyano College Annual Report for the year ended June 30, 2008 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.

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.

Board of Governors

John Wilson, **Chair**
 Jim Foote, **President**
 George McGuigan, **Public Member**
 Blair Hemstock, **Faculty Representative**
 Peter Duda, **Public Member**
 Eugene Carnegie, **CUPE Representative**
 Carna MacEachern, **Public Member**
 William Gendreau, **Public Member**
 Mickey Demers, **Public Member**
 Elizabeth Drake/Christian MacNeill, **Student Representatives**

Executive

Jim Foote, **President**
 Al Adibi, **Vice President, Finance, Administration & CFO**
 Cindy Amerongen, **Vice President, External Relations**
 Marylea Jarvis, **Vice President, Academic**

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Message from the Board Chair



In Keyano's 2007 Business Plan, the Board of Governors identified five key goals: increase access by focusing on quality, student success, and customer service; plan and develop College facilities and land in accordance with the Campus Development Master Plan in order to meet the program and service needs of our region; ensure the College has the necessary human resource capacity to meet the needs for current and planned program and service delivery; enhance awareness of Keyano College programs, services, and future development; and maximize funding opportunities for current and future College development.

Ambitious? Yes. Attainable? Absolutely. Keyano set its sights high; but thanks to our talented, hard-working staff, we've been innovative and strategic in addressing these goals. Initiatives such as the expansion of the Learner Assistance Program, the launch of a Bachelor of Education degree completion option, and the development of a Strategic Growth Plan are just a few examples of the remarkable initiatives set in motion by our staff in 2007/2008.

However, building the capacity to accommodate the continual development of new initiatives, program expansion and student enrolment increases, in all programming areas, will continue to be a major challenge for Keyano over the next few years. Since industry continues to expand its operations and the population is on a steady incline, Keyano continues to pursue capacity building and customer service initiatives to address the current and future needs of its students and the region.

One such current and future need is the expansion of trades and technology programs, and ultimately the construction of The Oil Sands Trades & Technology Centre in response to

industry's shortage of skilled workers. Our staff has played, and will continue to play a pivotal role in the success of this initiative by fostering current, and developing new partnerships with other post-secondary institutions, industry, government and the community.

Cindy Amerongen, Keyano Foundation's former Director of Development, has certainly been at the forefront of developing these partnerships, so I am pleased to announce that she graciously accepted the position of Vice President, External Relations. Cindy moved into this role after an impressive 17 years at the College. She brings a deep understanding of Keyano's history and a vision of our future to the position. As Director of Development, she built strong relationships with a wide range of industry and government leaders - relationships that will be invaluable as the College embarks on an exciting growth plan. Cindy is a valuable addition to our executive team and we are thrilled that she has accepted this challenge.

As you will read in this 2007/2008 Annual Report, Keyano is positioned to capitalize on opportunity, face emerging challenges and assist in building a sustainable future for our region. We believe in the importance of our students and our community, and we are committed to providing quality education, training and community services to them.

A handwritten signature in black ink, appearing to read 'John Wilson', with a long horizontal flourish extending to the right.

John Wilson

Board of Governors Chair, Keyano College

President's Report



Over the past few years there has been a substantial increase in the level of activity across the broad expanse of Keyano College. Massive campus expansion plans are underway to address student, community and industry needs; valuable partnerships continue to be formed to deliver in-demand programming; and staff retention and recruitment has been made a priority, all in an effort to continue providing the Wood Buffalo region with quality educational opportunities.

All this planning, hard work and determination by our staff resulted in outstanding achievements in 2007/2008: we increased FLE enrolment by five per cent; the highly anticipated Syncrude Sport & Wellness Centre officially opened its doors; we experienced tremendous growth in our trades and technology programs; and, we launched a Bachelor of Education degree completion program.

After much anticipation, Keyano College opened the doors of our newly constructed Syncrude Sport & Wellness Centre on September 27, 2007. Thanks to the successful completion of this project, students, staff and community members have a world-class sport and wellness facility, and Keyano has once again demonstrated that it is a leader in Fort McMurray for finalizing projects on time and on budget.

With the Syncrude Sport & Wellness Centre up and running, we can now focus our attention on another much needed facility in our region - The Oil Sands Trades & Technology Centre. The initial planning stages of this project were set in motion in 2007/2008; however we couldn't wait for the construction of this facility to respond to the needs of students, industry and the community. We had to find innovative and creative ways of meeting some of those needs immediately.

Thankfully Keyano was able to enlist the assistance of its most valuable resource, its staff, and launch a number of new initiatives.

In response to industry demand, Keyano College offered nine Construction Craft Labourer (CCL) courses this year.

Construction Craft Labourer is a designated occupation with courses that provide the necessary technical training for individuals wishing to challenge their Construction Craft Labourer examination with Alberta Industrial Training (AIT).

In response to industry and community demands, Keyano's Workforce Development division continued to grow. In 2007/2008 Workforce Development expanded course and program offerings to include more trades training, safety programming, customized training and English as a Second Language offerings. Keyano College provides both Workplace Development training and general interest Continuing Education courses to residents in the Wood Buffalo region. In 2007/2008, Keyano College served over 16,000 people in this way - an increase of 19 per cent over 2006/2007. Approximately 77 per cent of Continuing Education registrations are directly related to Workforce Development.

After 10 years of hard work and planning, a partnership between Keyano and the University of Alberta brought a Bachelor of Education degree completion option to our College. Keyano launched the program on September 4, 2007 to increase access to learning and provide third and fourth year students with the opportunity to complete their degrees in the Wood Buffalo region.

In collaboration with eCampusAlberta, Keyano also increased access to learning by migrating its Aboriginal Entrepreneurship Certificate Program from videoconference technology to an online environment in September 2007. This is Keyano's first full credential program available online without collaborating with another institution. The online program provides students, who are unable to attend conventional classes, with a new means of accessing post-secondary learning. Shell Albian Sands and the RBC Foundation generously sponsor the program.

Keyano also teamed up with Total E&P Canada Ltd. and the Greentech Greenstart Project to bring a mobile greenhouse to the College to plant the seeds of student success in earth and environmental sciences in 2007/2008. The greenhouse, its hybrid tow vehicle and program support, together valued at

over \$150,000, was donated by Total E&P Canada to facilitate hands-on science discovery at local and regional schools. The Mobile Greenhouse Laboratory was taken out 'on location' so that children in grades K-6 could learn about plants and lifecycles. In addition to increasing access to educational science programs for secondary schools in our region, the Mobile Greenhouse Laboratory offers the College an opportunity to address some of our academic priorities. In particular, it provides a hands-on lab for our Environmental students and a teaching lab for our Bachelor of Education students.

Program expansion is very important in addressing the needs of our students, but it is also important to enhance support services to assist our students in achieving success. In response to student and community demand, Keyano increased the number of participants it could accommodate through its highly successful Learner Assistance Program (LAP). The program provides services to current and prospective students whose disabilities involve any number of conditions affecting mobility, vision, hearing, learning, physical, or mental health. Disabilities counsellors assess the learning needs of each student and develop an academic plan accordingly that prescribes the required learning supports and accommodations. The Learning Strategist, Adaptive Technologist, SKILL Center staff and faculty work together to provide students with their required accommodations and to help students achieve success in their studies. Expansion of the Learner Assistance Program to our regional learning centres is in the works.

A Student Success pilot project was also launched to help the College better understand how it can maximize the potential of all its students. The project built stronger connections between students and staff and improved communication. Thanks to the staff, who developed the pilot project, and the students, who participated, Keyano took a huge step forward in developing a Student Success Network that will increase access by focusing on quality student and customer services. Plans are underway

to use the pilot results to enhance and expand the project to more program areas.

Keyano continued to engage stakeholders with consultation sessions, which were hosted to provide students, staff, industry, business and the community with the opportunity to offer feedback on the future direction of Keyano College. The sessions, which were informative and engaging, resulted in the development of a Strategic Growth Plan that will be released in 2009. This feedback will also provide the foundation for an update of the College mandate in 2009.

All this growth and continued success is possible through the support of a talented team. That's why the Keyano College Board of Governors approved a \$69.5 million balanced operating budget in April 2008 for the 2008/2009 budget year. The biggest portion of the budget was related to additional staffing. Approximately 39 additional full-time equivalent staff joined our existing community of experts and dynamic professionals. To fuel our continuing development of trades and technology, Keyano funded 15 new positions in that area. The College also added a new position in Nursing and put some resources towards creating an applied research culture. These additional positions will enable the College to address current and future program and service expansions.

In 2007/2008 Keyano College was able to meet many challenges, accomplish many feats, and build on much success. As we look to the future, we are confident that our plans for 2008/2009 will exceed expectations and that we are prepared to capitalize on more opportunities.



Jim Foote
President, Keyano College

Operational Overview

Keyano College continues to strengthen its existing programs, as well as offer new programs based on the needs and demands of the Wood Buffalo region. Our highly qualified faculty and staff is dedicated to providing program excellence, and a culture of learning that will shape the future by being progressive and adaptable in fulfilling the educational needs of our community and tomorrow's world.

PROGRAMMING

Academic Upgrading

Academic Foundations
College Preparation
Connecting to College and Careers
Preparation for Academic and Career Education
Transitional Program

Certificate and Diploma Programs

Aboriginal Addictions Services
Aboriginal Child and Family Services
Aboriginal Entrepreneurship
Business Administration
 Accounting
 Business
Community Wellness
Computer Information Systems
 Information Systems Fundamentals
 Information Technology
Early Learning and Child Care
Educational Assistant
Environmental Monitoring
Environmental Technology
Human Resource Management
Office Administration
Office Clerk
Office Software Specialist
Practical Nurse
Pre-Hospital Programs
 EMT: Technician
 EMT-P: Paramedic
Visual and Performing Arts
 Drama
 Music
 Musical Instrument Repair
 Visual Art and Design

University Programs

Bachelor of Education
Bachelor of Science in Nursing
Post RN Degree
University Studies
First and second year courses offered in:
Arts
Commerce
Fine Arts
Science
Science in Engineering

Pre-professional transfer courses are offered in:
Pre-Architecture
Pre-Chiropractic
Pre-Dental Hygiene
Pre-Dentistry
Pre-Journalism
Pre-Law
Pre-Medicine
Pre-Medical Lab Science
Pre-Optometry
Pre-Pharmacy
Pre-Rehabilitation Medicine
Pre-Social Work
Pre-Veterinary

Trades and Heavy Industrial

Apprenticeships
 Carpentry
 Electrician
 Heavy Equipment Technician
 Millwright
 Steamfitter / Pipefitter
 Welder
Coker Technician
Construction Craft Labourer
Mechanical and Construction Trades Preparation
Mine Operations
Power Engineering
Process Operations
Truck Transport Training

Workforce Development

Community & Upgrading Education

Technical Certificate Programs

- Construction Administration
- Project Management
- Occupational Health & Safety
- Maintenance Management
- Purchasing Management
- Asset Planning

Canadian Payroll Association

Leadership Development

Business & Personal Development

- Communications
- Conflict Management
- Presentation Skills
- Succession Planning
- Team Building
- Writing Workshops
- Workplace Trainer Workshops

Computers

- Microsoft Access, Excel, Outlook, PowerPoint, Project, Word
- Project Planning using Primavera
- ArcGIS
- AutoCAD
- Simply Accounting

English Language Programs

- Beginner, Intermediate & Advanced English
- Elective Programming
- English for Professional Purposes
- English in the Workplace
- International Students

Certification / Testing Services

- Oil Sands Safety Association (OSSA)
- Regional Orientation
- Construction Safety Training Systems (CSTS)
- Test of Workplace Essential Skills (TOWES) Pre-Employment Tests

Trades & Heavy Industrial

Welding Recertification and Post

Journeyman Testing

- Recertification: Alberta Boilers Safety Association and Canadian Welding Bureau
- Journeyman Upgrading - Initial "B" Testing Program

Non-Destructive Evaluation and Testing

- Liquid Penetrant Levels 1 & 2
- Magnetic Particle Levels 1 & 2

Upgrade Training: Pre and Post

Apprenticeship

- Electrical - Master Electrician
- Gas Fitter - Gas Fitter "A"
- Welding - "B" Pressure Initial

Workforce Safety and Operator Training

- Safety Awareness and Equipment
- Operator Evaluation
- H2S ALIVE
- Standard First Aid
- Fall Protection
- Fire Extinguisher
- Confined Space Entry

MAJOR ACCOMPLISHMENTS

Syncrude Sport & Wellness Centre

Keyano's Syncrude Sport & Wellness Centre was officially opened by Premier Ed Stelmach on September 27, 2007. Usage of the facility has far outpaced our original projections and the Centre features programs, activities and events that the College and the community were previously unable to host. In addition, the quality of this facility and the knowledge and expertise of its staff has attracted elite athletic students to our College. And, as all of our students have passes to the Centre, it acts as an attractive student recruitment tool and a mechanism for the College to promote health and wellness to our student body.

Trades & Technology Growth

Overall, trades and technology programming was the biggest growth area for Keyano in 2007/2008. The College offered Construction Craft Labourer (CCL) courses, increased Apprenticeship seats to accommodate more students, doubled its intakes in the Process Operations program and we began offering non-destructive testing courses.

Bachelor of Education

As of September 2007, students can complete a Bachelor of Education (B.Ed) degree in Elementary Education in Fort McMurray. Previously, our College offered just first and second year programming towards a B.Ed. However, thanks to a collaborative effort with the University of Alberta, students can now complete the entire degree program at Keyano.

Environmental Technology

The rapid development of the oil sands in our region has resulted in a growing demand from government agencies and private companies for qualified environmental technology professionals. In response, Keyano's Environmental Technology program, which focuses on the resource industry (oil sands, forestry, coal, and conventional oil and gas) in the Boreal Forest, began accepting a yearly intake of students in September 2007. Previously a new cohort was accepted every two years.

Student Services Pilot Project

Our first step forward in developing a Student Success Network resulted in a Student Success Pilot Project in 2007/2008. The project was effective in bridging communication gaps and connecting students and staff, as well as College departments and support services.

AIT Sponsored Research

Keyano partnered with SAIT Polytechnic to develop and implement a research project funded by Alberta Apprenticeship and Industry Training (AIT). This project evaluated the essential skills of first year electrical, carpentry and welding apprentices, provided supports such as tutoring, and followed the progress of these apprentices to completion of their first year apprenticeship exam. This project determined predictors for success on the apprenticeship exam and made recommendations to AIT for widespread implementation.

Workforce Development

Our Workforce Development department continues to grow and has expanded course and program offerings in Leadership Development, Professional Accreditations, English as a Second Language, and trades training in conjunction with other post-secondary institutions and industry. In 2007/2008 a unique partnership with an industry donor enabled the department to purchase a mobile computer lab, which dramatically increased our teaching services to remote locations and to our corporate clients.

In addition, Workforce Development continues to be the trainer of choice in our region for safety training in compliance with the Oil Sands Safety Association (OSSA). This has resulted in thousands of registrations for training in OH&S, WHMIS, CSTS, fall protection, confined space and other related programs. The quality of these programs and the alignment to meet the standards for employment with oil sands industry means that demand will continue and continued growth in this area is expected.

STAFFING

Faculty:140 full-time &
6 part-time

Administration:95 full-time &
2 part-time

Support staff:149 full-time &
12 part-time

Total: 404

**CAMPUSES AND
LEARNING CENTRES**

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. This campus is the cultural, educational and sport development hub of our community. Activities at the Keyano Theatre, the Syncrude Sport & Wellness Centre and the Bob Lamb Industry Education Centre attract a wide community audience. Over 80,000 people come through our doors each year for training and entertainment.

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, some Trades and safety training. Over 640 acres of land on this property are used to train students to build roads, operate heavy haulers, big rig trucks and graders. A mock mine complete with gravel pit and large project staging areas ensure that students get a taste of the industrial workplace in realistic training settings. This campus is located in the heart of the next community development and housing project area of Fort McMurray. The Saline Creek Plateau has been earmarked for development to create

housing and amenities for 22,000 people; Keyano is actively engaged in aligning our land holdings to this community development project.

Fort Chipewyan Campus

The Fort Chipewyan Campus offers Upgrading courses and career-related programming. Programming at this campus is defined by community need and is adjusted according to demand. This 5,000 sq.ft. campus includes a library, student learning centre and computer labs.

**Human and Community
Services Centre**

Located in Edmonton, Alberta, this Centre houses Keyano's Aboriginal Child and Family Services, Aboriginal Addictions Services and Community Wellness programs as well as professional development for human and community service workers.

Learning Centres

Learning Centres are located in four Wood Buffalo hamlets - Gregoire Lake, Janvier, Conklin and Fort McKay - where on-campus and distance-learning opportunities are provided. These facilities are also Community Access Point centers that provide students with access to Alberta-North support services as well as the programming and partnership opportunities of eCampusAlberta.

Goals, Expected Outcomes and Performance Measures

Goal 1

Increase access by focusing on quality, student services and customer services

STRATEGY	OUTCOME	PERFORMANCE MEASURE
<p>Develop a Student Success Network to coordinate existing student services (Library, Counselling, Career Services, Financial Aid, Registration and Admissions, SKILL Centre) by identifying gaps and ensuring smooth transition from one service to another for all students.</p>	<ol style="list-style-type: none"> 1. A Student Success pilot project was conducted in 2007/2008 with participation from 101 students in Adult Upgrading, Childhood Studies and Office Administration programs as well as students from a variety of programs who participated through the Athletics department. This pilot project was our first attempt at formalizing a student success initiative. Positive outcomes of this initiative include stronger connections between students and staff, greater communication between Keyano departments and support systems, and an increased number of referrals to student support services. Plans have been put in place to implement this initiative as an ongoing program. 2. Keyano partnered with SAIT Polytechnic to research essential skills of first year carpentry, electrical and welding apprentices and their utilization of available essential skills supports. Alberta Apprenticeship and Industry Training (AIT) funded the project to measure essential skills of first year apprentices, identify those students at high-risk and provide tutorial support to those high-risk students. At risk students were identified but utilization of tutorial and other support services was low. The research recommends that essential skills assessments be provided and that sufficient time to address essential skills gaps be available prior to apprenticeship training. A self-assessment tool that was developed as part of this project is mailed out to all first year apprentices when they register for training. Full study results were provided to AIT and will be presented to Trades leadership as well as the Provincial Apprenticeship Committee. 	<ol style="list-style-type: none"> 1. 101 student participants in the 2007/2008 academic year. More students are expected to access this service in 2008/2009. 2. Baseline research was successfully gathered and recommendations were made to Alberta Apprenticeship and Industry Training (AIT). Results were disseminated to the learning community and a self-assessment tool was developed and distributed to incoming students.

We believe in the importance of our students and our community, and we are committed to providing quality education, training and community service to them.

<p>Continue to support the Learner Assistance Program (LAP) which provides dedicated resources to assist students with learning disabilities</p>	<p>In the two-year period between July 2005 and June 2007 LAP provided services to 212 students. In 2007/2008, demand doubled and 205 students received services in that single year. An Adaptive Technology Support Person was hired this year to join the existing staff of two Disabilities Counsellors and one Learning Strategist. Further growth in service demand is anticipated.</p>	<p>The Learner Assistance Program served 205 students in 2007/2008 and service demand continues to increase.</p>
<p>Solidify the Aboriginal Student Centre that assists aboriginal students in making the transition from smaller communities to a larger centre and college life</p>	<ol style="list-style-type: none"> 1. Planning for the renovation and re-opening of Keyano's Aboriginal Student Centre took place in 2007/2008 and an official re-opening was scheduled. 2. A hot lunch program was instituted to ensure that students 'fuel' their ability to learn 	<p>Drop-in activity and 'just-in-time' counseling has increased at the Centre as students respond to a welcoming space and staff.</p>
<p>Implement a structured program and service planning model</p>	<p>Our new program and service planning processes were formalized and proved very useful in developing our first Institutional Access Plan. Further changes to our program and service plans will occur to allow for better data collection when developing our annual Institutional Access Plan.</p>	<p>Program service reviews were conducted on all program areas, and 25 program plans were completed.</p>
<p>Embed technology in all departments to increase range of instructional delivery and student learning options</p>	<ol style="list-style-type: none"> 1. Keyano rewrote its Aboriginal Entrepreneurship curriculum for online delivery through eCampusAlberta 2. Our Access to the Future Matching Grant fund was used to enhance Keyano's Nursing labs and to upgrade computer technology throughout the institution. 	<ol style="list-style-type: none"> 1. By moving from a videoconference platform to an online environment, our Aboriginal Entrepreneurship program was able to increase access to learning. Currently 11 students are enrolled in various stages of the program, from areas that are just as varied - Fort Chipewyan, Northern Ontario and Calgary to name a few. 2. \$450,000 of our Access to the Future Matching Grant was spent on simulators for use in our Nursing labs and another \$300,000 was used to upgrade computer technology. This ensured that students have access to state-of-the-art learning equipment and technology.

Goal 1

STRATEGY	OUTCOME	PERFORMANCE MEASURE
Enhance our established University Studies program through new degree completion opportunities (Bachelor of Education, Bachelor of Social Work) and expanded transfer course options	A complete Bachelor of Education degree was first offered at Keyano in 2007/2008. Development of a Bachelor of Social Work degree occurred during 2007/2008; delivery began in September 2008.	In the 2007/2008 academic year 72 students were enrolled in the Bachelor of Education program.
Expand Heavy Equipment programming for experienced operators as well as entry-level operators	After intensive and exhaustive consultation the Heavy Equipment Steering Committee made recommendations for changes to the existing Mine Operations program, which will be implemented in the 2009/2010 academic year. Opportunity exists to train a greater number of operators through technologically advanced simulators and to define training into four distinct training areas, which will prepare more entry-level operators and expand learning options for experienced operators.	A consultation process has been completed and program planning for training in Heavy Hauler, Simulator Training and Contract Training are in progress.
Expand Power Engineering and Process Operations programming to meet need	<ol style="list-style-type: none"> In 2007/2008, we increased capacity of the Process Operations program by doubling intakes. A new Power Engineering Online Administrator position was created and staffed to assist students using the online curriculum. 	<ol style="list-style-type: none"> In the 2007/2008 academic year 89 students were enrolled in Process Operations. To accommodate these extra students, industry increased the number of placements available. By adding an Online Administrator to the Power Engineering program, Keyano is able to offer better support services to students. The newly staffed Online Administrator position has provided all online students with full day coverage for walk in inquiries, registration, supervised testing, as well as assistance with Blackboard. This position also provides training for new instructors and staff on Blackboard. An enrolment increase is anticipated in the next academic year.
Introduce a new Inspection Technologies Program	Keyano received Advanced Education and Technology approval for a new Inspection Technologies Program this year and began offering non-destructive testing courses on a non-credit basis, while a plan is put in place for credit program delivery.	In the 2007/2008 academic year 30 students were enrolled in Non-Destructive Testing courses. Currently, at the halfway mark of the 2008/2009 academic year, 51 students are enrolled.

Goal 2

Plan and develop College facilities and land in accordance with the Campus Development Master Plan in order to meet the program and service needs of our region: gain approval for The Oil Sands Trades & Technology Centre; develop additional student housing; develop appropriate real estate opportunities and commercial ventures; plan for the redevelopment of the Heart of the Campus.

STRATEGY	OUTCOME	PERFORMANCE MEASURE
Obtain the required planning funds for The Oil Sands Trades & Technology Centre and proceed with the project	Keyano obtained verbal approval from the Government of Alberta to allocate over \$1 million of surplus funds from the Syncrude Sport & Wellness Centre (SSWC) project toward The Oil Sands Trades & Technology Centre project planning fund. Keyano is currently in the process of selecting an architect / planner to proceed with The Oil Sands Trades & Technology Centre business case, which will include functional programs, design and costing.	A Business Case and Functional Program document will be submitted to Advanced Education and Technology by March 1, 2009.
Obtain the required planning funds for the Heart of the Campus redevelopment and proceed with the project	<ol style="list-style-type: none"> 1. In Keyano's 2007 Business Plan we aimed to obtain the required planning funds for the Heart of the Campus redevelopment and to proceed with the project. While the Heart of the Campus project is of importance to Keyano, our first priority is to construct The Oil Sands Trades & Technology Centre. 2. To improve quality of food services and overall quality of life for students, staff and the community, we commenced planning to renovate and expand Keyano's Food Services / Cafeteria space and facilities. 	<ol style="list-style-type: none"> 1. This strategy to support student life and increase student service efficiencies continues to be a priority in our Business Plan, however funding has not been received to date. 2. The College Executive is currently reviewing preliminary drawings for a renovated food service facility.

Goal 2

STRATEGY	OUTCOME	PERFORMANCE MEASURE
Obtain adequate funds to build a new library to address student and staff needs	In order to support continued program and enrolment growth and provide high-quality learning, it is imperative that Keyano College expand its library resources. While increasing enrolment is excellent news for our institution, it also means that our Library is facing some very big challenges. Apart from needing additional resource material, the Library is facing a shortage of group study areas, infrastructure for new computers and flexible space for student use or collaboration with other service departments.	This strategy to support student access to resources continues to be a priority in our Business Plan, however funding has not been received to date.
Collaborate with the Regional Municipality of Wood Buffalo (RMWB) and the provincial government on the completion of the Saline Creek Area Structure Plan and the future development of this area	<ol style="list-style-type: none"> 1. Keyano fully cooperated with the RMWB, Rotary Club and the Government of Alberta to develop an Area Structure Plan (ASP) for over 2,000 acres of Saline Creek land, 611 acres of which Keyano owns. The RMWB approved the ASP in the summer of 2007. 2. In the spring of 2008, the Government of Alberta issued a Request for Proposals (RFP) for the development of the entire Saline Creek land - a development that will result in a community of over 22,000 people. Currently the Government of Alberta is in the process of finalizing the RFP process and awarding this contract. 3. Additionally, the Government of Alberta offered over 720 acres of undeveloped land and some capital funding to Keyano in exchange for its 611 acres at Saline Creek. 	Keyano College has cooperated fully with the RMWB and with the provincial government in anticipation of an exchange for usable training land and financial compensation towards future College expansion.
Obtain additional land from the provincial government for heavy equipment training programs	Keyano is in the process of finalizing a land exchange of undeveloped land south of highway 63 for current and future programs and expansions.	
Continue to work towards consolidation of student housing at Clearwater Campus and plan for 300 additional units for single and family housing	The Keyano College Board of Governors approved, in principle, the development of single housing units at the Suncor Energy Industrial Campus in 2009; Penhorwood Place Phase II in 2010/2011; and Penhorwood Place Phase III (beyond four years).	Development permits were obtained for the creation of single housing spaces at the Suncor Energy Industrial Campus and we are actively seeking corporate partners to build this facility.

We believe that our College is shaping the future by being progressive and adaptable in fulfilling the educational needs of our community and tomorrow's world.

<p>Plan for additional building/facilities for Workforce Development and other community partnership opportunities</p>	<ol style="list-style-type: none"> 1. Keyano developed a preliminary design to complete an expansion of the Bob Lamb Industry Education Centre to accommodate Workforce Development growth and the development of new programs. This will also provide opportunities to establish partnerships with additional community partners. 2. Keyano developed a preliminary design for a new business centre building at our Suncor Energy Industrial Campus to accommodate Trades Workforce Development growth and the development of new programs. This initiative will also provide opportunities to establish partnerships with more oil sands corporate partners. 3. Keyano has a long history of providing education and training in Fort Chipewyan. In 2007/2008, initial planning began to construct a new campus to increase access and address the needs of our students and the community. 4. To better address the needs of Conklin residents, Keyano constructed a new Learning Centre in the community. 	<p>Aligning college capacity to increase access and to support growth and development in our region continues to be a priority in our Business Plan.</p>
<p>Gather input from all stakeholders (students, staff, public) when developing the College's real estate and property development strategies</p>	<ol style="list-style-type: none"> 1. In 2007/2008 Keyano hosted internal and external stakeholder group meetings and established a real estate advisory group. This group will oversee the development of land newly acquired from the provincial government and other real estate properties. 2. Keyano began preliminary discussions with management of the Northern Lights Health Region (NLHR) about partnering on the construction of a building that would accommodate a public health clinic and the College's Health Science programs. 	<p>Keyano created a real estate advisory group and met with the Northern Lights Health Region to discuss future projects of mutual benefit.</p>
<p>Continue to maximize existing space utilization</p>	<p>The College optimized space utilization by gathering the information needed to take advantage of the current tools/programs available through and compatible with the Enterprise Resource Planning (ERP) system for room booking. The College wants to optimize space utilization by looking at timetabling, scheduling and hours of operation. Moving forward, we will look at a new timetabling and scheduling software solution and determine how to better align our timetabling with College Strategic Growth and Institutional Access Plans.</p>	<p>In 2007/2008 Keyano implemented new software to assist in the maximization of existing space utilization. This software did not perform as expected. We continue to investigate this software issue.</p>

Goal 3

Ensure the College has the necessary human resources capacity to meet the needs for current and planned program and service delivery

STRATEGY	OUTCOME	PERFORMANCE MEASURE
<p>Review staffing complement and organizational structure in key service areas</p>	<ol style="list-style-type: none"> 1. The University Studies program was split into two distinct areas: (1) Arts, Education, Business and Social Work (2) Science and Technology. Our Environmental Technology programs were subsequently moved under the Science area of University Studies. 2. We developed a clearer and more logical division of work between Computer Services and the Suncor Educational Technology Centre. 3. The Office of the Registrar reviewed the functions and duties of its student advisors, and as a result services were enhanced by cross-training advisors and creating a position dedicated to admissions. In addition, renovations in the office created a more welcoming environment for students. 4. A Vice President, External Relations was added to our executive team in an effort to bring more synergy between the Wood Buffalo region, government and industry. 	<p>After the review and restructuring of key College areas, it was evident that additional staffing was required. In Keyano's 2008/2009 Budget released in April 2008, approximately 39 additional full-time equivalent positions were added to our staffing complement.</p>
<p>Revamp the faculty evaluation process</p>	<p>A new model for faculty evaluation was developed and presented to Keyano's Instructional Leaders, Instructional Management Committee and faculty - feedback was very positive. The committee, overseeing this process, is now preparing orientation materials for faculty and their supervisors who will participate in a pilot of the new model. The pilot will include departments from all three divisions of the College - Trades & Heavy Industrial, Community & Upgrading Education and Academics. Once the pilot is complete, participant feedback will be reviewed and modifications will be made to the model, if required.</p>	<p>A model for faculty evaluation was created in 2007/2008, and the development of an effective utilization process is underway.</p>

We believe that our staff are vital contributors to the goals of the institution and are key participants in the educational process.

<p>Evaluate and improve external professional development opportunities by increasing directed professional development as well as the sharing of learning from conferences</p>	<p>The College's Executive team reviewed employer-requested professional development and implemented a sharing of information environment.</p>	<p>Various methods to disseminate and share learning from professional development activities are now in place. For example, the Suncor Energy Technology Centre (SETC) requested that professional development applications include an option to share learning.</p>
<p>Expand current internal professional development opportunities (Leadership Development; Staff Orientation)</p>	<p>1. Throughout 2007/2008, Occupational Health & Safety and Workplace Hazardous Materials Information System training was provided at Keyano's Clearwater Campus</p> <p>2. Supervisor training was provided to the Instructional Leaders Group</p> <ul style="list-style-type: none"> • Linda Duxbury: February 19, 2008 - Managing Generational Differences at Work and in the Classroom • Ian Smith: May 20, 2008 - Performance Management • Michele Luit: June 4, 2008 - Coaching & Mentoring 	<p>With improved and expanded internal professional development (PD) opportunities, participation rates increased and plans have been put in place for the delivery of additional internal PD opportunities in 2008/2009.</p>
<p>Develop internal resources for succession planning</p>	<p>Moving forward, Keyano will build on its success in retaining and attracting employees to develop internal resources for succession planning.</p>	<p>A Strategic Growth Plan is currently being developed, which includes strategic directions for the retention and attraction of employees. The final draft of the plan was presented to the Board of Governors with public distribution anticipated for early 2009.</p>
<p>Continue to offer a high level of compensation to staff</p>	<p>Keyano College continues to offer competitive salaries, excellent benefits and access to resources such as professional development funds and membership at the Syncrude Sport & Wellness Centre.</p>	<p>We are currently using a variety of advertising and media tools to showcase the opportunities available at Keyano and to highlight our College as an excellent employer. We are using Web sites and lists, trade magazines and newsletters, and local, regional and national newspapers for our recruiting messages.</p>
<p>Promote Keyano College as the employer of choice within the region, the province and nationally</p>	<p>Keyano College will continue to promote itself as the employer of choice within the region and the province.</p>	<p>We are currently using a variety of advertising and media tools to showcase the opportunities available at Keyano and to highlight our College as an excellent employer. We are using Web sites and lists, trade magazines and newsletters, and local, regional and national newspapers for our recruiting messages.</p>
<p>Continue to provide cost-of-living allowance (\$525) for staff with the objective to increase it to the same level of provincial employees within the region (\$1,040)</p>	<p>In 2007/2008 Keyano was successful in lobbying the province to provide a cost-of-living allowance to College employees.</p>	<p>College employees now receive a \$1,040 cost-of-living allowance, per month.</p>

Goal 4

Enhance awareness of Keyano College programs, services and future development

STRATEGY	OUTCOME	PERFORMANCE MEASURE
<p>Provide regular feedback to all stakeholders (students, staff, community, and industry) regarding the Campus Development Master Plan and related projects (The Oil Sands Trades & Technology Centre; Heart of the Campus) by organizing public meetings and open houses to ensure all are aware of future College projects and activities</p>	<ol style="list-style-type: none"> 1. Stakeholder consultation for development of our Keyano College Strategic Growth Plan began in 2007/2008. Regional stakeholders representing industry, community, business, Aboriginal organizations and other interested parties joined with staff and students to provide feedback on the future of Keyano College. A separate consultation process occurred in Fort Chipewyan to reflect the views of that community. The final draft of the plan has been presented to the Board of Governors. 2. In an effort to keep Keyano staff up to date with College developments, initiatives and projects, quarterly Town Hall Forums were hosted in 2007/2008. The meetings began with a short update from Keyano President Jim Foote, which was followed by a question and answer session. Through these forums, the College updated capital project plans and has shared information about a wide range of initiatives. 3. In 2007/2008, Keyano went from a monthly printed newsletter to a bi-weekly e-publication of Campus Connection. The e-newsletter allows us to expand the reach of Campus Connection and get stories and updates out on a timely basis. 4. Increased the distribution of Alumni & Friends Magazine. This magazine is distributed twice a year. 5. Started the development of a video that will feature future Keyano development plans. 	<p>Increased awareness of our College and its initiatives occurred through various methods in 2007/2008, but it was the internal and external stakeholder consultations that were the most successful in increasing college/community participation and awareness. Feedback and input collected during the sessions resulted in the development of a Strategic Growth Plan for Keyano. The document will be released early in 2009.</p>
<p>Undertake a perception study around the College identity; establish how we want to be perceived locally, provincially and nationally</p>	<p>Over the past year, Marketing & Communications met with a number of brand consultants in preparation for conducting a brand development process.</p>	<p>This initiative has been postponed pending funding.</p>

We believe in a management process that will facilitate communication, consultation and participative decision-making, and we will support creativity and responsible risk taking.

<p>Develop a marketing plan to enhance Keyano programs, services and future development</p>	<p>In 2007/2008, Marketing & Communications developed plans to add a Graphic Designer/Photographer to its roster of talent and modified two key positions, Marketing Manager and Media Coordinator & Office Manager.</p>	<p>These positions have all been filled successfully and a comprehensive marketing plan is in progress.</p>
<p>Enhance our profile locally by utilizing a radio imaging campaign that reflects the increase in number of local radio stations</p>	<ol style="list-style-type: none"> 1. Keyano successfully launched the 'We've Got It!' student recruitment campaign in 2007/2008, capturing the energy and dynamic nature of the College and its commitment to offer a broad range of programs and services. 2. With the launch of numerous new radio stations in our market, the College allocated more dollars to radio advertising. The medium was used effectively to not only market programs and College events, but also to assist in staff recruitment. The College ran a campaign promoting Keyano as an employer of choice in the Wood Buffalo region. That message resonated quite effectively and was successful in attracting potential employees. 	<p>Through increased exposure and enhanced awareness of our programs, services and future developments, in 2007/2008 Keyano College increased its student numbers by 4 per cent.</p>
<p>Work closely with AACTI partners to promote colleges and technical institutes as viable options for learners of all ages</p>	<p>Senior communications officers of AACTI, including a representative from Keyano College, began the process of engaging the services of an advertising firm in 2007/2008 to develop a campaign to improve the public perception of the role colleges and technical institutes play in the Alberta economy. A firm was selected in the spring of 2007 and work has begun on the creation of this campaign.</p>	<p>Working closely with AACTI is a priority for Keyano. Our participation in a universal perception campaign started in 2007/2008 and will continue until the project is completed.</p>
<p>Centralize media buying within the College to maximize purchasing power and create efficiencies</p>	<p>The need was identified to maximize the marketing resources available throughout the College by centralizing the bulk purchase of advertising.</p>	<p>The process of bringing areas of the College (i.e. Theatre, Syncrude Sport & Wellness, External Relations) together to maximize purchasing power and create efficiencies began in 2007/2008. A complete centralization of media buying will occur in 2008/2009, and the advantages of this strategy will be reviewed.</p>

Goal 5

Maximize funding opportunities for current and future College development through: fundraising; Workforce Development; government support; property development

STRATEGY	OUTCOME	PERFORMANCE MEASURE
<p>Increase the capacity of the Keyano College Foundation to raise additional funds</p>	<ol style="list-style-type: none"> 1. Created a new Vice President, External Relations position. 2. Created an Annual Giving Manager position to develop depth in the annual fundraising department. 3. Additional members were added to the Keyano College Foundation Board of Directors. 	<p>Thanks to the generosity of our individual, corporate and community donors, the Keyano College Foundation was able to maximize the College's Access to the Future Matching Grant allocation of \$1.2 million. Our scholarship and awards endowment program grew by over \$260,000 and we are now offering over \$400,000 in annual awards to our students. In addition, new corporate partnerships and investments enabled us to launch the Environmental Monitoring program and enabled us to exceed the Foundation's Sport & Wellness Campaign target of \$3.5 million towards the construction of the Syncrude Sport & Wellness Centre.</p>
<p>Expand Workforce Development activities and support</p>	<ol style="list-style-type: none"> 1. The English as a Second Language programming area expanded to include full-time beginner, intermediate, and advance English language training. TOEFL (Test of English as a Foreign Language) was offered on a regular basis to assist those who needed a TOEFL score to proceed into post-secondary education. 2. Increased support for, and registrations in the Asset Planning Certificate program. This program began in 2006/2007 out of industry focus groups. Approximately 78 people took the whole program this year, while in 2006/2007 only 18 people completed the training. 3. Growth was also seen in the Purchasing Management Certificate, which grew from 58 registrations to 101. 4. Construction Safety Training System (CSTS) testing and the Oil Sands Safety Association 	<p>Keyano College provides both Workplace Development training and general interest Continuing Education courses. In 2007/2008, Keyano College served over 16,000 people in this way - an increase of 19 per cent over 2006/2007. Approximately 77 per cent of Continuing Education registrations are directly related to Workforce Development.</p>

We believe in striving for excellence in all of our endeavors.

	<p>orientation ran seven to 10 times per week depending on demand. CSTS registrations grew from 6,248 in 2006/2007 to 7,427 in 2007/2008 and OSSA orientation grew from 4,935 to 6,419. Additionally, our portable laptop lab was used for 40 days at Suncor Energy during a major shutdown to provide workers with CSTS training.</p> <p>5. We increased our special events by offering two professional development events for a local school board, in addition to expanding the scope of our winter community orientation for newcomers to the region - We Love the Winters Here.</p> <p>6. Expanded The Occupational Health and Safety Certificate program. Registrations rose from 215 in 2006/2007 to 294 in 2007/2008 thanks to increased support from local companies who encourage employees to complete the program.</p>	
<p>Integrate the areas of communications, fundraising, and government relations to support and focus key messages and initiatives</p>	<p>The Marketing & Communications and Keyano College Foundation teams joined forces in 2007/2008 to create an External Relations division.</p>	<p>The creation of this division facilitates a more integrated approach to College messaging and branding.</p>

Keyano College Financial Statements

June 30, 2008



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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 (the College) as at June 30, 2008 and the statements of revenue and expense and 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, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink, appearing to read "Aud J. Deinum, FCA".

Auditor General
Edmonton, Alberta
September 26, 2008



Keyano College

Statement of Financial Position

As at June 30, 2008	2008	2007
ASSETS		
Current:		
Cash (Note 4)	\$ 13,465,791	\$ 9,865,477
Short-term investments (Note 5)	3,046,848	6,382,660
Accounts receivable	3,176,745	3,605,287
Inventories (Note 6)	351,177	257,405
Prepaid expenses	473,633	228,457
	20,514,194	20,339,286
Long-term investments (Note 5)	9,981,083	8,966,873
Long-term accounts receivable	-	80,620
Tangible capital assets (Note 7)	94,853,837	90,206,191
	\$ 125,349,114	\$ 119,592,970
LIABILITIES AND NET ASSETS		
Current:		
Accounts payable and accrued liabilities	\$ 3,398,123	\$ 5,130,315
Accrued vacation pay	2,408,347	1,958,998
Unearned revenue (Note 8)	1,430,484	1,491,898
Long-term debt due within one year (Note 11)	456,182	327,081
Deferred contributions (Note 9)	8,305,223	3,241,800
	15,998,359	12,150,092
Long-term:		
Long-term debt (Note 11)	5,930,212	5,874,281
Deferred contribution for capital purposes (Note 10)	5,239,618	7,969,717
Unamortized deferred capital contributions (Note 12)	64,570,603	60,095,174
	75,740,433	73,939,172
Net assets:		
Endowments (Note 13)	2,177,840	1,971,593
Investment in tangible capital assets (Note 14)	23,896,840	23,909,655
Unrestricted		
Accumulated excess of revenue over expenses	7,662,355	7,622,458
Accumulated net unrealized loss on investments (Note 21)	(126,713)	-
	7,535,642	7,622,458
	33,610,322	33,503,706
	\$ 125,349,114	\$ 119,592,970

Keyano College

Statement of Revenue and Expense



For the year ended June 30, 2008	2008 Budget (Note 15)	2008 Actual	2007 Actual
Revenue:			
Grants	\$ 34,527,572	\$ 36,674,230	\$ 29,871,665
Sales, rentals and services	8,558,869	8,502,584	5,678,689
Tuition	9,531,440	9,272,919	7,442,233
Education contracts	3,158,157	1,646,963	1,023,633
Investment income (Note 5)	388,500	986,708	839,594
Donations	1,045,177	1,212,210	980,746
Amortization of deferred capital contributions (Note 12)	2,850,177	3,103,929	1,994,321
	60,059,892	61,399,543	47,830,881
Expense:			
Salaries and benefits	40,888,949	40,425,639	31,284,242
Supplies and services	10,884,055	11,941,568	8,810,748
Scholarships and awards	554,431	419,675	461,528
Utilities	1,930,990	1,700,131	1,557,369
Cost of goods sold	628,427	1,053,879	752,035
Amortization	4,336,225	4,706,200	3,601,374
Interest on long-term debt	364,162	474,842	375,890
Loss on disposal of tangible capital assets	-	140,274	103,629
Transfer to Keyano Foundation (Note 22)	472,653	510,253	469,265
	60,059,892	61,372,461	47,416,080
Excess of revenue over expense	\$ -	\$ 27,082	\$ 414,801

The accompanying notes are part of these financial statements.

Keyano College

Statement of Changes in Net Assets

For the year ended June 30, 2008	2008				2007
	Endowments (Note 13)	Investment in Tangible Capital Assets (Note 14)	Unrestricted Net Assets	Total	Total
Beginning of year	\$ 1,971,593	\$ 23,909,655	\$ 7,622,458	\$ 33,503,706	\$32,543,502
Change in accounting policy (Note 3)			673,212	673,212	
Adjusted net assets, beginning of year	1,971,593	23,909,655	8,295,670	34,176,918	32,543,502
Excess of revenue over expense	-	-	27,082	27,082	414,801
Net unrealized loss on available-for-sale investments (Note 21)	-	-	(799,925)	(799,925)	-
Endowments received	206,247	-	-	206,247	545,403
Tangible capital assets acquired from internal funds	-	1,408,715	(1,408,715)	-	-
Amortization of internally funded tangible capital assets	-	(1,602,271)	1,602,271	-	-
Net book value of disposals	-	(229,056)	229,056	-	-
Principal repayment of long-term debt	-	246,464	(246,464)	-	-
Repayment of capital lease obligations	-	163,333	(163,333)	-	-
	\$ 2,177,840	\$ 23,896,840	\$ 7,535,642	\$ 33,610,322	\$33,503,706

The accompanying notes are part of these financial statements.

Keyano College

Statement of Cash Flows

For the year ended June 30, 2008	2008	2007
Cash provided from operating activities:		
Excess of revenue over expense	\$ 27,082	\$ 414,801
Non-cash transactions:		
Amortization of tangible capital assets	4,706,200	3,601,374
Amortization of deferred capital contributions	(3,103,929)	(1,994,321)
Loss on disposal of tangible capital assets	140,274	103,629
	1,769,627	2,125,483
Changes in working capital (Note 19)	7,250,626	(204,326)
Cash generated from operating activities	9,020,253	1,921,157
Cash provided from (used in) investing activities:		
Purchases of tangible capital assets:		
Internally funded	(1,408,715)	(1,567,382)
Externally funded through contributions and debt	(7,877,606)	(25,226,003)
Proceeds on disposals of tangible capital assets	110,144	2,224
Purchases of long term investments - net	(1,166,357)	(606,019)
Cash used in investing activities	(10,342,534)	(27,397,180)
Cash provided from (used in) financing activities:		
Capital contributions received	4,531,316	23,202,313
Endowment contributions	206,247	545,403
Long-term debt repayment	(409,797)	(330,628)
Long-term debt additions	594,829	482,132
Cash generated from financing activities	4,922,595	23,899,220
Increase (decrease) in cash	3,600,314	(1,576,803)
Cash at beginning of year	9,865,477	11,442,280
Cash at end of year	\$ 13,465,791	\$ 9,865,477

The accompanying notes are part of these financial statements.

Keyano College

Notes to Financial Statements

June 30, 2008

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 Summary of Significant Accounting Policies and Reporting Practices

(a) General and Use of Estimates

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, including restricted investment income on endowment net assets, are recorded as deferred contributions and recognized as revenue in the period in which the related expenses are incurred and conditions of the contribution are met. Unrealized gains and losses on available-for-sale securities attributed to endowment net assets are also recorded in deferred contributions. 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.

Acquisitions of externally restricted capital contributions are recorded as deferred contributions for capital purposes until the amount is invested to acquire tangible capital assets. Capital assets are 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.

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

Keyano College

Notes to Financial Statements

June 30, 2008

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

(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) Financial Instruments

Cash, short-term investments and long-term investments are recorded at market value, with unrealized gains and losses recorded in deferred contributions or net assets. Market value is based upon the quoted market price of the securities.

Investments include fixed income and marketable equity securities and are classified as available-for-sale and are measured at fair value at each reporting date. Fair value for publicly traded securities is based on the closing market prices. The College utilizes settlement date accounting for all purchases and sales of financial assets in its investment portfolio.

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 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.

(e) Fixed Income and Marketable Equity Securities

Fixed income securities are initially recognized at acquisition cost (purchase price plus transaction costs), which reflects any premium or discount at date of purchase, and carried at fair value. Marketable equity securities are also initially recognized at acquisition cost, and subsequently measured at fair value.

Keyano College

Notes to Financial Statements

June 30, 2008

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

(f) 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:

	Years
Land improvements	40
Buildings and renovations	15-40
Furnishings and equipment	10-25
Automotive and heavy equipment	5-25
Library materials	10
Audio-visual equipment	10
Computer hardware and software	5-10

(g) 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.

(h) 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.

(i) 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.

Keyano College

Notes to Financial Statements

June 30, 2008

Note 3 Change in Accounting Policy

Effective July 1, 2007, the College implemented new financial instrument standards as described in the Canadian Institute of Chartered Accountants (CICA) Handbook Section 3855, Financial Instruments - Recognition and Measurement; and Section 3861 - Financial Instruments - Disclosure and Presentation. The College does not use hedge accounting and accordingly, is not impacted by the requirements of Section 3865, Hedges. As permitted for Not-for-Profit Organizations, the College has elected not to apply the standards for embedded derivatives (elements of contracts whose cash flows move independently from the host contract) in non-financial contracts.

Certain transitional adjustments have been recorded in opening net assets and deferred contributions as of July 1, 2007 (transitional date) for the change in accounting for financial assets classified as available-for-sale and measured at fair value, rather than cost, as at the commencement of the current fiscal year.

Financial assets classified as available-for-sale are measured at fair value with changes in fair values recognized in the Statement of Changes in Net Assets or deferred contributions as appropriate until realized, at which time the cumulative changes in fair value are recognized in the Statement of Revenue and Expense.

Upon implementation of the new standards, the College has classified its significant financial assets and financial liabilities as follows:

- Cash is classified as held-for-trading, and is recorded at fair value with changes in fair value recorded through the excess of revenue over expense in each period.
- Short and long-term investments are classified as available-for-sale, and are measured at fair value with unrealized gains or losses included in net assets or deferred contributions until the asset is removed from the statement of financial position. A transitional adjustment as at July 1, 2007 is outlined in Note 21.
- Accounts receivable are classified as loans and receivable. After initial fair value measurement, they are measured at amortized cost.
- Accounts payable and accrued liabilities, employee benefit liabilities, and long-term debt are classified as other financial liabilities. After their initial fair value measurement, they are measured at amortized cost.

Note 4 Cash

Daily bank balance earns interest at prime less 1.9%. At June 30, 2008, 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%.

Keyano College

Notes to Financial Statements

June 30, 2008

Note 5 Investments

	2008					2007	
	Short-term Investments	Long-term Investments	Market Value	Unrealized Gain/(Loss)	Total Cost	Market Value	Total Cost
Money market	\$ 3,046,848	-	3,046,848	-	3,046,848	4,872,050	\$ 4,872,050
Bonds	-	5,238,214	5,238,214	(87,675)	5,325,889	6,556,045	6,719,407
Equities	-	4,742,869	4,742,869	(64,472)	4,807,341	4,693,864	3,758,076
	\$ 3,046,848	\$ 9,981,083	\$ 13,027,931	\$ (152,147)	\$ 13,180,078	\$ 16,121,959	\$ 15,349,533

As at June 30, 2008, \$2,177,840 at cost (2007 - \$1,971,593 at cost) is restricted for endowment purposes.

The Board of Governors has approved investment policies covering both short and long-term investments of the College and the Syncrude Sport 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. There will be a maximum of 70% of the fixed income portfolio rated "A" or below.
- 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 with a "AA" credit rating.
- d) The fixed income category of the portfolio shall be a minimum of 40% and a maximum of 60% of the portfolio. This will consist of a maximum of 20% invested in short-term investments, and minimum of 40% invested in bonds.
- e) The equity category of the portfolio shall be a minimum of 40% and a maximum of 60% of the portfolio. This will consist of a range of between 15%-50% Canadian equity and ranges of the 5%-20% for both U.S. and International Equity.
- f) No more than a maximum of 10% of the equity component, at market, will be invested in any one equity issue.
- g) There will be a maximum of 2% in any one small cap company (capitalization < \$500 million), and a maximum aggregate total of 20% in all small cap holdings.
- h) Not more than 20% of the bond portfolio will be invested in maple bonds.
- i) Not more than 25% of the bond portfolio shall be denominated for payment in foreign currency.

Keyano College

Notes to Financial Statements

June 30, 2008

Note 5 Investments (continued)

Investment policy for the Syncrude Sport 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 70% 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 at least R-1 (low) by the Dominion Bond Rating Service (DBRS) or equivalent. These investments will be readily liquid securities maturing within one year or in cash.
- d) Not more than 10% of the short-term portfolio shall be invested in any one issuer except for securities of, or guaranteed by: i) the Government of Canada, ii) a Province of Canada having at least a "AA" DBRS or equivalent rating or iii) a Canadian Bank having at least a "AA" DBRS or equivalent rating and whose short-term investments are rated R-1 (high) or equivalent.

The portion of the investments related to the Syncrude Sport and Wellness Centre totaled \$1,933,180 at June 30, 2008 market value (2007 - \$6,028,303 at market value).

The effective yield for the portfolio on the bond investment is 4.68% (2007 - 4.90%). The bond investments mature as follows:

	1 – 5 years	6 – 10 years	Over 10 years	Total
Bonds	\$ 2,011,474	\$ 1,838,613	\$ 1,388,127	\$ 5,238,214

Investment Income	2008	2007
Income earned	\$ 1,312,690	\$ 1,340,844
Restricted		
Transferred to deferred contributions (Note 9)	(169,481)	(129,731)
Transferred to deferred capital (Note 10)	(156,501)	(371,519)
Transferred to revenue (unrestricted)	\$ 986,708	\$ 839,594

Keyano College

Notes to Financial Statements

June 30, 2008

Note 6 Inventories

	2008	2007
Bookstore	\$ 314,385	\$ 220,447
Maintenance supplies	36,792	36,958
	\$ 351,177	\$ 257,405

Note 7 Tangible Capital Assets

Tangible capital assets are summarized as follows:

	2008			2007
	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	81,057	382,126	393,706
Buildings and renovations	107,504,603	40,621,497	66,883,106	64,930,048
Furnishings and equipment	14,745,199	6,319,567	8,425,633	5,989,361
Automotive and heavy equipment	6,973,512	4,873,104	2,100,408	1,882,370
Library materials	2,198,248	1,917,538	280,710	242,077
Audio-visual equipment	1,347,742	739,087	608,654	500,694
Computer hardware and software	7,107,422	3,713,614	3,393,808	3,488,543
	\$ 153,119,301	\$ 58,265,464	\$ 94,853,837	\$ 90,206,191

Tangible capital assets include gift-in-kind additions with a cost of \$317,943.

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

	2008	2007
Tuition fees	\$ 499,228	\$ 763,392
Deferred memberships - Syncrude Sport and Wellness Centre	315,232	-
Contract programs	616,024	728,506
	\$ 1,430,484	\$ 1,491,898

Keyano College

Notes to Financial Statements

June 30, 2008

Note 9 Deferred Contributions

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

	2008	2007
Contributions:		
Restricted grants	\$ 12,996,426	\$ 2,350,522
Restricted donations	142,697	422,444
Investment income (Note 5)	169,481	129,732
	13,308,604	2,902,698
Transferred to revenue:		
Grants	(7,973,625)	(2,059,735)
Donations	(182,458)	(159,807)
Investment income	(63,664)	(152,753)
	(8,219,747)	(2,372,295)
Deferred contributions relating to unrealized gain on endowment investments beginning of the year	99,215	-
Change in unrealized gain on endowment investments relating to deferred contributions	(124,649)	-
Unrealized loss of investments, end of year	(25,434)	-
Increase during the year	5,063,423	530,403
Balance at beginning of year	3,241,800	2,711,397
Balance at end of year	\$ 8,305,223	\$ 3,241,800
The balance consists of funds restricted for:		
Scholarships and bursaries	\$ 786,491	\$ 720,436
Operating and program delivery	3,643,576	1,616,261
Infrastructure and maintenance	1,707,772	905,103
Building code upgrade	1,014,229	-
Trades upgrade and expansion	1,178,589	-
Unrealized loss on investments allocated to deferred contributions	(25,434)	-
	\$ 8,305,223	\$ 3,241,800

Keyano College

Notes to Financial Statements

June 30, 2008

Note 10 Deferred Contributions for Capital Purposes

	2008	2007
Contributions:		
Grants	\$ 3,416,169	\$ 20,932,026
Donations	958,646	1,898,768
Investment income (Note 5)	156,501	371,519
	4,531,316	23,202,313
Gift in kind	317,943	-
Transferred to unamortized deferred capital contributions (Note 12)	(7,579,358)	(24,711,059)
Decrease during the year	(2,730,099)	(1,508,746)
Balance, beginning of year	7,969,717	9,478,463
Balance, end of year	\$ 5,239,618	\$ 7,969,717
The balance consists of funds restricted for:		
Syncrude Sport and Wellness Centre	\$ 1,953,721	\$ 7,310,986
Boiler expansion	2,270,018	8,733
Portable classrooms	400,000	-
Other capital projects	615,879	649,998
	\$ 5,239,618	\$ 7,969,717

Keyano College

Notes to Financial Statements

June 30, 2008

Note 11 Long-Term Debt

	2008	2007
Alberta Capital Finance Authority 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 \$5,030,952. <i>Maturity June 2026</i>	\$ 4,703,980	\$ 4,840,261
Alberta Capital Finance Authority 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 \$991,307. <i>Maturity March 2015</i>	\$ 742,924	\$ 832,256
Obligations under Capital Lease Interest at varying rates of 7.96% to 14.1%. Payments of \$249,341 annually principal and interest combined. <i>Maturity from July 2010 to July 2012</i>	901,934	470,438
Ford Credit Interest at 0%, repayment of \$634, \$551 and \$551 per month respectively secured by related asset with a net book value of \$34,008. <i>Maturity August 2009 to August 2010</i>	37,556	58,407
	6,386,394	6,201,362
Current portion	456,182	327,081
	\$ 5,930,212	\$ 5,874,281

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

2009	\$ 456,182
2010	482,384
2011	500,319
2012	507,809
2013	327,001

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.

Keyano College

Notes to Financial Statements

June 30, 2008

Note 11 Long-Term Debt (continued)

Long-term debt is subject to certain covenants with respect to loan payments, property tax payments, and certain contract restrictions. As at June 30, 2008, 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, 2008.

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.

	2008	2007
Balance at beginning of year	\$ 60,095,174	\$ 37,378,436
Add amount transferred		
Deferred contribution for capital purpose (Note 10)	7,579,358	24,711,059
Less amount amortized to revenue	(3,103,929)	(1,994,321)
Balance at end of year	\$ 64,570,603	\$ 60,095,174

Note 13 Endowments

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

Note 14 Investments in Tangible Capital Assets

	2008	2007
Tangible capital assets	\$ 94,853,837	\$ 90,206,191
Less Debt	(6,386,394)	(6,201,362)
Unamortized deferred capital contributions (Note 12)	(64,570,603)	(60,095,174)
Balance at end of year	\$ 23,896,840	\$ 23,909,655

Note 15 Budget

The budget was approved by the Board of Governors on April 25, 2007.

Keyano College

Notes to Financial Statements

June 30, 2008

Note 16 Funds Held on Behalf of Others

As of June 30, 2008, the College had \$477,742 (2007 - \$513,390) 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:

	2008	2007
Revenue:		
Student residence	\$ 2,346,226	\$ 2,162,555
Food services facility rental contract	19,999	20,157
Bookstore	857,287	761,753
Theatre	1,136,138	928,364
Syncrude Sport and Wellness Centre	1,568,471	-
Parking	281,569	219,628
	\$ 6,209,690	\$ 4,092,457
Expense:		
Student residence	\$ 2,139,500	\$ 1,677,439
Food services facility rental contract	7,722	601
Bookstore	959,051	757,243
Theatre	1,484,314	1,408,044
Syncrude Sport and Wellness Centre	2,116,819	-
Parking	147,412	42,873
	\$ 6,854,818	\$ 3,886,200

Keyano College

Notes to Financial Statements

June 30, 2008

Note 18 Salaries and Benefits

	2008				2007
	Salary (Note 1)	Other cash benefits (Note 2)	Other non-cash benefits (Note 3)	Total	Total
Board Chairman	\$ -	\$ -	\$ -	\$ -	\$ -
Board members - 10	18,857	-	-	18,857	22,672
President	190,000	39,113	15,157	244,270	161,269
Vice President - Academic	141,128	20,580	16,966	178,674	161,626
Vice President - Finance, Administration & CFO	141,128	34,080	16,943	192,151	186,376
Dean, Academics	114,608	18,480	16,954	150,042	132,799
Dean, CUE	114,608	18,480	16,954	150,042	132,799
Dean, Trades	114,608	18,480	16,954	150,042	130,258

Notes:

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

Note 19 Changes in Non-Cash Working Capital

	2008	2007
Short-term investments	\$ 3,335,812	\$ (537,343)
Accounts receivable	509,162	(881,496)
Inventories	(93,772)	(33,847)
Prepaid expenses	(245,176)	2,527
Accounts payable and accrued liabilities	(1,732,192)	(132,407)
Accrued vacation pay	449,349	227,984
Unearned revenue	(61,414)	619,852
Deferred contributions	5,088,857	530,403
	\$ 7,250,626	\$ (204,326)

Keyano College

Notes to Financial Statements

June 30, 2008

Note 20 Pension Costs

The pension expense recorded in these financial statements is equivalent to the College's annual contribution expense of \$2,029,774 for the year ended June 30, 2008 (2007 - \$1,707,134). At December 31, 2007, the Local Authorities Pension Plan reported a deficit of \$1,183,334,000 (2006 - deficit of \$746,651,000). January 1, 2008, the employers' contribution rates will remain the same.

Note 21 Net Unrealized Gains (Losses) on Available-for-Sale Investments

	2008	2007
Net unrealized gains on available-for-sale investments at July 1, 2007	\$ 772,427	\$ -
Net unrealized loss on available-for-sale investments arising during the year	(919,889)	-
Net investment loss realized on available-for-sale investments during the year and reported in the statement of operations	(4,685)	-
Net unrealized loss on available-for-sale investments at June 30, 2008	\$ (152,147)	\$ -

	2008			2007
	Endowment net assets, recorded in deferred contributions (Note 9)	Unrestricted net assets	Total	Total
Balance, July 1, 2007 (Note 3)	\$ 99,215	\$ 673,212	\$ 772,427	\$ -
Decrease during the year	(124,649)	(799,925)	(924,574)	-
Balance, end of year	\$ (25,434)	\$ (126,713)	\$ (152,147)	\$ -

Keyano College

Notes to Financial Statements

June 30, 2008

Note 22 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, 2007 and 2008 are as follows:

Financial Position	2008	2007
Total assets	\$ 2,876,498	\$ 2,747,416
Total liabilities	\$ 39,756	\$ 47,694
Net assets	\$ 2,836,742	\$ 2,699,722

All of the Foundation's net assets must be provided to the College or used for the College's benefit. As at June 30, 2008, \$2,347,703 (2007 - \$2,284,035) of the Foundation's net assets are restricted for College programs.

Results of Operations	2008	2007
Revenue	\$ 4,103,764	\$ 3,605,895
Expenses	3,966,744	4,151,810
Excess of revenue over expenses	\$ 137,020	\$ (545,915)

Total expenses include contributions of \$2,737,678 (2007 - \$3,343,907) to the College.

Cash Flows	2008	2007
Cash from operations and increase in cash	\$ 74,554	\$ 22,542

Total revenue includes contributions from the College of \$510,253 (2007 - \$469,265) 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, 2008

Note 22 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 and Technology.
- (c) Transactions between the College and Province are included in the following balances as at June 30, 2008.

	Total
Operating grant	\$ 34,025,492
Infrastructure grant	7,335,000
Access grant	2,254,458
Apprenticeship grant	120,038
Other grants	179,086
Total	\$ 43,914,074

Note 23 Contractual Obligations

The College has entered into a contract agreement with Campus Works Inc. for enterprise resource planning solutions with estimated minimum annual payments as follows:

2009	\$ 544,163
2010	606,353
2011	621,975
2012	586,191
2013	335,391

Note 24 Comparative Figures

Certain comparative figures have been reclassified to conform with current year presentation.

Note 24 Approvals of Financial Statements

The Board of Governors approved these financial statements.



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COLLEGE

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