

Annual Report 2011-2012



COLLEGE OF THE
North Atlantic

Board Chair's Letter

To the Honourable Joan Burke, Minister of Advanced Education and Skills:

On behalf of College of the North Atlantic's Board of Governors, I am pleased to present our Annual Report, which highlights the remarkable achievements of the past year at Newfoundland and Labrador's public college.

This document serves only as a synopsis of the college's accomplishments over the past year, as the achievements of our students, faculty and staff are so extensive that they cannot be detailed within these pages. Once again, we have been honoured, inspired and impressed to see them rise to every occasion, distinguishing themselves as educators, learners and innovators.

All who have been involved with this institution over the course of the 2011-2012 year have had an ongoing opportunity to enrich their experience. At each of our 17 Newfoundland and Labrador campuses, and at our campus in Qatar, those experiences have brought us to new heights of innovation and excellence.

This success would not be possible without the ongoing support of our government funding partners at the provincial and federal levels. Government contributions to operating costs, facility upgrades and new infrastructure ensure that our staff and students work and learn with high quality equipment and facilities. Ongoing investment by our government partners will enable the college to better meet current and future workforce needs.

The college also continues to be seen as a leader on the global stage, as its partnership with the Middle East State of Qatar enters its second decade. The mutual benefits of the partnership continue to be realized, and it is often cited as an example for other institutions to follow.

The relationship between CNA and industry also continues to grow and flourish. The development of a Process Operator program at the Placentia campus is an excellent example of the mutual benefits of these relationships. With extensive input from Vale, this program was implemented in January 2012, and is preparing students for employment at the mining company's Long Harbour processing operation and around the world. As a result of this partnership,

the college has a new program which will give students the basic skills they need to work in a variety of resource processing facilities, and Vale will have access to employable workers from the local area.

Industry, alumni and advancement partners have played a significant role in the college's development through their generosity; it is with this support that the college maintains its ability to provide relevant, high-quality programs. Philanthropic contributions continue to support curriculum development, research, program infrastructure, scholarships and other initiatives, and when combined with articulation or credit transfer agreements, our learners are able to make a smooth transition to a multitude of career paths.

As a Board of Governors we are honoured to have such dedicated faculty and staff members who deliver the programs that our people and our province need to be successful and vibrant.

We are also highly appreciative of the support of the provincial government, and we look forward to working with all of our partners, the college's leadership team and our communities, to continue meeting those objectives.

College of the North Atlantic is a category one entity and this Annual Report was prepared in accordance with the guidelines of the Transparency and Accountability Act. The report covers the period of April 1, 2011 to March 31, 2012. My signature below is on behalf of the entire Board of Governors and indicates our commitment to, and accountability for, the actual results reported herein.

Sincerely,



Cheryl Stagg
Chair, Board of Governors

Overview

VISION

The vision of College of the North Atlantic is of a community of life-long learners who are educated and skilled, able to meet the demands of the labour market and who contribute to the social, economic, and cultural well-being of their communities.

MISSION

By March 31, 2017, College of the North Atlantic will have improved program quality and accessibility and enhanced services to support the success of learners, industries and communities.

MANDATE

The college, a publicly-funded post-secondary institution, delivers over 400 courses through six academic schools, providing skilled workers and highly educated graduates that participate and contribute to the provincial economy. The mandate of College of the North Atlantic (“the college”) is established by the College Act, 1996 (“the Act”). The College’s Board of Governors (“the Board”) is appointed by Lieutenant-Governor in Council.

The Board is responsible for carrying out those duties prescribed by section 15 (1) of the Act. These powers include general administrative, academic, and governance functions. Section 16 of the Act further empowers the Board to carry out a wide variety of discretionary functions including various human resource management, learner services, and corporate and educational partnership activities. Sections 17 through 25 prescribe the Board’s accountability for the administration of the college’s finances.

The President of the college is appointed by Lieutenant-Governor in Council. The President is the Chief Executive Officer of the college, and, under the general direction of the Board, is responsible for the supervision and administration of the college and of the instructional staff and other employees of the college.

LINES OF BUSINESS

For nearly 50 years, Newfoundland and Labrador’s public college system has been delivering programming that meets the highest academic and skills standards while maintaining flexibility in training local industry and growing the broader economy. College of the North Atlantic strives to directly address the educational needs of the people and industries of this province. Through dedicated monitoring and evaluation of economic and labour force shifts, we are poised to advance every possible opportunity for our learners and graduates. We are steadfast in our commitment to provide accessible, responsive, quality learning that prepares the people of Newfoundland and Labrador to become self-sufficient contributors to social and economic development – both at home and around the world.

Full and part-time programs

College of the North Atlantic enrolls approximately 20,000 learners each year in more than 100 full-time programs

and more than 300 part-time courses. Learners can earn certificate, diploma, post-diploma, or advanced diploma standing through six academic schools; Academics and Applied Arts, Business & Information Technology, Health Sciences, Tourism & Natural Resources, Engineering Technology and Industrial Trades. These programs are offered at our 17 campus locations in Newfoundland and Labrador, our campus in the Middle East State of Qatar, globally through distance education, and in China through partnerships with eight post-secondary institutions. College of the North Atlantic provides further flexibility and meets national standards through industry accreditation and by developing credit transfer agreements with other educational institutions provincially, nationally and internationally.

Learner Support

We support the personal and career development of our learners in every decision we make, with the intent of creating a positive environment for effective learning within a context of life-long learning. We value the diverse profiles of our learners. College of the North Atlantic's curriculum, teaching and support services are characterized by knowledgeable and enthusiastic faculty building on strategies that suit the learner's needs, in an atmosphere of dignity and mutual respect.

College of the North Atlantic continues to incorporate a Service Learning method into our philosophy of teaching and learning, which combines academic classroom curriculum with meaningful service. The Service Learning approach is becoming increasingly popular in North American schools, and allows a balance between theoretical knowledge and practical application. This ties in nicely with the hands-on nature of the work many of our graduates will be expected to perform in their careers.

Other learner services at College of the North Atlantic include counseling and personal development, library services, disability services, Aboriginal learner services (Aboriginal Resource Centre), social and recreational activities, international learner services, daycare centres, on-campus residence (Bay St. George, Happy Valley-Goose Bay, Burin), funding assistance and more.

Contract Training

The responsive, progressive training delivered by our corporate training department is drawn from established program offerings or can be custom-designed to meet the needs of business, industry or government. Training can vary according to need; from a one-day session to a program of several weeks or months, delivery methods include the traditional classroom, online learning or blended options that can be offered at the workplace or any other site. The college has provided training to satisfied clients on land and at sea in more than 30 countries around the world.

Continuing and community education programs

Our continuing and community education program offerings supplement and encourage learning opportunities for communities and promote ongoing, life-long learning for all ages. Many campuses offer a variety of convenient part-time certificate programs and credit and non-credit courses for professional development, export readiness, emergency preparedness, personal growth, general interest and so much more.

Applied Research

College of the North Atlantic is committed to promoting a research and innovation culture for the province where researchers are able to bring to the forefront ground-breaking knowledge and innovative products and services. Applied research at College of the North Atlantic contributes to the learning environment and complements the economic and environmental assets of communities for local business development and new investment. The college is able to do this through development of technologies, patenting, licensing, market research, product development and commercialization.

Community Outreach

Though College of the North Atlantic's reach spans the globe, it is at home in Canada's youngest province that the college's roots are firmly planted. A foundation running nearly half a century deep gives the college a unique connection to the communities we serve. In playing an active role in communities and regions, the college in turn draws its strength from them. College of the North Atlantic employees hold vital leadership positions and gain valuable experience as active members of regional economic development boards, charitable organizations and community initiatives. In some communities, the college's contribution extends to developing and incubating new businesses, developing prototypes, testing and analyzing products and providing access to expert staff, new technologies and state-of-the-art equipment.

Institutional Research and Planning

Institutional Research and Planning (IRP) provides information needed by College of the North Atlantic to support decision-making processes and accountability requirements - both internally and externally. IRP provides data collection, analysis, synthesis, storage and reporting services in accordance with Access to Information and Protection of Privacy Act (ATIPPA) provisions. IRP survey capability has opened up new ways of consulting with employees, learners and

industry, enabling IRP to support the development of quality programs and learner services activities. IRP generates information to enhance policy development and decision-making within the college and with external partners, agencies and departments.

PHYSICAL LOCATION

CNA is comprised of 17 campuses located throughout the province of Newfoundland and Labrador and one international college of technology in the Middle East State of Qatar.

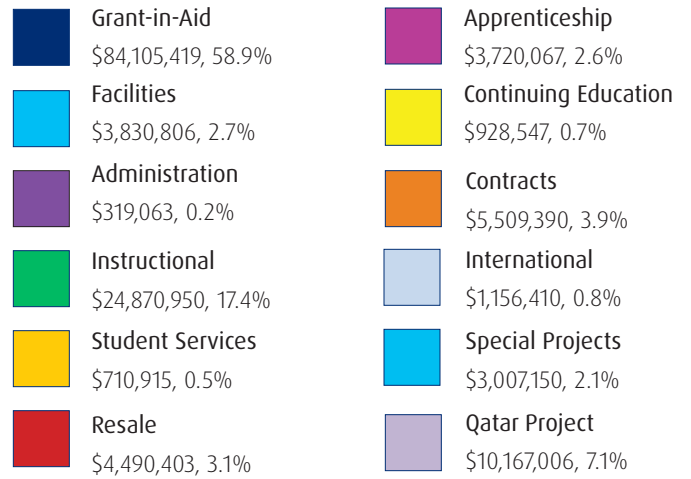
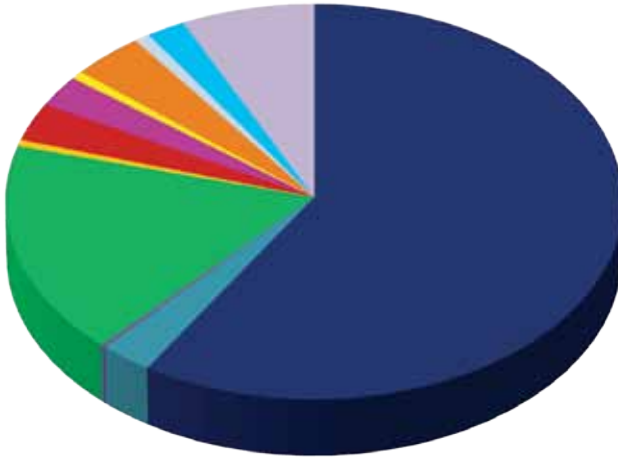


KEY STATISTICS

Revenue

March 31, 2012

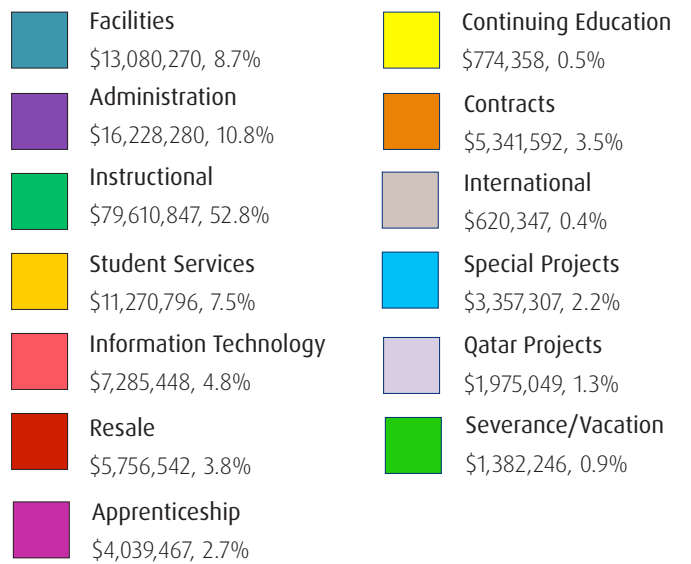
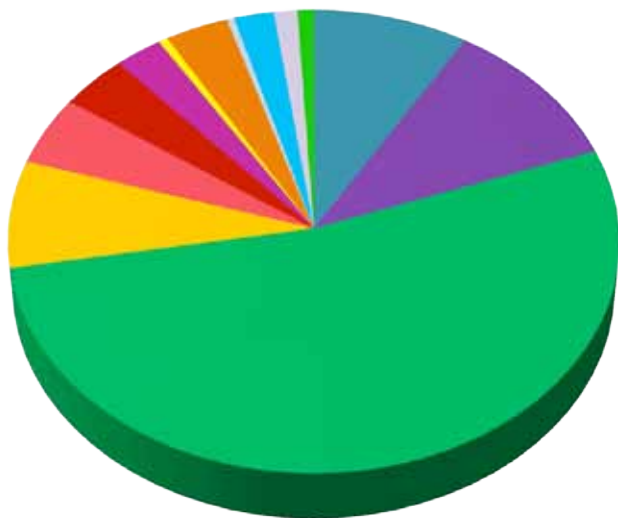
\$142,816,126



Expenditure

March 31, 2012

\$150,722,549



EMPLOYEES

COLLEGE OF THE NORTH ATLANTIC - March 31, 2012 NEWFOUNDLAND & LABRADOR						
	Support Staff	Faculty	Management	Non Union Management	Non Management	Total
Females	381	378	50	19		828
Males	164	480	52	0		696
Sub-total	545	858	102	19		1,524
QATAR						
	Support Staff	Faculty	Management	Non Union Management	Non Management	Total
Females	31	158	11	0		200
Males	15	249	14	0		278
Sub-total	46	407	25	0		478
College Total	591	1,265	127	19		2,002
INCLUDED: Active employees, employees on leave						
NOT INCLUDED: Continuing education instructors, student employees, invigilators, casual employees						

STUDENT ENROLMENT – ACADEMIC YEAR 2010-11

School	Number Registered			Male	Female
	Full-Time	Part-Time	Total		
Academics & Applied Arts	2,790	994	3,784	1,389	2,395
Business & IT	1,363	197	1,560	357	1,203
Engineering Technology	1,164	93	1,257	956	301
Health Sciences	670	94	764	140	624
Industrial Trades	2,581	52	2,633	2,298	335
Tourism & Natural Resources	203	84	287	175	112
College Total	8,771	1,514	10,285	5,315	4,970

*Excludes CNA-Q

Continuing Education	Number Registered	Total # of Hours
Non-credit Courses & Contracts	14,249	166,495
Credit Courses	186	698
College Total	14,435	167,193

**Gender breakdown not available.

CNA-Q Enrolment	Female	Male	Total
Registered	789	1,692	2,481

Shared Commitments

The provision of public post-secondary education and certification is shared in this province among three main participants; the Government of Newfoundland and Labrador who provide the legislative framework for the creation, funding and operation of public post-secondary institutions in the province, College of the North Atlantic designated to operate programs and services leading to the awarding of provincially recognized diplomas and certificates, and Memorial University of Newfoundland. In addition, industry associations, community development agencies, employers and various professional associations and occupational groups can significantly influence the College's operating environment including shaping the strategic directions identified in the College's 2011-2014 Strategic Plan. The college also operates, under contractual agreement with the State of Qatar, the provision of technical and vocational education to citizens of that country.

Achievement of progress on the college's strategic issues, therefore requires partnerships and collaboration with a wide range of stakeholders. In particular, the provincial government, community, industry and professional association support is integral to achieving the college's commitment to provide accessible, responsive and quality programs, while partnerships in international education and with other Canadian institutions enhance the educational experience of the college's students, support diversity and inclusiveness, and encourage life-long learning.

College of the North Atlantic (CNA) has experienced another successful year in strengthening long-standing partnerships and forging new and exciting opportunities for its students, faculty and staff. We have fostered an expansive base of relationships with a number of post-secondary institutions, industry sector organizations, the hundreds of communities that we serve, and the various departments and agencies of municipal, provincial and federal governments. Through these relationships, the college has also contributed to achieving the strategic directions of government with respect to post-secondary education, in particular the components of the higher education and infrastructure strategic directions. While progress has been achieved in many areas, the following are a few of the shared commitment highlights for 2011-12:

- Internationalization – The college has completed year ten of its agreement with the State of Qatar to provide technical and vocational education in the region. The project remains the largest post-secondary education contract in Canadian history employing some 500 Canadian hires, offering 34 programs to over 2,300 full-time and 2,800 part-time and contract training students. In 2011-12, College of the North Atlantic Qatar (CNA-Q) continued to meet its community outreach commitments in the region, launching and hosting the National Robotics Olympiad (over 200 schools participating) and the Information and Communication Technologies in Education Conference that saw over 500 high school administrators and teachers attend the three day conference. Our business collaboration efforts were also recognized as CNA-Q's Entrepreneurship Center was awarded the prestigious Reyada Silver Award for Outstanding Entrepreneurial Support.
- Modern Facilities - The province and the Board of Governors of College of the North Atlantic are committed to providing college facilities that are modern, safe, reflective of industry operating environments and suitable to exemplary teaching. 2011-12 marked an important milestone in the college's infrastructure modernization program with the opening of the new campus in Labrador West. In addition to the new campus facility, federal and provincial funding partnerships also allowed for

significant additional infrastructure improvements including upgrading of the skilled trades facilities at the Grand Falls-Windsor campus and completion of shop modernization projects at the Seal Cove campus ensuring that our learners and staff have state of the art facilities in which to learn and work. In addition, more than \$3 million in capital funds were provided by the provincial government in 2011-12 to improve industrial trade shop programs, facilities, equipment and safety across the colleges 17 campuses. These projects have provided a vastly improved learning environment for our students.

- Industry Partnerships - We gratefully acknowledge the key industry relationships that continue to contribute to our success and to our students' access to a world-class education. Investments, whether in funding, access to specialized expertise and equipment, or participation in student experience initiatives, are a key indicator of the shared commitment that industry has made toward ensuring the continued success of our graduates. While the examples that follow focus on funding partnerships, industry activities also spanned several career fairs as well as participation in internships, curriculum committees and other related development initiatives.
 - The Hebron co-venturers announced a \$2 million investment that will result in the development of two world-class oil and gas training facilities at our Seal Cove and Ridge Road campuses. These state-of-the-art facilities will enhance CNA's training abilities as they relate to the resource sector, and increase its petroleum related applied research capacity through a stronger college/industry partnership.
 - The Hebron Project co-venturers and HMDC committed a total of \$200,000 to support young women interested in exploring trades and technology occupations in the natural resources sector. The Techsploration Orientation to Trades and Technology Program (TOTT) is delivered by College of the North Atlantic and administered by our partners at the Women in Resource Development Corporation (WRDC).
- Learning Partnerships - The continuing challenge of delivering excellent services while maintaining required efficiencies is bringing to the forefront new opportunities for collaboration between educational institutions. Recognizing the need to ensure the success of all students, particularly in their critical first year, the college and Memorial University embarked in 2011-12 on a large scale project to investigate the determinates of success for these students and the intervention strategies that contribute the most to enabling their success. The conclusion is that CNA's approach to academic bridging from high school to post-secondary works...in both content and student success...and is the benchmark for future retention practices with both student bodies. The college looks forward to continuing collaboration with Memorial University on this and other areas of educational research to inform and improve future practices.

The college has also successfully built partnership and articulation opportunities with colleges and universities throughout the rest of Canada. This year, CNA's School of Tourism & Natural Resources (TNR) signed a number of articulation agreements including: a block transfer agreement with Royal Roads University that was renewed and expanded to include five TNR programs; two new block credit transfer agreements established with Grenfell Campus, Memorial University; a credit transfer agreement with the University of New Brunswick and the development of a draft credit transfer agreement with the University of Northern British Columbia.

The 101 articulation agreements now in place with College of the North Atlantic, and 69 agreements with CNA-Q enable students and graduates to continue their education well beyond their initial program.

- **Inclusiveness Agenda** - In recognition of the diversity of the province's population and the college's shared commitment to reduce barriers to access to education and learning, the college continues to reach out to Aboriginal students through the Aboriginal Resource Centre - Happy Valley-Goose Bay campus, offering academic support and promoting careers in health sciences. As a result, the campus' Aboriginal population stands at 83 per cent, with 112 graduates from regular programs last year. The college has also partnered with Health Canada and the Labrador Aboriginal Training Partnership to offer community based training off-campus in Sheshatshiu, Nain, Rigolet, Postville, Makkovik and Hopedale, and has signed a Memorandum of Understanding (MOU) with Memorial University for an Aboriginal Ambassadors program.

2011-12 HIGHLIGHTS AND ACCOMPLISHMENTS

College of the North Atlantic is proud of the achievements of all of its students, staff and faculty. The following section showcases just a few of the many highlights they accomplished in 2011-12.

Showcasing Our Students

Eight CNA students earned medals at the 2011 Skills Canada national competition, where they were part of a team of 41 competitors representing Newfoundland and Labrador. More than 500 secondary and post-secondary students and apprentices from across Canada competed in the event, and the strong showing by CNA students is proof positive that our programs are among the best in the country.

CNA students also represented Canada on the international stage, when they became part of the first-ever Team Canada to enter the International Abilitympics. Engineering Technology graduates Justin Mercer and Paul Thorne competed in Seoul, South Korea in September, and although they didn't earn medals, their experience was an exercise in breaking down barriers for people with disabilities.

Graduates of College of the North Atlantic are also making their mark on the national scene, winning awards for their digital animation work. Micah Smith and Tymur Markunin recently completed the Digital Animation program at the Bay St. George campus. In 2011-12, they entered their final projects in the Applied Arts Magazine Awards and beat out competitors from across Canada, the U.S. and abroad in the student category.

Following successful competitions at the Advancing Canadian Entrepreneurship (ACE) Canada Regional exposition in Halifax, College of the North Atlantic Teams advanced to the national finals of the Students In Free Enterprise (SIFE) exposition in Calgary. To reach the Calgary event, students from CNA took top spots in the 2012 Capital One SIFE Financial Education Challenge category with both the Clarenville (League A) and Prince Philip Drive (League

B) campuses placing first in their respective Leagues. CNA's Grand Falls-Windsor campus placed second behind Prince Philip Drive in League B. The largest student run organization in the world, SIFE's mandate is to create local solutions to global economic challenges.

CNA's participation in the Canadian Student Leadership Conference in Corner Brook, gave students in several programs an opportunity to learn and share their skills in practical situations related to their courses of study. Journalism, Film and Video Production, Music Industry and Performance and Cooking students played a significant role in the delivery of this event, once again demonstrating the excellent hands-on training offered by the college.

Industry Day 2011, a partnered initiative between the Newfoundland & Labrador Construction Association (NLCA), CNA and the Newfoundland and Labrador Construction Safety Association (NLCSA), placed more than 90 CNA students around the province with NLCA member firms for a day of job shadowing and hands-on experience. This year, 46 Civil Engineering Technology students from the Ridge Road and Corner Brook campuses took part, as did 20 Safety Engineering Technology students from the Ridge Road campus, and 28 Construction/Industrial Electrician students from the Seal Cove and Burin campuses. Feedback from students was extremely positive, with many noting it was an eye-opening experience to see how their program choice translates to the workplace.

National Accreditations and Designations

The Medical Laboratory Assistant (MLA) program at College of the North Atlantic's (CNA) Grand Falls-Windsor campus was awarded a full, six-year accreditation term by the Canadian Medical Association. The honour is a first for the MLA program, which was established nearly three years ago.

In Labrador West, the campus was designated as a Canadian Welding Bureau Test Centre, generating \$500,000 in contracts to train and test Iron Ore Company of Canada welders.

CNA students now have more opportunities to turn a college diploma into a career in the military, with the addition of Primary Care Paramedicine to the list of programs recognized by the Canadian Forces.

International Awards and Accomplishments

CNA's Marketing and Communications department received an international honour, when it was recognized with a Platinum MarCom Award for its employee magazine, *Currents*. The department also took a gold statue for its redesigned Facebook page, and the Qatar Project office took three gold awards for a variety of entries.

Innovation and Applied Research

The college made significant strides in the area of applied research and development in 2011-12. Over the past year our researchers were the recipients of more than \$6 million in grants through various national and regional associations. This funding enabled CNA to launch innovative projects in different technology areas, including wave energy generation, nanotechnology, non-destructive testing, wind energy, applied mineralogy, digital technology adaptation and industry support. These initiatives make an important contribution to the provincial economy and help stimulate the culture of innovation in the province's rural and urban communities.

The Office of Applied Research (CNA-Q) facilitated an additional \$10 million in research grants involving CNA-Q faculty and students in 2011-12. Discussions were also initiated with the Qatar Environment and Energy Research Initiative (QEERI) that will see up to 20 world class scientists move to the CNA-Q campus to conduct world leading research. QEERI's presence on campus will present significant research opportunities for CNA, the Province of Newfoundland and Labrador, and CNA-Q.

In 2011-12 our success leading innovation here and abroad was recognized by The Right Honourable David Johnston, Governor General of Canada. Citing the college's efforts to take what we've learned and inviting the world to share in and extend our discoveries, Governor General Johnston stated "I have been privileged... to visit many communities in the Atlantic region that are building upon their strengths and breaking new ground. An outstanding example is Newfoundland and Labrador's College of the North Atlantic and its partnership with Qatar. Remarkably, the college's campus in Doha employs more than 600 Canadians and is home to thousands of students from around the world. It is now Qatar's leading comprehensive technical school. The college secured its place in this remarkable experiment by making a strategic commitment to continuous innovation in research and education, and to exceptional collaboration with the State of Qatar and with local employers. Decision makers in Qatar were impressed with the college's ties to local communities and with Newfoundlanders' flexibility, practical skills and willingness to collaborate."

Performance Indicator Results

College of the North Atlantic is committed to achieving the strategic directions outlined in the 2011-2014 Strategic Plan. The following section provides a report of the college's progress in meeting its 2011-12 objectives for each of the three strategic issues in the current plan. The section is structured to provide a brief discussion of each strategic issue followed by a detailed progress report on the annual objective, measures and indicators.

Issue 1: Quality Programs

College of the North Atlantic considers the safety and well-being of its learners to be at the forefront of all decisions and actions, particularly in the development and delivery of quality programs and learner services. Building upon our quality in all program areas, College of the North Atlantic is committed to providing accessible, responsive, and quality programs to all individuals with a desire to attain their educational goals.

Through promotion of a research and innovation culture, and continuing to gather information to support decision-making processes, the college strives towards enhancing its delivery options through a comprehensive range of programs and services. As part of its Academic Plan, College of the North Atlantic continues to develop and implement programs to meet the needs of learners, industries and communities. These programs build upon the expertise of the college and its faculty in all Schools and meet quality requirements set out in provincial and national standards. The college strives for the highest quality learning experiences and graduate outcomes reflecting current demand and future need, and continuously invests in its instructors, staff, facilities, equipment and overall learning environment to achieve high post-secondary education standards. In keeping with these standards, the recruitment and retention of learners and qualified staff is of the utmost importance to the college.

Goal 1: By March 31, 2014, College of the North Atlantic will have enhanced programs in response to identified labour market requirements and the evolving educational needs of learners.

Objective: By March 31, 2012, College of the North Atlantic will have implemented year one initiatives included in the Academic Plan in response to identified labour market and other educational requirements.

Measure: Implemented Academic Plan.

Progress Report:

In 2011-12, College of the North Atlantic was able to implement year one initiatives included in the Academic Plan in response to identified labour market and other educational requirements. With respect to enhancing programs, overall capacity was increased in five Schools (Academics and Applied Arts, Business & Information Technology, Health Sciences, Industrial Trades and Tourism & Natural Resources), programs were revised and new programs were developed to be responsive to the labour market, and overall quality was improved through professional development for employees. Further, program requests and community capacity building opportunities were identified, and the Offices of Institutional Research and Planning and Applied Research implemented initiatives resulting from the Academic Plan. These activities also contributed to achieving the Provincial Government's Strategic Direction regarding 'Higher Education'. Further details can be found in the following outcomes.

Indicator 1.1: Implemented program and/or course capacity adjustments.

The college launched four new or substantively revised programs and developed a number of Hospitality Tourism Management courses for delivery through the college's Distributed Learning (DL) (i.e., online learning) capacity:

- Launched the new Web Development Diploma program.
- Launched the new Rehabilitation Assistant Diploma program.
- The X-Ray Skills program was converted from paper correspondence to an online format. It was offered via blended learning whereby part of the program was offered from the Prince Philip Drive campus, while the rest of the program was offered online.
- Developed and offered advanced block three of Electrician Trade, in partnership with the Seal Cove campus and the Department of Advanced Education and Skills.
- Developed a number of Hospitality Tourism Management courses for DL delivery. Project completion will enable learners to complete a certificate in Hospitality Services and will result in increased delivery flexibility for employees and employers in the industry.

Course capacity adjustments included additional program or course offerings, including Contract Training/ Continuing Education (CT/CE) initiatives, at eight campuses to match local needs as follows:

- Expanded the Comprehensive Arts and Science (CAS) Transition offerings to include Clarenville and Port aux Basques campuses.
- Introduced new general studies courses at St. Anthony campus to allow learners to have more access to college and university transferable courses.
- Initiated a new offering of Medical Laboratory Sciences at the Grand Falls-Windsor campus.
- Added a first year university equivalent course in Anthropology in the CAS Transfer: College-University program at Grand Falls-Windsor campus.
- Added a suite of elective course offerings, including a new Outdoor Winter Recreation course, for Applied Arts at Bay St. George campus.

- Offered advanced block electrical apprenticeship training for the first time at the Labrador West campus and offered the Process Operator program at the Placentia campus to address local and provincial demand.
- Labrador West campus increased volume of CT/CE offerings such as Canadian Welding Bureau training and testing, alignment training, haul truck 'winter driving' simulation program training, and Microsoft Office courses.
- Burin campus developed and delivered Post Journeyman training in Titanium Welding for Kiewit and the employees of the Marystown fabrication site.

Efforts to increase student enrolments in a number of courses were also successful. Some of the more significant of these were:

- Increased course registrations in the Early Childhood Education Online program by 12.1% between Winter 2011 to Winter 2012 (from 132 to 148 learners).
- Expanded capacity in the School of Business and Information Technology by 12.8% (from 1480 to 1670 learners).
- Increased capacity in the School of Tourism & Natural Resources by 12.4% (from 323 to 363 learners).
- Expanded capacity in the School of Health Sciences by 7.9% (from 594 to 641 learners).
- Increased intake in the School of Industrial Trades programs by 4.6% (from 1401 to 1466 learners).

Downward capacity adjustments were also made where necessary to reflect reduced labour market demand. In addition, program intakes for the Telecommunications Engineering Technology (Co-op) and Computing Systems Engineering (Co-op) programs were suspended for September 2011 to allow for program reviews.

Indicator 1.2: Researched and identified program requests and community capacity building opportunities.

Research was initiated and/or completed in several areas to identify local training needs. As a result, a number of short-term training initiatives are in place or will be initiated in the next academic year to address local labour market gaps. Examples include:

- The Burin campus worked with Kiewit and Dynamic Air Shelters to develop and deliver customized safety and occupational specific training.
- St. Anthony campus partnered with the Straits Development Association to offer a Traditional Sealskin Garment Production and Retail Sales Training customized program.
- Needs analyses conducted in the Burin area determined there is a need for a Research Technician Post Diploma program, enhanced safety training, and Personal Care Attendants.
- Preliminary research has been conducted and a letter of intent has been submitted to the Dean of Tourism & Natural Resources for the development of an Advanced/Post Diploma in Natural Resources Field Techniques at Bonavista campus.
- Work has also been completed on the potential for adding another Industrial Trades program at the Labrador West campus and additional apprenticeship training in response to industrial demand.

Opportunities for new program development were also identified. Work was initiated in 2011-12 and will be completed in 2012-13 on the feasibility of proceeding with development and implementation of a Construction Supervisor Post Diploma program which will include the Canadian Construction Association Gold Seal and Quantity

Surveyors certifications. As well, the School of Academics and Applied Arts is exploring a Research Assistant Post Diploma program, and a potential program offering for students with intellectual disabilities based on programming requests.

The college also worked with a number of community groups and associations on locally tailored capacity building initiatives including:

- Partnering with the Little Bay Islands Heritage Society to offer a 26-week program in Traditional Crafts in support of the areas tourism product development efforts.
- Partnering with the New Hope Community Centre (Salvation Army) to provide Retail Skills Training to New Hope Community Centre clients. Learners used their retail essential skills training to set up a community 'gently used' clothing retail project.
- Partnering with the Town of Stephenville and Stephenville Airport Corporation to develop an Emergency Operations Centre (EOC). This centre will be used as the training classroom/lab for the region's new Emergency Management program.
- Partnering with the Exploits Valley Economic Development Corporation and the Town of Grand Falls-Windsor to provide training for cranberry farmers on new farm set up.

Indicator 1.3: Conducted program reviews to align with identified training and labour market needs.

College of the North Atlantic conducts regular program reviews to ensure offerings align with identified training and labour market needs. In 2011-12 reviews were completed for five program areas including Applied Arts, Business Administration, Engineering Technology, Industrial Trades and Tourism. Further, reviews were initiated for 13 programs, and 12 revised and eight new programs were presented to Academic Council. These program reviews ensured quality and relevance, as well as currency of skills for the labour market and technology utilized by industry.

Indicator 1.4: Implemented institutional research and applied research initiatives.

Working with faculty, staff, management, business and industry, the Office of Applied Research (OAR) expanded its applied research and innovation outreach across the province. Focus was placed, as per the Academic Plan, on securing new project funding opportunities. With 28 new projects funded through \$6.0 million of external grants, the college received a significant boost to its research and innovation capacity. Funding received included several national, regional and provincial awards from Natural Sciences and Engineering Council of Canada (NSERC), National Research Council of Canada, Atlantic Canada Opportunities Agency, and the Research & Development Corporation (RDC) of the provincial government. As a result of this and other funding, faculty were successful in moving several research projects forward including:

- The Wave Power/Aquaculture research project (Lord's Cove)
- The Tensile Strengths Research Project and Applied Minerology Research Project (Burin)
- The Alternative Crab Bait Research project (Bonavista)
- The Dormitecture Sustainable Container Living Research Project (Ridge Road)
- The Water Quality Research Initiative (Bay of Islands)
- Development of a Smartphone application to measure greenhouse gas offsetting (Gander)
- Development of a Prototype Online Avatar (Bay St. George).

Research Studies were also initiated into bee pollination of cranberry bogs; vibration modeling and reliability improvement of mud motors; and tumor-selective drugs for breast, lung and blood cancers.

Institutional research was conducted through the following activities:

- Continued development of the Key Performance Indicator's (KPI) program for the college. The Institutional Research and Planning (IRP) team distributed the Employee Satisfaction Survey in March 2012 (the second time since 2010), and began development of the new Graduate Employer Satisfaction Survey to be distributed in October 2012.
- Conducted analyses on CNA's enrolment and capacity data in support of the college's Academic Planning process, and completed 30 Labour Market Analyses (LMA's) in support of the program review process.
- Participated in a national Association of Canadian Community Colleges (ACCC) supported research study on Testing and Validation of the National Framework for Essential Skills. CNA is one of 10 Canadian Colleges involved in this research project, which involves assessing and up-skilling learner's essential skills in medical sciences and business programs. The assessments and training resulting from this study are anticipated to help learners succeed academically in their chosen program of study.
- Assessed longitudinal graduate trends to gain a better understanding of existing labour market and analyzed and summarized learner data to be used in provincial government planning and reporting.

The college was also active in several international research initiatives. Through College of the North Atlantic Qatar (CNA-Q), over \$10 million in research grants were facilitated in 2011-12, and discussions were initiated with the Qatar Environment and Energy Research Initiative (QEERI) that will see up to 20 world class scientists move on to the CNA-Q campus in 2012-13 to collaborate with CNA-Q faculty and students in the conduct of world leading research.

Indicator 1.5: Enhanced instructional quality through professional development.

College of the North Atlantic supported the regular involvement of faculty and staff in professional development activities. Through the sharing of best practices, attendance at discipline-related workshops and conferences, and other professional development activities, college employees were able to improve upon their technical and classroom skills, thereby enhancing instructional quality. The following outlines some of the professional development initiatives undertaken in support of instructional quality improvements:

- Development and implementation of school-based strategic learning plans.
- Partnering with Memorial University and Marine Institute to identify and share best practices in the use of educational technology in the classroom.
- Supported more than 200 faculty in individual and group continuous learning activities including completing external industry, national and international certifications and attending discipline related conferences as well as events featuring equipment training.
- Hosted a provincial Health Sciences Continuous Learning Day.
- Launched an orientation booklet and service learning guide for new instructors to Industrial Trades, and formalized instructor orientation and support staff training at several campuses.
- Conducted four formal workshop sessions on using Desire 2 Learn (D2L) for Teaching and Learning.

- Staff attended a blended learning conference to better inform the work and strategic direction toward blended learning at CNA, and the college developed a continuous learning plan for its Rural Campus Network (RCN) campuses to introduce blended learning technologies for shared programming.

2012-13 OBJECTIVE:

By March 31, 2013, College of the North Atlantic will have continued the implementation of the Academic Plan through year two initiatives in response to identified requirements.

Measure: Continued the implementation of the Academic Plan.

Indicators:

- 1.1 Implemented program and/or course capacity adjustments.
- 1.2 Researched and responded to program requests and community capacity building opportunities.
- 1.3 Conducted scheduled program reviews to align with identified training and labour market needs.
- 1.4 Implemented institutional research and applied research initiatives.
- 1.5 Supported the professional growth of faculty through continuous learning activities.

Summary

It is important for College of the North Atlantic to ensure that programs are responsive to the community and to labour market requirements. To achieve this, CNA continues to develop and implement programs to meet the needs of learners, industries and communities as part of the Academic Plan. Each year the college will continue to implement initiatives resulting from the Academic Planning process in an effort to achieve the goals as stated in the 2011-14 Strategic Plan.

Issue 2: International Education

College of the North Atlantic recognizes the importance of, and is committed to, college internationalization. For the college, this involves a commitment to learners for a global experience in preparation for the real world, international involvement through projects and partnerships, and internationalizing our learning environment.

It is important that we focus on attracting international learners to as many campus locations as possible in order to fulfill this commitment. College of the North Atlantic has welcomed learners from around the world and provided them with the opportunity to improve their English-language skills, earn a certificate or diploma, obtain the academic credentials necessary for further education and/or prepare for a new career.

Enhancing our international capacity and promoting our international education is all-encompassing. It involves all of the mechanisms, processes and resources that support the export of our educational products, and the attraction of international learners to our college in Newfoundland and Labrador.

Goal 2: By March 31, 2014, College of the North Atlantic will have improved international education practices.

Objective: By March 31, 2012, College of the North Atlantic will have defined international education priorities.

Measure: Defined international education priorities.

Progress Report:

In 2011-12 College of the North Atlantic defined four international educational priorities: expansion of institutional partnerships particularly in Sri Lanka and China, expansion of international student recruitment in targeted geographic areas, exploration of international opportunities in contract training, and continued development of the education and training relationship with the State Government of Qatar. To improve international education practices CNA cross-referenced data from multiple colleges in Atlantic Canada and reviewed their international priorities, practices and procedures. Further, the college ensured alignment of international educational priorities with primary client groups. The following outcomes provide more details.

INDICATOR 2.1: Researched international policies and procedures.

College of the North Atlantic researched international policies and procedures through the following:

- Cross-referenced data from colleges in Atlantic Canada and reviewed their practices and procedures with respect to program offerings, international learner supports and international learner assessments.
- Researched and implemented new initiatives and procedures in the areas of international recruitment, admissions and program availability.
- Conducted a comparative review of Atlantic Canadian College diversity procedures to identify options for integrating diversity events in support of international learners, into campus activities and the broader college community.
- Using research from other colleges on international student capacity and policy for international involvement, reviewed CNA's current capacities and resources in order to assess delivery of required supports for international learners and international activity.

INDICATOR 2.2: Ensured alignment of international education priorities, in collaboration with primary client groups.

College of the North Atlantic ensured alignment of international education priorities, in collaboration with primary client groups through the following:

- Engaged government departments, the Office of Immigration and Multiculturalism, Department of Innovation, Business and Rural Development, Marine Institute and Memorial University to share foreign country market data and to ensure that countries of focus for international activity are appropriate and supported.
- Aligned with the provincial government's focus on Greenland as an area of geographic interest and strategic alliance, CNA explored options for partnering with Greenland institutions, particularly in support of the Oil & Gas industry.
- Aligned with provincial government's strategic interest in China, reinforced CNA's presence in the China market by identifying and undertaking active negotiations for partnership with two additional universities to offer CNA's Business Administration programs.
- Currently reviewing the Comprehensive Agreement with the State of Qatar for a 10 year extension and working on a 10 year business plan for a presentation at the 2012 Joint Oversight Board meeting.

2012-13 Objective:

By March 31, 2013, College of the North Atlantic will have identified and/or revised programming and services to be delivered locally and abroad for international learners.

Measure: Identified and/or revised programming and services.

Indicators:

- 2.1 Identified and/or revised programming to address the needs of international learners.
- 2.2 Identified and/or revised services to address the needs of international learners.

Summary

Enhancing our international capacity and promoting our international education is all-encompassing. It involves all of the mechanisms, processes and resources that support the export of our educational products, and the attraction of international learners to our college in Newfoundland and Labrador. To this end, CNA continues to improve international education practices, and will strive toward enhancing achievements in this area each year.

Issue 3: Improved Access to Learner Supports

Learning is central to effective participation in society and community development. As a learning college, College of the North Atlantic places learning and the learner first. The college is committed to providing a welcoming and inclusive environment where all learners, whether they are studying full-time or part-time, have equal opportunity, regardless of any physical or learning disability they might have. The college strives to support learners in the development of their full potential by providing quality services, tailored to their needs.

College of the North Atlantic supports learners in a number of ways and is committed to providing inclusive and accessible education in a safe and positive environment. The college creates a caring, learning-centered environment that promotes access to education for learners of all ages and diverse backgrounds and ensures their preparation for success in a global world. Improved access to learning supports helps all learners who need assistance to reach their academic potential and enhance their skills and knowledge. Further, the college strives to implement best practices and remove barriers to accessing a college education.

Goal 3: By March 31, 2014, College of the North Atlantic will have improved access to learner supports and services.

Objective: By March 31, 2012, College of the North Atlantic will have identified best practices in learner supports and services.

Measure: Identified best practices in learner supports and services.

Progress Report:

In 2011-12 College of the North Atlantic identified best practices in learner supports and services. To help improve this goal, the college focused on Strategic Enrolment Management (SEM) which is a systematic, comprehensive, research-driven strategy designed to locate, attract and retain learners the institution wishes to serve. CNA developed a SEM steering committee and established and evaluated learner recruitment and retention projects.

College of the North Atlantic also researched and implemented new learner support technologies and explored community-based synergies for learner supports. Together these advancements enabled the college to focus on programming and to support Provincial Government's Strategic Direction of 'Higher Education'. The following outcomes provide more details.

INDICATOR 3.1: Identified best practices in Strategic Enrolment Management.

College of the North Atlantic engaged an external consultant to conduct a scan of best practices in SEM and provide a report with recommendations on areas of practice for the college to address. As a result, the following best practices have begun to be implemented:

- SEM Steering Committee conducted a Strengths, Weaknesses, Opportunities and Threats analysis and a gap analysis on recruitment, retention and services to learners.
- Engaged the SEM sub-committees in SEM planning and setting priorities through facilitated sessions.
- Built on internal capacity by increasing awareness and knowledge of SEM throughout the college.

Indicator 3.2: Established and evaluated learner recruitment and retention projects.

College of the North Atlantic established and evaluated learner recruitment and retention projects through the following:

- Conducted a retention pilot project to analyze retention trends and identify strategies for Engineering Technology and Health Sciences programs.
- Re-assessed the Canadian Adult Achievement Test (CAAT) required to ensure standardized cut scores for admittance are within acceptable limits for programs.
- Initiated and participated in a number of events to increase public awareness of the Colleges programs. Examples include: a province-wide College Day event, Women in IT Conference, and Discovery Days.
- Implemented a process to formally evaluate recruitment activities.
- Explored and implemented new social media initiatives and conducted, through a focus group session, a review of all recruitment print materials.
- Partnered with WRDC for recruitment and retention of women in trades.

INDICATOR 3.3: Researched and implemented new learner support technologies.

Research was conducted in the areas of web conferencing, assistive technologies, academic advising, career planning and learning resource access. As a result, a number of new learner support technologies were implemented which include the following:

- Implemented web conferencing software as a new instructional tool for providing learner support.
- Established an Assistive Technology Centre at Prince Philip Drive campus to more effectively support learners with disabilities and international learners.
- Implemented new provincial student identification system.
- Developed and implemented Infosylum Scheduling system for the St. John's region. This software has been used to produce conflict free learner, instructor and room schedules.
- Implemented online scholarship applications for learners.

- Upgraded the Access for Success Personal Career Plan software as an enhanced tool for academic advising and attendance and grade management.

INDICATOR 3.4: Explored community-based synergies for learner supports.

College of the North Atlantic explored community-based synergies for learner supports. For this indicator the term “synergies” is defined as the sharing of resources and/or capacities between the college and the larger community to provide a better service than could otherwise have been provided by the College acting on its own. Exploration activities varied depending on initiative areas, but included the identification of community-based resources, meeting with community groups and professional associations throughout NL, and the formulation of working teams. The results of these exploration activities were a number of new partnerships and joint initiatives such as the following:

- Strengthened working relationship with the Department of Advanced Education and Skills and Eastern Health job placement personnel and social workers.
- Engaged in a partnership with the Community Access Program (CAP) and initiated development of a joint brochure linking DL learners to CAP sites in their communities for access and resources. Conducted DL orientation session/training for 52 CAP site coordinators and volunteers via web conferencing.
- Developed a Student Loan Default Prevention Strategy in compliance with designation legislation. The strategy was approved by the Financial Services department.
- Worked with associations such as the paraplegic association, and community groups such as the Straits Development Association, on learner access and accommodation.
- Received funding from the Hibernia partners to secure assistive technologies for learners with disabilities.

2012-13 Objective:

By March 31, 2013, College of the North Atlantic will have implemented select improvements to learner supports and services.

Measure: Implemented select improvements to learner supports and services.

Indicators:

- 3.1 Applied best practices in Strategic Enrolment Management.
- 3.2 Developed learner recruitment and retention projects.
- 3.3 Continued to implement new learner support technologies.
- 3.4 Continued to explore community-based synergies for learner supports.

Summary

College of the North Atlantic supports learners in a number of ways and is committed to providing inclusive and accessible education in a safe and positive environment. To improve access to learner supports and services, the college will continue to implement best practices and remove barriers to a college education, as well as implement improvements to learner supports and services in the years to come.

Opportunities and Challenges Ahead

OPPORTUNITIES

College Renewal and Repositioning

With the appointment of a new President in August 2011, College of the North Atlantic embarked on a commitment to the creation of a renewed strategic vision to guide its development over the next eight to 10 years. Supported by the Board of Governors, the visioning exercise “Your Future, Your College”, is an opportunity to engage all stakeholders, internal and external to the college, in an open and creative dialogue that will shape the college’s future direction. Visits are being completed to all 17 campuses in the CNA organization, and with key stakeholders in business, industry, government and the community. The new strategic vision will be released in 2012-13.

Concurrent with the visioning process, the college will be conducting a review of headquarters functions as well as campus activities. College of the North Atlantic was created in its current form in 1997 and is now entering its 15th year of operations. The operating environment, including the province’s labour market landscape, has changed significantly over this period. While the college has also evolved with many of these changes and enjoyed much success as a result, the timing is right for a full review process. This review will permit the continuous improvement and evolution of the college as a key contributor to the educational, labour market and regional development priorities of the province.

Building Our Competitive Advantage

Growing Our International Profile - College of the North Atlantic is a well recognized and respected brand in China and Qatar. The size and complexity of these partnerships and projects is a testament of the college’s ability to work internationally. Targeted and meaningful relationships have been core to the college’s success. The college can grow these existing relationships and can be a conduit for the Province in these regions. The flexibility of the college can also provide an opportunity to engage in and facilitate foreign credential recognition and employability training for foreign workers who may be recruited to the province in addressing labour market shortages.

Affordability - CNA will once again benefit from government commitment to a continued tuition freeze for post-secondary institutions. As a result, College of the North Atlantic remains one of the most affordable post-secondary options in all of Canada. In the face of rising educational costs and expenses, the tuition freeze assists in increasing accessibility for students in Newfoundland and Labrador.

Partnerships for Students - The college will continue to nurture and expand partnership opportunities with colleges and universities throughout Canada and around the world to bring the best learning experiences to our students, and to provide multiple pathways to continued learning through transfer recognition arrangements. In particular, relationships being developed between College of the North Atlantic and Memorial University represent new opportunities and pathways for students of both institutions, whether they wish to obtain a degree from Memorial or career specific programming as a CNA graduate diploma.

Anniversary Celebrations

2012 marks the 10th anniversary of the establishment of College of the North Atlantic – Qatar (CNA-Q). CNA is collaborating with CNA-Q and the State of Qatar to plan a celebration of a ‘Decade of Excellence’ by launching a ‘Year of Success’ celebration that will see a full slate of commemorative and celebratory events and activities. This anniversary is an important opportunity to recognize the contribution College of the North Atlantic has made in advancing the provision of technical education in the region while also profiling its international education capacity to other potential markets.

The first District Vocational Schools in Newfoundland and Labrador were opened in 1963, making 2013 the 50th anniversary of the community college system in this province. The college recognizes this as an opportunity to engage communities, alumni, students, staff members and promote CNA to a variety of audiences; including potential and current students, industry partners and donors. Our campuses have been an integral part of the communities that they serve for nearly 50 years; providing support, physical and human resources and strengthening the economy of each of the province’s regions. The 50th anniversary is a great opportunity to recognize the important role the college has played throughout the province for the last half-century, and the significant role it will play for the foreseeable future.

CHALLENGES

Infrastructure

One of the most significant issues that CNA faces each year is infrastructure throughout the province. While there have been a number of improvements to shop facilities and campus upgrades, the sheer physical size and geography of CNA causes logistical issues from year-to-year. We still have a number of facilities, equipment, labs and buildings that are in need of improvement or replacement and we will continue to work with government to address our needs associated with future infrastructure challenges.

Student Retention and Success

In order to benefit from a post-secondary education, students may have to overcome any number of obstacles, for some this can be a challenging task. Whether it is raising a family, coping with limitations of learning or physical disabilities or relocating to another community, people need a level of commitment and support. Despite the significant initiatives provided to the college by its stakeholders, there is always a challenge to meet the increasing number of supports needed to ensure that every student has the required services and supports necessary to succeed. One of the areas of current challenge is housing and accommodation. For CNA’s learners, a sustained economic growth outlook for the province means not only the prospect of additional career opportunities after graduation; it also creates pressure on the cost and availability of accommodations when they choose to live away from home while attending college. The college will continue to work with its student body and external stakeholders to assist in finding affordable accommodations.

Succession Planning and Talent Attraction

As labour market demands heighten in our Province and retirements increase the ability for the college to attract and retain the best leaders and instructors is impacted by external market forces. The college must be able to recruit the best people possible to teach programs that are critical to this province and people who can provide leadership to the college as it continuously evolves to be the excellent institution that it is. For example, the college faces challenges in recruiting and retaining trades instructors, especially in smaller or more remote locations. The college also faces challenges in recruiting key leadership positions, including at its headquarters location in Stephenville. Talent attraction and management has therefore been identified as a strategic concern by the Board of Governors. The Board will be assessing the need for the college to develop targeted Recruitment and Retention Strategies for critical, hard to recruit positions.

Strategic Enrolment Management (SEM)

Embracing the concepts of strategic enrolment management will allow the college to become more effective and efficient in the use of its resources in the coming year. Building on a collaborative approach to enhance services to learners, the division of Learner Services along with other college departments, responded to many challenges and initiated a number of activities which resulted in a very successful start in 2011-12. A SEM steering committee and four sub-committees were formed and the college administered an organization-wide SEM audit through the assistance of an external consultant. The information gathered from that exercise will be used to determine the committee's next steps, including automation of selected college services under a new service model.

Independent Auditors' Report



To the Board of Governors of the College of the North Atlantic

We have audited the accompanying financial statements of the College of the North Atlantic, which comprise the statement of financial position as at March 31, 2012, the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the interim financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the College of the North Atlantic as at March 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

St. John's, Newfoundland and Labrador
June 20, 2012

Grant Thornton LLP

Chartered Accountants.

Statement of Financial Position

March 31, 2012

	<u>2012</u>	<u>2011</u>
Assets		
Current assets		
Cash	\$ 11,334,989	\$ 22,865,403
Receivables - Note 2	12,503,515	17,369,206
Inventory	1,386,604	1,366,515
Prepaid expenses	<u>1,581,297</u>	<u>1,444,633</u>
Total current assets	<u>26,806,405</u>	<u>43,045,757</u>
Property, plant & equipment - Note 3	28,032,304	25,507,888
Trust accounts - Note 4	<u>3,299,308</u>	<u>1,563,502</u>
	\$ <u>58,138,017</u>	\$ <u>70,117,147</u>
Liabilities and Net assets		
Current liabilities		
Payables and accruals - Note 5	\$ 11,449,902	\$ 16,683,837
Deferred revenue - Note 6	5,906,569	5,191,428
Due to Qatar Campus - Note 9	2,142,880	8,603,095
Vacation entitlement - management	2,644,355	2,369,477
Vacation entitlement - other	6,829,728	6,228,700
Severance - current portion	<u>1,000,000</u>	<u>800,000</u>
Total current liabilities	<u>29,973,434</u>	<u>39,876,537</u>
Trust accounts - Note 4	3,299,308	1,563,502
Deferred capital contributions - Note 7	13,405,992	9,831,690
Severance	<u>14,376,019</u>	<u>13,855,731</u>
	61,054,753	65,127,460
(Deficit) surplus per accompanying statement	<u>(2,916,736)</u>	<u>4,989,687</u>
	\$ <u>58,138,017</u>	\$ <u>70,117,147</u>
Contingencies - Note 10		

Statement of Operations

Year Ended March 31, 2012

	2012	2011
Revenue		
Grant-in-aid	\$ 84,105,419	\$ 80,624,200
Facilities	3,830,806	3,427,453
Administration	319,063	324,087
Instructional	24,870,950	29,405,216
Student services	710,915	734,832
Resale	4,490,403	4,909,148
Apprenticeship	3,720,067	3,584,568
Continuing education	928,547	852,938
Contracts	5,509,390	6,731,155
International	1,156,410	1,155,072
Special projects	3,007,150	2,380,660
Qatar project	10,167,006	10,200,797
	<hr/>	<hr/>
Total revenue	142,816,126	144,330,126
Expenditure		
Facilities	13,080,270	12,490,799
Administration	16,228,280	15,736,843
Instructional	79,610,847	75,345,926
Student services	11,270,796	10,367,712
Information technology	7,285,448	8,345,214
Resale	5,756,542	5,987,645
Apprenticeship	4,039,467	3,826,256
Continuing education	774,358	683,912
Contracts	5,341,592	6,185,249
International	620,347	629,571
Special projects	3,357,307	2,874,800
Qatar project	1,975,049	2,702,715
	<hr/>	<hr/>
Total expenditure	149,340,303	145,176,642
Deficit before unfunded adjustments	(6,524,177)	(846,516)
Unfunded adjustments:		
Severance	(781,218)	(983,649)
Vacation pay	(601,028)	(643,204)
	<hr/>	<hr/>
Total unfunded adjustments	(1,382,246)	(1,626,853)
Deficit of revenue over expenditures	\$ (7,906,423)	\$ (2,473,369)

Statement of Changes in Net Assets

Year Ended March 31, 2012

	<u>Operating</u>	<u>Property Plant & Equipment</u>	<u>Severance and Annual Leave</u>	<u>2012 Total</u>	<u>2011 Total</u>
Balance, beginning	\$ 10,015,212	\$ 15,676,201	\$ (20,701,726)	\$ 4,989,687	\$ 7,463,056
Property, plant & equipment purchases during year	(9,663,059)	9,663,059			
Amortization of property, plant & equipment	7,132,260	(7,132,260)			
Capital grants received during the year	6,730,968	(6,730,968)			
Amortization of deferred capital contribution	(3,156,666)	3,156,666			
Net book value of property, plant & equipment disposed during the year	6,384	(6,384)			
(Deficit) surplus of revenue over expenditure per accompanying statement	(6,524,177)		(1,382,246)	(7,906,423)	(2,473,369)
Balance, ending	<u>\$ 4,540,922</u>	<u>\$ 14,626,314</u>	<u>\$ (22,083,972)</u>	<u>\$ (2,916,736)</u>	<u>\$ 4,989,687</u>

Statement of Cash Flow

Year Ended March 31, 2012

	<u>2012</u>	<u>2011</u>
Cash Flows:		
Operating:		
Deficit of revenue over expenditure	\$ (7,906,423)	\$ (2,473,369)
Add items of a non - cash nature:		
Loss (gain) on disposal of property, plant & equipment	(49,025)	(265,832)
Amortization of property, plant & equipment	7,132,260	6,531,598
Amortization of deferred capital contribution	(3,156,666)	(2,545,392)
Accrued severance	520,288	1,215,127
	<u>(3,459,566)</u>	<u>2,462,132</u>
Changes in:		
Current assets	4,708,938	(4,326,050)
Current liabilities	(9,903,103)	(11,955,605)
	<u>(8,653,731)</u>	<u>(13,819,523)</u>
Financing:		
Capital contributions	6,730,968	5,804,460
Investing:		
Proceeds from sale of property, plant & equipment	55,408	77,777
Additions to property, plant & equipment	(9,663,059)	(10,962,654)
	<u>(9,607,651)</u>	<u>(10,884,877)</u>
Net decrease in cash	(11,530,414)	(18,899,940)
Cash, beginning of year	22,865,403	41,765,343
Cash, ending of year	\$ 11,334,989	\$ 22,865,403

Notes to the Financial Statements

For the twelve months ending March 31, 2012

AUTHORITY AND PURPOSE

The College of the North Atlantic (the college) operates under the authority of the College Act, 1996, Province of Newfoundland and Labrador. In accordance with Section 6 of the College Act, 1996, the college is a statutory crown corporation and as such is not subject to either Federal or Provincial income taxes and is exempt from Municipal taxes. The college is Newfoundland and Labrador's public college. The college is committed to providing accessible, responsive, quality learning opportunities which prepare people to become self-sufficient contributors to social and economic development both in a provincial and global context.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the college have been prepared within the framework of Canadian generally accepted accounting principles. The college is classified as a government not for profit organization. The Public Sector Accounting Board (PSAB) has finalized changes to the standards and are applicable for the college's fiscal 2013 year end.

Preparing the college's financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the period. Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

The more significant accounting policies of the college are as follows:

(a) Revenue recognition

The college follows the deferral method of accounting for contributions which includes donations and government grants. Grants for expenditures of future periods are deferred and recognized as revenue in the year in which the related expenditures were incurred. Grants for capital assets are deferred and recognized as revenue on the same basis as the acquired capital assets are amortized.

Tuition revenue is recognized on a student week basis as the students progress through the program.

Revenue from contractual services is recognized as the service is delivered.

Management fees for operating and administering a college in the State of Qatar is recognized as earned.

(b) Basis of accounting

The college follows the accrual basis of accounting.

(c) Inventory

Inventory which consists mainly of books and food supplies is recorded at the lower of cost or net realizable value. The amount of any write-downs of inventories to net realizable value and all losses of inventories are recognized as an expense in the period the write-down or loss occurred. For the year-end March 31, 2012, the write-down of inventory was \$275,279 (2011 - \$140,185).

(d) Property, Plant & Equipment

Property, plant & equipment recorded prior to the April 1, 1997 amalgamation of the former colleges are recorded at either cost, nominal, or approximate fair value. Property, plant & equipment acquired after April 1, 1997 are recorded at cost. Amortization is recorded on a straight line basis using the following estimated useful lives:

Artwork	No amortization
Capital improvements	10 years
ERP - Peoplesoft	10 years
Computer and peripherals	3 years
Furnishings	5 years
Instructional equipment	5 years
Other electronic equipment	5 years
Software	3 years
Vehicles	5 years

One half-year's amortization is taken in the year of acquisition.

No amortization is recorded for assets under development.

The value of donated artwork has not been recorded in these financial statements. An accurate valuation of donated artwork has not been obtained at March 31, 2012.

On disposal, property, plant & equipment are removed from the accounts at their net book value. Proceeds from disposals are recorded and any resulting gain or loss on disposal is realized.

(e) Severance and vacation pay

The college is liable for severance pay to employees who have nine or more years of continuous public service. An amount has been recorded in the financial statements to reflect this liability. No provision for severance has been made for employees with less than the required years of service.

The college accrues vacation pay as employees earn entitlement.

(f) Foreign Currencies

Transactions in foreign currencies are recorded in Canadian dollars at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the Statement of Financial Position date. Exchange gains or losses arising from the translations are included in the Statement of Operations in the amount of a \$14,112 gain (2011 - \$9,459 gain).

(g) Financial instruments

The college classifies all financial instruments as either held-to-maturity, available-for-sale, held-for-trading, loans and receivables, or other financial liabilities. All financial instruments are initially recorded at fair value. Financial assets held-to-maturity, loans and receivables and financial liabilities other than those held-for-trading are measured at amortized cost. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income until the instrument is derecognized or impaired, when the amounts are then recorded in net earnings. Instruments classified as held-for-trading are measured at fair value with unrealized gains and losses recognized in the statement of operations.

In accordance with the standard, the college's financial assets and liabilities are generally classified and measured as follows:

Asset/Liability	Classification	Measurement
Cash	Held for trading	Fair value
Receivables	Loans and receivables	Amortized cost
Payables and accruals	Other financial liabilities	Amortized cost
Trust Accounts	Held for trading	Fair value

There were no embedded derivatives in any contracts that require special accounting treatment.

(h) Pensions

College staff are subject to either the Public Service Pension Plan (PSPP), or the Government Money Purchase Pension Plan (GMPP).

The primary plan, PSPP, is a defined benefit pension plan. Staff contributions are matched by the college and then remitted to the province of Newfoundland and Labrador Pooled Pension Fund from which pensions will be paid to employees when they retire.

Staff shall participate in the GMPP only if they are ineligible for the PSPP. Payments are made to a private investment firm from which pensions will be paid to employees when they retire.

The annual contributions for pensions are recognized as an expenditure in the accounts on a current basis.

During the year 2012 the college contributed \$6,909,392 to the PSPP and \$840,378 to the GMPP. In 2011 the college contributed \$6,508,024 to the PSPP and \$851,456 to the GMPP.

2. RECEIVABLES

	<u>2012</u>	<u>2011</u>
Government of Newfoundland and Labrador	\$ 5,153,985	\$ 2,503,872
LMDA Subsidy	3,672,888	8,716,439
Students	771,252	994,989
Government agencies and other	3,321,600	5,533,597
	<u>12,919,725</u>	<u>17,748,897</u>
Less allowance for doubtful accounts	416,210	379,691
	<u>\$ 12,503,515</u>	<u>\$ 17,369,206</u>

3. PROPERTY, PLANT & EQUIPMENT

	<u>2012</u>			<u>2011</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Artwork	\$ 5,500	\$ 0	\$ 5,500	\$ 5,500
Capital improvements	22,715,201	9,602,616	13,112,585	12,199,263
Computer and peripherals	6,954,875	6,280,473	674,402	813,429
Furnishings	707,155	630,578	76,577	66,797
Instructional equipment	40,467,302	31,621,783	8,845,519	7,857,409
Other electronic equipment	763,285	679,037	84,248	142,244
Software	635,261	595,043	40,218	201,782
ERP - Peoplesoft	5,213,699	2,858,322	2,355,377	1,321,201
Vehicles	8,640,069	5,802,191	2,837,878	2,900,263
	<u>\$ 86,102,347</u>	<u>\$ 58,070,043</u>	<u>\$ 28,032,304</u>	<u>\$ 25,507,888</u>

The land and buildings being used by the college, with the exception of some rental property, are the properties of the Province of Newfoundland and Labrador. Expenditures for repairs and maintenance of these buildings, paid by the Province, are not recorded in the financial statements of the college.

4. TRUST ACCOUNTS

Trust accounts represent donations and related interest restricted for scholarships, awards and other specified purposes. Changes in the trust account balance are as follows:

	<u>2012</u>	<u>2011</u>
Opening balance	\$ 1,563,502	\$ 1,358,346
Net deposits and payments	1,683,348	167,609
Interest	<u>52,458</u>	<u>37,547</u>
Closing balance	<u>\$ 3,299,308</u>	<u>\$ 1,563,502</u>

5. PAYABLES AND ACCRUALS

	<u>2012</u>	<u>2011</u>
Trade liabilities	\$ 2,949,763	\$ 3,297,281
Accrued wages and benefits	5,787,215	5,192,515
End of service compensation	1,519,760	6,708,257
Other	<u>1,193,164</u>	<u>1,485,784</u>
	<u>\$ 11,449,902</u>	<u>\$ 16,683,837</u>

6. DEFERRED REVENUE

	<u>2012</u>	<u>2011</u>
LMDA Subsidy	\$ 1,478,532	\$ 1,358,321
Residence and program fees	59,900	61,898
Tuition	1,153,801	901,870
Contract training and special projects	<u>3,214,336</u>	<u>2,869,339</u>
	<u>\$ 5,906,569</u>	<u>\$ 5,191,428</u>

7. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount of grants and special funding received for the purchase of property, plant & equipment (PPE). Changes in the deferred capital contributions balances are as follows:

	<u>2012</u>	<u>2011</u>
Balance, beginning of year	\$ 9,831,690	\$ 6,572,622
Contributions received for PPE purposes		
- Provincial Grants	4,011,831	1,500,000
- Special Projects	2,719,137	4,304,460
Amortization of deferred capital contributions	<u>(3,156,666)</u>	<u>(2,545,392)</u>
	<u>\$ 13,405,992</u>	<u>\$ 9,831,690</u>

8. COMMITMENTS

Lease Commitment:

The college leases some equipment and facilities under long-term operating leases. Lease payments for the next five years, committed under operating leases extending beyond one year, are as follows:

2012-2013	1,107,103
2013-2014	449,533
2014-2015	307,222
2015-2016	259,141
2016-2017	202,485

9 COMPREHENSIVE AGREEMENT WITH THE STATE OF QATAR

The college has a comprehensive agreement with the State of Qatar to establish, operate and administer a College of Applied Arts and Technology in Doha, Qatar for a period, September 30, 2001 to August 31, 2012. It has since been extended to August 31, 2013. The agreement is funded by the State of Qatar. For its services, the college is paid an annual Management Fee of 10% of base salaries. The college receives quarterly advances to cover cash flow requirements.

Due to Qatar

	<u>2012</u>	<u>2011</u>
Cash on Deposit	\$ 2,838,535	\$ 3,306,931
Payables (accruals)	(695,655)	(95,245)
Payable as a result of salary overbilling	-	5,391,409
	<u> </u>	<u> </u>
Net Liability	\$ 2,142,880	\$ 8,603,095

Results of Operations

	<u>2012</u>	<u>2011</u>
Gross Proceeds	\$ 10,167,006	\$ 10,200,797
Management Costs	(1,975,049)	(2,702,715)
	<u> </u>	<u> </u>
Net Proceeds	\$ 8,191,957	\$ 7,498,082

The college is developing a Transition Management Plan to deal with the wind down of the present Comprehensive Agreement with the State of Qatar, should it not be renewed. No provision has been made for the cessation of the contract as an estimate of costs, if any, is not determinable at this time.

10. CONTINGENT LIABILITIES

- (a) The college has received notices of claim for damages. No provision has been made for these claims because management does not expect the college to incur any material liability, or because an estimate of loss, if any, is not determinable at this time.
- (b) A compliance audit on compensation and billings of the Comprehensive Agreement with the State of Qatar as required per section 4.6 is currently in progress, therefore, the results are unknown at this time. The college is currently not aware of any material findings or outcomes of this compliance audit.

11. FINANCIAL INSTRUMENTS

The carrying values of cash, trust accounts, receivables and payables and accruals approximate their fair values due to the relatively short periods to maturity of these instruments.

It is management's opinion that the college is not exposed to significant interest rate risk, market risk, or currency risk. Significant risks managed by the college include liquidity risk and credit risk.

11. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk:

Liquidity risk is the risk that the college will be unable to meet its contractual obligations and financial liabilities. The college manages liquidity risk by monitoring its cash flows including ongoing future support from government grants, student tuition and other sources to ensure that it has sufficient cash available to meet its obligations and liabilities.

Credit risk:

The college is exposed to credit risk relating to receivables from students and clients. The college manages this risk by monitoring receivable accounts and establishes an appropriate allowance for doubtful accounts based upon information available.

12. CAPITAL DISCLOSURES

The college's capital includes net assets. The college's objective in maintaining capital is to safeguard its capital to ensure its ability to continue to provide services to students and other clients. Annual budgets are prepared and monitored to ensure the college maintains appropriate net assets. The College has no externally imposed restrictions.

13. COMPARATIVE FIGURES

Certain of the 2011 comparative figures have been reclassified to conform to the financial presentation adopted in 2012.



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