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2014-2015 ANNUAL REPORT  
**COLLABORATION AND ACCOUNTABILITY**

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# OUR VISION

TRANSFORMING LIVES AND COMMUNITIES

## PURPOSE

We are a collaborative, learner-centred college - creatively contributing to social and economic prosperity through applied learning.



## COMMITMENTS

### TO OUR LEARNERS

Inspiring successful learners to make a difference.

### TO OUR COMMUNITIES

Building prosperous communities.

### TO OUR PEOPLE

Creating a great place to work and learn.

### TO OUR STAKEHOLDERS

Ensuring responsible stewardship.



# VALUES

WE LEARN TOGETHER TO:

## ENCOURAGE, ENGAGE AND INSPIRE

We love what we do.

We want to create collective pride in and for our College as we build our reputation for life-changing learning experiences.

## LEAD WITH INTEGRITY

We take pride in our collective accountability. We are never satisfied - we constantly strive to exceed expectations.

## DO THE RIGHT THING

As reliable, respectful professionals, we lead by example and with courage. We do what we say we will do!

## EMBRACE INNOVATION

We know the value of curiosity and creativity. We strive to unleash it in our students and we expect it of ourselves.

## DEVELOP STRONG RELATIONSHIPS

We create new opportunities to serve learners, communities and each other. We are integral to the success of New Brunswick and beyond, and we want to be extraordinary in our ways of working in collaboration.







## COLLABORATION & ACCOUNTABILITY

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## A MESSAGE FROM THE CHAIR OF THE BOARD OF GOVERNORS



It is with great pride and pleasure that the NBCC Board of Governors presents NBCC's *2014-2015 Annual Report*. As a Board-governed Crown corporation since 2010, and as a leading post-secondary education institution in the Province, NBCC is better positioned than ever to contribute to the Province's social and economic prosperity and to help New Brunswick address challenges and seize opportunities.

NBCC's passion for public college education and training, our student-centred purpose and values, the competent and hard work of our employees, our partnerships with industry and communities, and our strategic focus are key ingredients for success. Our graduates continue to enjoy high levels of employment one year after graduation (88%) with 85% of those working in fields related to their study. The vast majority (86%) of our graduates are working here in New Brunswick\*.

As we complete our fifth year as a Crown corporation, each member of the Board of Governors feels privileged to contribute by ensuring NBCC delivers quality publicly-funded post-secondary education for the benefit of our learners and our Province.



Lois Scott  
Board Chair

\* Source: 2014 survey of 2013 graduates.

## BOARD GOVERNANCE: ENSURING ACCOUNTABILITY



### 2014-2015 NBCC Board of Governors

(left to right, back) Greg Curwin and Stephen McCready; (middle) D. Ellen Cook; Susan Murchison; Lois Scott; Karen O. Taylor; and L. Paul Elliott; (front) Jessica Bragdon; Bayne MacMillan; and Signe Gurholt

During the Annual Fall Retreat, the Board participated in a facilitated professional development session on Setting Direction and Monitoring Performance. In the spirit of continuous improvement and governance excellence, the Board undertook its annual evaluations, including an evaluation of Board and Committee work; evaluations of the Board Chair and Committee Chairs; and self evaluations. The Board also approved the *2013-2014 Annual Report* and the *2014-2015 Operational Plan*.

The Board approved the *2014-2015 Internal Audit Work Plan* and updated *Internal Audit Charter* in October as well as the *2014-2015 Board Advocacy Action Plan*. The Board also reviewed the *Risk Management Report* and *College-wide Risk Registry Submission Summary*.

Recognizing that disclosure is at the heart of best practice in corporate governance, and in the spirit of transparency and accountability, the Board reviewed and approved the *2014 Disclosure Report* in December along with the *2015-2016 Annual Business Plan Proposal to Government*.

In February, the Governors took part in a facilitated professional development session: *Becoming a Risk Intelligent Board*. During this meeting, the Board also undertook the annual review of NBCC's *Strategic Plan: Imagine the Possibilities NBCC 2017*, and approved the first *Internal Audit Process and Procedures Manual*.

The Board approved the 2015-2016 Budget in April 2015. Board members were also honoured to attend the signing of Colleges and Institutes Canada's Indigenous Education Protocol with the Board Chair signing on behalf of the College.

At the 2015 Annual General Meeting in June, the Board approved the 2014-2015 Audited Financial Statements and held the annual election of the Chair and Vice-Chair.

## A MESSAGE FROM THE PRESIDENT AND CEO

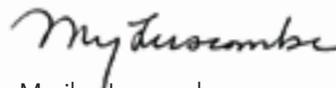


On behalf of NBCC's Senior Executive Team and our entire College community, I am very pleased to present NBCC's *2014-2015 Annual Report*. This report offers us the opportunity to showcase our strong collaborations and to uphold our accountabilities to our students, our communities, our staff and our stakeholders.

In 2014-2015, we launched a number of important new initiatives and collaborations with our partners including the Robertson Institute for Community Leadership and our Signature Learning Experience. These initiatives inspire service and volunteerism throughout our College community and across New Brunswick. OASIS engaged the Miramichi community in developing and piloting a successful entrepreneurial mentorship project. NBCC led nine secondary and post-secondary institutions in creating EduNB, a coalition which seeks to attract more international students to the Province for school and for life. Our commitment to the development of our people continued with the launch of the NBCC Management Academy and an NBCC mentorship program.

As part of our commitment to learners and our accountability to our stakeholders, we began important program renewal in five sectors. Renewed, refreshed programs offer our students greater mobility across programs as well as new pathways and articulations to other institutions. The new curriculum is designed to meet current and future labour market needs. This is good for our students, their future employers, and the New Brunswick workforce.

I am proud of the work of our staff, the achievements of our students and the commitment of our communities as we work to transform lives and communities in New Brunswick.

A handwritten signature in black ink that reads "Marilyn Luscombe".

Marilyn Luscombe  
President and CEO

## SENIOR EXECUTIVE TEAM



### Senior Executive Team

(left to right) Lisa Taylor, VP Finance and Administration; Mary Butler, VP College and Community Development; Marilyn Luscombe, President and CEO; Suzanne Desrosiers, VP Employee and Student Development; Terry Dempsey, VP Academic Development

#### **Marilyn Luscombe, President and CEO**

In addition to her overall leadership of the College, Marilyn is responsible for Governance Development and Support, Accountability and Reporting, and Internal Audit.

*"Our NBCC team has and will continue to do great things in fulfilling our commitments. Values-based leadership will ensure that collaboration and accountability remain key elements of our work together."*

#### **Terry Dempsey, Vice-President of Academic Development**

Regional Delivery; Program Development and Renewal; Business Development; and International Education.

*"NBCC collaborates with our industry partners to match skills to today's jobs and our student employment rate proves it: The vast majority of our graduates find work right here in NB".*

#### **Mary Butler, Vice-President of College and Community Development**

Advancement, Applied Research & Innovation, Community & Government Relations, Marketing & Communications, Quality Management and Institutional Research, Robertson Institute for Community Leadership.

*"Through new collaborations with our partners we are able to offer new research opportunities for students and staff, mentor entrepreneurs and develop new ways to serve our communities."*

#### **Suzanne Desrosiers, Vice-President of Employee and Student Development**

Resourcing and Employee Learning; Compensation; Benefits and Wellbeing; Labour Relations; Registrar Services; Recruitment; and Student Development.

*"NBCC is committed to the success, engagement and personal development of our students and staff. Through our people-centered programs and services, NBCC is creating a great place to work and learn."*

#### **Lisa Taylor, Vice-President of Finance and Administration**

Finance, Information Technology, Facilities Planning, and Risk Management.

*"We are all accountable to ensure the College's strategic goals are reached. The Finance and Administration division collaborates with our colleagues to ensure that services are provided in the most effective and efficient manner possible."*

The Robertson Institute for Community Leadership launched with trail edging and park-clean up in St. Andrews' Centennial Park - just one of many Community Service Day activities that took place across New Brunswick.





## COMMITMENT TO OUR LEARNERS

*WE ARE INSPIRING LEARNERS TO MAKE A DIFFERENCE*

NBCC is a learner-centred College focused on the success of our students and their impact on our communities. We recognize that, given the increasing diversity of learner needs, innovative and relevant program and service responses are key to successful student experiences.

## NBCC DELIVERS

With over 90 regular programs, NBCC works diligently to maintain a program portfolio that is relevant and responsive to student demand and the labour market needs of New Brunswick.

In addition to regular programming, NBCC also offers learning opportunities through customized training, continuing education and apprenticeship training. NBCC continues to be the Province's largest provider of apprenticeship training.

We continue to collaborate with partners for innovative program delivery. For example, NBCC has worked closely with the Apprenticeship branch of the Department of Post-secondary Education, Training and Labour on a federal government proposal through the federal Flexibility and Innovation in Apprenticeship Training (FIAT) program.

4,756  
SEATS

2,189  
APPRENTICESHIP  
ENROLMENT

7,126  
APPLICANTS

1,967  
GRADUATES

3,823  
STUDENTS  
(regular programs)

437  
STUDENTS  
(non-regular programs)

**95%** of NBCC 2013 graduates were working or ready to work compared to **63%** of New Brunswickers and **66%** of Canadians.\*

\*SOURCE: 2014 Survey of 2013 NBCC Graduates and Statistics Canada Labour Force Surveys.

## QUALITY, RELEVANT PROGRAMS

Each year, the College undertakes a thorough review of every NBCC program in collaboration with stakeholders to ensure quality, relevant programming and program delivery. This data-based decision-making ensures that we are allocating seats and resources where they can have the greatest impact for our students and our Province.

In 2014-2015, program renewal led to changes to curriculum update and relocations in 23 programs and resulted in new pathway opportunities within the College and with its partners. Through such effective changes, we ensure that students continue to benefit from relevant, transferrable and affordable education which will enable them to be successful labour force participants.



# 86%

of employed 2013 graduates were working in New Brunswick\*

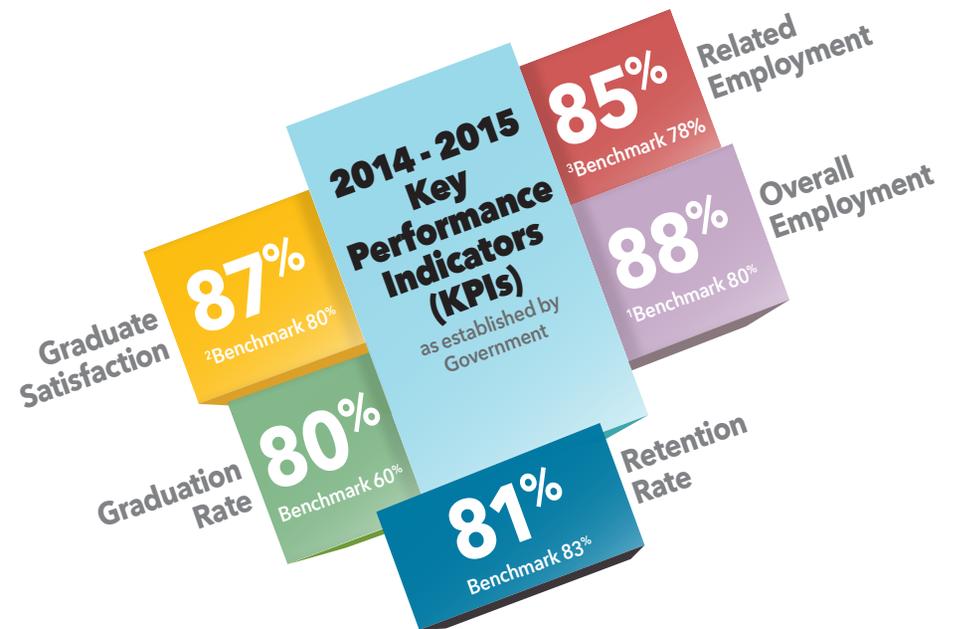
Through program renewal, employers benefit from curriculum designed to meet current and future labour market needs.

Our graduates give high marks to the quality of education they receive at NBCC. They continue to enjoy high levels of employment with the vast majority of working graduates finding jobs in their fields and here in New Brunswick within the first year after graduation.



**In 2014-2015, NBCC identified five program sectors for renewal:**

Applied & Media Arts | Business Administration  
Electronics Engineering Technology | Information Technology  
Social Sciences



\*SOURCE: 2014 Survey of 2013 NBCC Graduates.

## CREATING MULTIPLE PATHWAYS

NBCC recognizes that our students come to post-secondary education from a variety of backgrounds and with a variety of aspirations. We are committed to creating multiple learner pathways and partnerships, as well as recognizing prior learning so that students are provided as much flexibility as possible.

This year, NBCC reached 10 new or renewed agreements to increase pathways in Business Administration, Health, Trades and Engineering. This also includes an agreement that provides a pathway from our Hospitality and Tourism Operations: Hotel

and Restaurant program to the Bachelor of Business Administration Management degree at Les Roches International School of Hotel Management in Switzerland, one of the world's top three schools for hotel management.

We also understand the value of the experiences that our students bring to NBCC. Through the Prior Learning Recognition (PLR) process, students are able to seek evaluations of previous courses and learning experiences. In the last two years, recognition for prior learning was granted to 75% of those students who made requests.

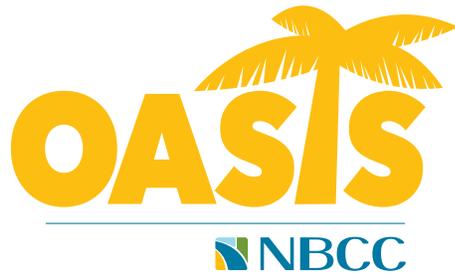
*"I have made many connections in my field and gained very valuable experience, furthering myself both on an academic level, and a personal level."*

Kate Walsh



NBCC student, Kate Walsh, is passionate about the field of gerontology and is pursuing a unique pathway to get there. With her Human Services skills and work practicum experience gained while attending NBCC, she has complemented her education with a Bachelor of Applied Arts in Gerontology at St. Thomas University.

## ENTREPRENEURSHIP: THE OASIS PROGRAM



Entrepreneurship and innovation are key drivers to economic recovery and prosperity. Small business is also the major driver of the provincial economy. Supporting the creation and development of new business in New Brunswick can have a real impact. According to the Canadian Youth Business Federation, new entrepreneurs who are supported through mentorship have a success rate of more than 80% compared to a 50% success rate for entrepreneurs who do not receive support.

NBCC is uniquely positioned to provide a network where entrepreneurs of all ages and experience levels can support each other in building successful businesses right here in New Brunswick. In September 2014, NBCC launched OASIS, an innovative, multi-generational mentorship pilot project in the Miramichi region. Through this project, self-employed NBCC alumni in the area connected with experienced entrepreneurs through a unique, structured, and multi-

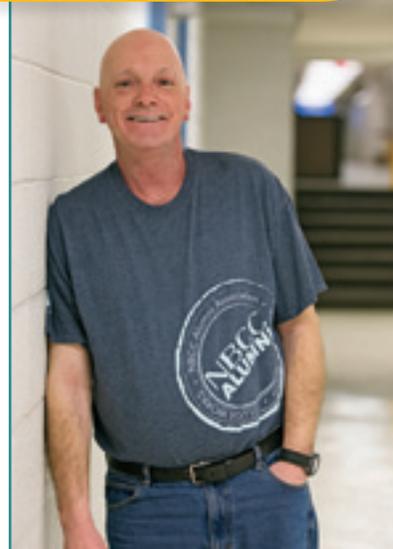
leveled mentorship process. Mentees have reported increased revenue, increased average number of clients and greater visibility. The OASIS project has now secured funding to continue with phase 2 in the coming year. The funding also ensures that NBCC will pilot an Entrepreneur-in-Residence Program in September 2015. A new entrepreneurship competency will be integrated into five existing courses: Employment Strategies, Strategies for Seeking Employment, Essential Employment Skills, Presentation and Employment Strategies, and Career Planning. These courses are included in over 80% of our programs.

**100%** of participants say the experience met their expectations and wanted the program to continue beyond the pilot time frame.

**Blake Sutherland (mentor)**  
Owner, Sutherland Excavating Ltd



**Wally Henderson (mentee)**  
Owner, Henderson Janitorial



**Madge Lagman (mentee)**  
Miramichi Cultural Connections



"Oasis has shown it can help businesses bloom: This program will not only benefit the participants, but it will benefit the communities where their businesses are blossoming which is imperative since small businesses are the driver of New Brunswick's economy."

- Miramichi Leader editorial,  
April 15, 2015

## ABORIGINAL PARTICIPATION

NBCC is committed to increasing Aboriginal participation and success to ensure New Brunswick's First Nations populations can contribute more fully to our economy. Throughout the year, we have welcomed Elders to

our campuses to share their culture and experiences. Self-identified Aboriginal Learners represent 4% of the overall student population. This is consistent with the overall provincial population which sees approximately 3% of

New Brunswickers reporting an Aboriginal identity according to the Statistics Canada "2011 National Household Survey".

We opened a new Aboriginal Student Centres, Menahqesk in

Saint John and unveiled a new mural and refreshed Kilun in Woodstock. These spaces offer opportunities for our Aboriginal Learners to discover or reconnect with their culture, as well as providing welcoming spaces for all students to gather, reflect and share. Workshops on Aboriginal culture and art have been offered at various campuses throughout the year. We have also launched an Aboriginal Awareness training module, available for current instructional staff and part of orientation for new instructors.

In April, NBCC joined partners across the country in signing Colleges and Institutes Canada's ground-breaking national Indigenous Education Protocol

NBCC was very active in the development of the Indigenous Education Protocol which underscores the importance of required structures and approaches to address Indigenous peoples' learning needs and to support self-determination and socio-economic development of Indigenous communities.



Lois Scott, Chair of NBCC's Board of Governors, signed the Indigenous Education Protocol at a special ceremony at NBCC Woodstock Campus. From left to right, she was joined by Elder Imelda Perley; NBCC President & CEO, Marilyn Luscombe; Pabineau First Nation Chief David Peter-Paul; and former New Brunswick Lieutenant-Governor Graydon Nicholas.

**136**  
self-identified  
Aboriginal students  
attended NBCC in 2014-2015

## ENHANCING STUDENT OPPORTUNITIES TO SUCCEED

NBCC recognizes that, given the increasing diversity of learner needs, innovative and relevant programs and services are key to successful student experiences. NBCC takes a proactive and planned approach to enhancing students' opportunities to succeed from the moment of inquiry or recruitment, through to graduation and beyond.

By supporting students with diverse learning needs, NBCC is making post-secondary education a reality for students who might not have thought it possible. Many of our students who have benefited from learning accommodations report that, without this support, they would have been unlikely to complete their programs. For other students, insufficient academic skills, such as effective studying and test-taking strategies, are a barrier to successful completion.

As part of a pilot project in 2014-2015, learning strategists were hired to provide additional short-term support to students in the Fredericton and Saint John campuses. These strategists work with students individually to identify strengths and limitations and then to explore strategies and skills, such as effective studying or time management, that will support the students in the successful completion of their education. This year, we also opened new learning centres in the Moncton and Saint John campuses which provide welcoming environments where students can ask questions and develop the academic skills necessary for success. Through NBCC's cross-College working group, we will continue to determine how we can best fulfill our commitment to the success of all learners.

Through a One College approach, NBCC's Library Services now offer a more consistent delivery to students across the College. Through a common platform, students have greater access to information and research materials.

As part of creating a learning and working environment that honours and respects diversity and inclusion, we have established a cross-College Diversity and Inclusion working group. Through a consultative process in the coming year, this group will assess the current state of diversity and inclusion at NBCC and develop recommendations to address gaps between current and desired future state.



As an active 21-year-old living with cerebral palsy, **Sarah Lord**, Office Administration student at NBCC Fredericton, continued her track record in sport leadership and active living at the Canada Games. Wheelchair basketball is a sport she can play with one hand, which also serves to feed her competitive nature. When asked what it meant to her to compete at the Canada Games?

*"Amazing. An incredible honour to play and pursue your passion. Everyone faces challenges, but if you have the will, the drive and the passion, you can do anything. Just try."*

# 443

**STUDENTS SUPPORTED**  
through learning accommodations





**ROBERTSON  
INSTITUTE**  
*for Community Leadership*



## NBCC'S SIGNATURE LEARNING EXPERIENCE

As part of our strategic plan, NBCC committed to develop a Signature Learning Experience that differentiates the NBCC student experience and sets our grads apart with employers. NBCC has a long tradition of undertaking community leadership in the learning experiences by using community service projects as a way to give back to communities while developing job skills. Launched in October 2014, the Robertson Institute for

The Robertson Institute, in partnership with Ongoza, an exciting new made-in-New-Brunswick crowd-resourcing platform, is also building a service registry for our students. Students, staff, alumni, and community partners will be able to post and check out service-learning opportunities and sign up to participate in community events.

We are also developing additional courses that will provide students,



#transformNB trended nationally on Twitter throughout the day.

*"... the scope of the NBCC program is unprecedented in this province... The Robertson Institute is the latest sign that our community college system is well-managed and on the right path."*

Telegraph Journal editorial, Oct. 21, 2014

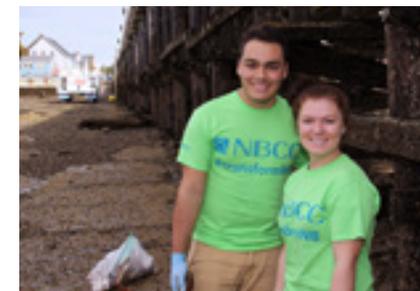
**50 staff** have used the Volunteer Leave policy contributing an estimated **383** hours of service.

Community Leadership builds on this tradition in innovative ways and uses new tools to connect NBCC to our communities. Now all NBCC students complete a community leadership course and undertake volunteerism as part of their graduation requirements, developing important skills that employers value, such as team work and creative problem-solving.

staff and alumni a much deeper, more impactful transformative journeys and more advanced community leadership. Through our new volunteer policy, staff at NBCC are able to take up to two days paid leave to participate in approved volunteer activities. It is our hope that through these many initiatives, NBCC will inspire and motivate engaged citizenship across the Province.

**LAUNCH DAY** was designed to show our collective impact.

- 4187 students, staff, and alumni
- 12,651 hours of service
- 191 service learning activities



Dr. Bill McIver, NSERC Industrial Research Chair in Mobile First Technology, works with Information Technology Programmer-Analyst instructors, Dave Morris (*left*) and Russell Allen (*right*), on mobile applications and software prototypes. This Initiative helps connect staff and students with industry and community partners to tackle the critical challenges in information and communications technology (ICT) including interoperability, interconnected user experience, and security and authentication.





## COMMITMENT TO OUR COMMUNITIES

*WE ARE BUILDING PROSPEROUS COMMUNITIES.*

NBCC is committed to serving communities. We believe a stronger College results in stronger communities. Our new strategic initiatives and collaborative approach will enable us to work together in new and innovative ways.

## STRENGTHENING OUR REPUTATION

Since launching our award-winning brand in 2013, NBCC's student-focused and community-driven learning experiences have been at the forefront of everything we communicate. In February, we launched a new marketing campaign to inspire and empower learners of all ages to collaborate to achieve great things. "You Can We

Will" represents our commitment to supporting student success. It is our promise to students - whatever you aspire to do or be, you can achieve it and we *will* support you every step of the way.

NBCC works to make a great first impression long before future students even enter high school.

In the spring, we welcomed Grade 8 students to our campuses for *World of Work* days. Through demonstrations and classroom visits, we inspired students' interest in post-secondary education through hands-on learning. In May, *College Preview Day* offered an opportunity for accepted students to explore their future home.

By learning about the campus, programs, student services, financing and social life, our students arrive more prepared to make the most of their NBCC experience. Throughout July, NBCC's *College 4 Kids* offered students from Grade 6-8 a sneak peek inside a college education at our campuses with hands-on fun as the common theme.

"Rave reviews from the gr.5 LLS trip attendees. Learning and fun combined. Thanks SO much! Hope to make this annual. Excellent day."  
@LochLomondNB

2,154

**WORLD  
OF WORK  
STUDENTS  
PARTICIPATED**



**EXPLORE YOUR FUTURE HOME! COLLEGE PREVIEW DAY**

1559 future students, friends and family participated!

 **2,211** NEW PAGE LIKES  
**61,331** ENGAGED

 **1,682** NEW FOLLOWERS  
**3,530** MENTIONS  
**1,524** RETWEETS

 **315** NEW FOLLOWERS

 **78,028** VIEWS



## MARKETING CAMPAIGN



## ADVANCING ALUMNI AND DONOR RELATIONS

The story of NBCC is best told through the success of our students and alumni. There is no better testament for NBCC and our mission than the tremendous impact our alumni have in their communities here in New Brunswick and beyond. Just three years old, our award-winning NBCC Alumni Association builds relationships and networks among grads, offers membership benefits and celebrates the success

stories of NBCC graduates. This year, our Alumni Association launched the inaugural Alumni Recognition Awards to recognize and celebrate the contributions that NBCC graduates make in their communities.

By cultivating successful donor relationships, we are able to offer increased opportunities to students through bursaries and scholarships, equipment donations

and partnerships. This has been a record year for NBCC with the total number of donations and the total cash value being greater than the previous two years combined. New first-time donors, such as Honda Canada, are coming forward. Many major companies have partnered with NBCC to provide tools, equipment and access to their on-line training materials. Through these collaborations our graduates are poised and ready to start their careers

As a result of the work of the NBCC Foundation, and, most importantly, through the generosity of our donors, we are able to create more of these opportunities for students through scholarships and bursaries.

A strategic donor recognition and engagement strategy continues to be a priority and is netting results.

**37** donations of cash, in-kind support and equipment valued at **\$438,134**.

**286** bursaries, scholarships and awards valued at **\$263,555**.

**6,100+** registered Alumni.



*NBCC proudly recognizes the accomplishments of our many outstanding alumni. Thank you for working every day to transform lives and communities in New Brunswick.*

**Robin Hanson**  
Friend of New Brunswick



Class of '72  
Civil Engineering Technology

*His passion for our province flows like a river...*

**Robin Hanson** has devoted his life to protecting, preserving and promoting our province. He combined his love of the province's waterway and his successful hardware and construction business to invigorate the Saint John River waterfront with riverboats and the iconic Fredericton Lighthouse. Today, as an author, artist and activist he advocates for the protection of the Oromocto River Watershed.

**Patrick King**  
Community Leadership



Class of '92  
Electronic Engineering Technology

*As a volunteer, he's the very best...*

An active volunteer since high school, **Patrick King's** community leadership has been recognized at both the local and national level. In 2012, Miramichiers named him their choice for the very best volunteer and in 2013 he earned the Governor General's Caring Canadian Award.

**Wes Armour**  
Entrepreneurship



Class of '66  
Business Administration

*From the family farm to a freight empire...*

Since acquiring the family business at 22, CEO **Wes Armour** has grown Armour Transportation Systems (ATS) from a fleet of 10 trucks and 11 employees into one of Canada's Best Managed Companies employing nearly 2000 people. Beyond the bottom line, ATS is a leader in environmental and social sustainability.

**Hannah McGee**  
Outstanding Young Alumni



Class of '09  
Hotel, Restaurant and Culinary

*Putting people first has put her on the right track...*

**Hannah McGee** first demonstrated a keen understanding of people's needs as a summer student at the famed Algonquin Resort Hotel. Today, she holds a senior Human Resource leadership position at the re-launched resort and is a rising star in Atlantic Canada's hospitality industry.

## UTILIZING OUR COLLEGE RESOURCES FOR SOCIAL AND ECONOMIC DEVELOPMENT

NBCC's Business Development Unit responds to industries by providing training and support that address their needs. In 2014-2015, our Business Development model was restructured to ensure leadership in each of our campus regions. By increasing our engagement with industry, NBCC Business Development met their 2014-2015 financial targets with a 10% contribution margin.

### Specialized Full-Time Programs:

- Applied Studies Internship
- Heavy Equipment Operator
- Mechanized Forestry Operator
- Mobile Crane Operator
- Powerline Technician
- Re-entry to Practical Nursing
- Water/Wastewater Operator Training

## INCREASING OUR GLOBAL PARTNERSHIPS

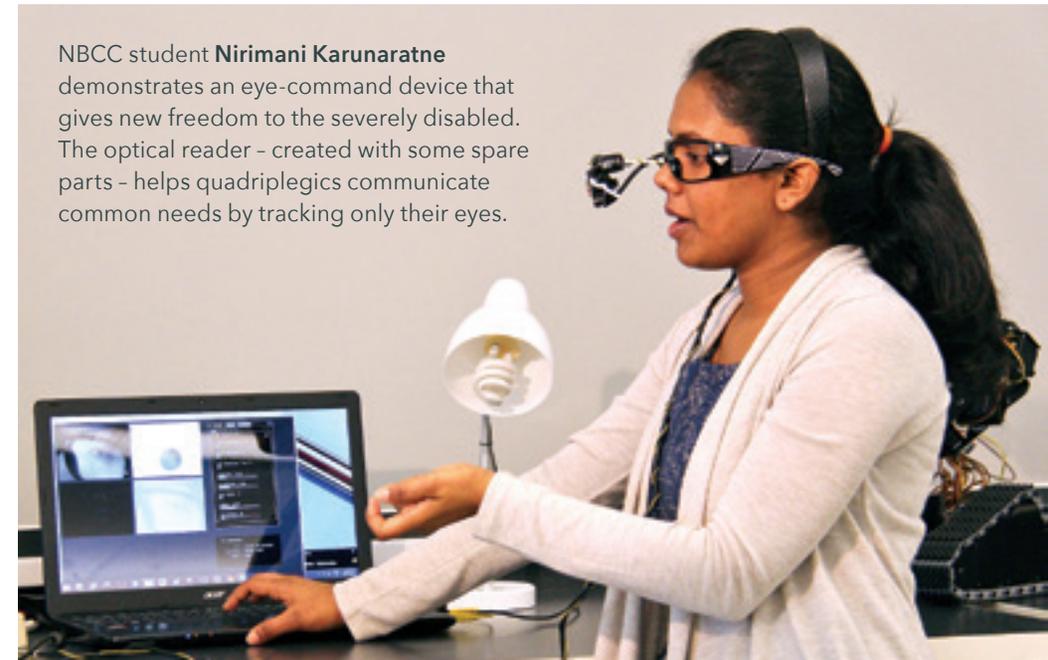
As a post-secondary institution, NBCC has the opportunity to be a gateway for people looking to come to Canada and, specifically, New Brunswick.

NBCC led the formation of EduNB, a partnership of nine secondary and post-secondary institutions seeking to attract more international students to the Province. Supported by the Atlantic

Canada Opportunities Agency (ACOA) and the Department of Post-Secondary Education, Training and Labour (PETL), the group hosted a New Brunswick village at the International Consultants for Education and Fairs (ICEF) North America Workshop in Montreal followed by a four-day familiarization tour of New Brunswick for 11 education agents representing eight countries.

INTERNATIONAL STUDENTS in 2014 **94**  **33** COUNTRIES REPRESENTED at NBCC

### Specialized Full-time Programs: Mechanized Forestry Operator



NBCC student **Nirimani Karunaratne** demonstrates an eye-command device that gives new freedom to the severely disabled. The optical reader - created with some spare parts - helps quadriplegics communicate common needs by tracking only their eyes.

## SUPPORTING RESEARCH, DEVELOPMENT & INNOVATION

NBCC's Applied Research and Innovation Office uses the College's research expertise, equipment and facilities to help enhance the way we live, work and do business. Through collaborations and partnerships, we are providing research-related work experiences to our students and innovative problem-solving to small and medium-sized businesses. While still in our early years, our Applied Research and Innovation Office presented at conferences both provincially and nationally in the past year.

In 2014, NBCC became eligible to apply for major funding through the Social Sciences and Humanities Research Council of Canada (SSHRC). This eligibility is an opportunity for NBCC to specifically increase the profile of our humanities and social sciences programs, such as Human Services, Criminal Justice and Early Childhood Education. SSHRC funding could help support projects such as the recent collaboration between the Dragonfly Centre for Autism,

the Huntsman Marine Science Centre, and NBCC Human Services students in St. Andrews. This year-long project aimed to determine whether interacting with fish and sea life can help reduce stress and anxiety in autistic youth.

Funded by NBCC's first National Sciences and Engineering Research Council (NSERC) grant and supported by industry partners, the Mobile First Technology Initiative continues to develop mobile technology design and research. With the launch of three new portals at NBCC Miramichi, St. Andrews and Woodstock campuses in 2015, NBCC's Mobile Ideaspace now spans all six campuses. By opening the Mobile Ideaspace, we are opening virtual doors for staff, students and stakeholders to connect, innovate and collaborate.

Special thanks to our supporters of the Mobile First Technology Initiative: IGT, Technology Venture Corporation, T4G Ltd, Mariner Partners, Accreon Advantage and Stellar Learning Strategies.

Inside NBCC's Ideaspace, Italo Arruda, a Brazilian student participating in the Science Without Borders scholarship program, demonstrates his Mechatronics project - an emerging field that combines mechanical, electronic, software skills and other technologies such as 3D printing.



**APPLIED RESEARCH & INNOVATION**

Ratio of Investment to Revenue:  
**1 : 1.92**

# 2014 - 2015

NBCC's Open House kicks off! High school students explore NBCC campuses and learn more about our programs and services.



SEP

November 17 to 28, NBCC employees support our communities through a fundraising project for the United Way. Almost over \$20,000 was committed College-wide!



NOV

The Rock your Resolution kicks off the New Year with a College-wide challenge that received 431 submissions throughout six weeks of challenges to boost overall wellbeing.

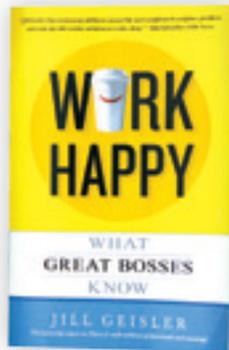
**ROCK YOUR RESOLUTION!**

DEC

JAN

FEB

NBCC Management Academy launches for the first cohort of managers.



New Volunteer Policy goes into effect to provide employees two days of paid leave for volunteer community leadership activities.



NBCC launches the first-ever Alumni Recognition Awards to recognize and celebrate the success stories and contributions of NBCC graduates.



# OUR YEAR AT A GLANCE

Twenty-six instructors from across NBCC gather in Fredericton to celebrate the completion of their **Instructor Development Program (IDP)**.



MAR

NBCC leads and partners with NB educational institutions to form EduNB, a group created to jointly brand NB as an international study destination.



APR

NBCC signs a ground-breaking national **Indigenous Education Protocol** to further commit to and align with its goal to increase Aboriginal learner participation and success.



MAY

NBCC is abuzz with Graduation. **Congratulations to our 1,967 graduates!**



JUN

Ten Practical Nurse graduates return to NBCC for their **51<sup>st</sup> Nursing Reunion** - the first time on campus since graduating in 1964!

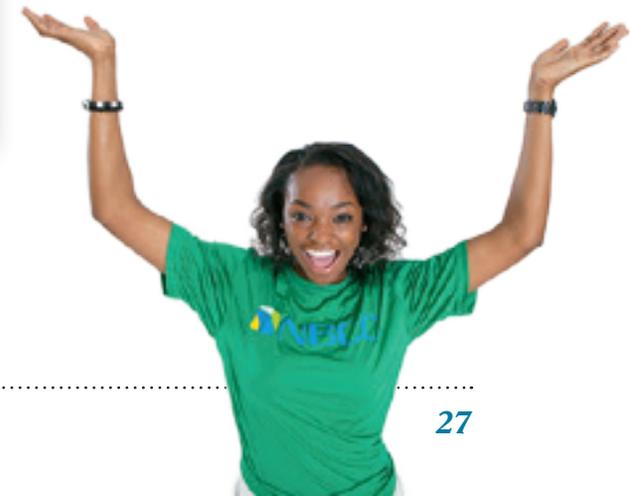


JUL

**NBCC Academic Kick-off** helps us prepare for another great year of transforming lives and communities.



AUG





In August 2015, 29 NBCC instructors successfully completed the Instructor Development Program (IDP). IDP offers the opportunity for faculty to enhance their knowledge, learn new skills, improve job performance, and take another big leap in reaching their full potential as accomplished adult educators.



## COMMITMENT TO OUR PEOPLE

*WE ARE CREATING A GREAT PLACE TO WORK AND LEARN*

NBCC's success relies on the strengths and talents of our people. We want an engaged College community where we expect accountability and value our continuous learning and development. We understand the future of our College is reliant on the legacy of leadership that we create together.

## BECOMING AN EMPLOYER OF CHOICE

As part of our commitment to our people, NBCC has unveiled our Employer of Choice framework, inclusive of a comprehensive human resources strategy. With this framework, NBCC is creating a signature employee experience that is consistent with our vision,

purpose and values, and gives us a competitive advantage to attract new team members. NBCC's Employer of Choice framework was based on input from our employee engagement results, focus groups and employee workshops.

We are leaders with a passion for learning.  
We are learners with a passion for leading.

### What do employees value about NBCC?



## EFFECTIVELY ENGAGING EMPLOYEES

NBCC undertook our first Employee Engagement Survey in February 2013. The results showed NBCC was above average in many areas but also identified areas where we decided we could do better, including pay satisfaction, opportunities for advancement, learning and development and workload. In March 2015, we unveiled an Employee Engagement Action Plan - based on more than 50 recommendations from our College-wide Employee Engagement Committee. We are

on track to fulfil at least 50% of the commitments in the action plan by December 2015.



In October 2014, we launched the NBCC Management Academy to improve the skills of existing managers and to provide opportunities for those who want to become managers. A new NBCC mentorship program was launched in June 2015.

*"When I wrote the book, it had always been my hope that organizations would use it just this way. I was more than happy to help NBCC develop and facilitate the learning. It was clear to me that they care deeply about leadership."*

Jill Geisler, author of *Work Happy*

### 75% of NBCC's Employees are Instructors and Educational Support



## EXCELLENCE AT NBCC



### EXCELLENCE IN LEADERSHIP: **BARB MCKINLEY**

Barb McKinley has had a life-long connection to NBCC first as a student and, for the past 30 years, as a staff member at the Woodstock Campus. In 2012, Barb accepted and developed her new role as Regional Student Services Coordinator - very fitting for an optimistic, compassionate, service-focused leader. Her genuine interest in people shines throughout the campus and directly into the community where she actively volunteers. She leads by doing: supporting students, building relationships, impacting communities, and inspiring others to do the same.



### INNOVATION EXCELLENCE: **KEVIN GALLANT**

A graduate of both NBCC (Civil Engineering Technology) and UNB (BSc Engineering), Kevin Gallant is an electronic game instructor, researcher, author, entrepreneur and professional engineer. His forward-thinking attitude and ability to remain up-to-date on the latest technological innovations, makes him the go-to person for fellow instructors and industry partners. Kevin's research activities, supported through NBCC's Applied Research Grant, have expanded industry and university partnerships, and engaged students in applied research activity with real-world applications.



### EXCELLENCE IN TEACHING: **DWAYNE GIBERSON**

A proud NBCC alumnus, Dwayne Giberson spent 30 years developing a reputation as one of the finest bricklayers in Atlantic Canada before coming to NBCC to share his knowledge in 2003 as an instructor at the Woodstock Campus. Dwayne's passion for the trade and its future is evident through his bricklaying demonstrations for Grade 8 students, his leadership skills and up-to-date technologies in the classroom, and his volunteer service on national and regional trade committees. Like the bricks he works with, Dwayne's impact will last a lifetime and beyond!



### STAFF SUPPORT EXCELLENCE: **DAWNA DURLING**

For 23 years, Dawna Durling has been a familiar and welcoming face around the NBCC Woodstock Campus. She has held a variety of support roles and today she is the Student Services Representative at the Student Success Centre. During Registration, Orientation and Graduation - and all times in between - she takes a strong lead from behind the scenes, ensuring every student has the best experience possible. She is a positive and creative force behind many committees, staff events and community fundraisers that keep staff motivated and engaged.



### ◀ VANESSA AFONSO

Vanessa Afonso was awarded the **NBCC Excellence in Student Leadership Award**. Prior to NBCC, Vanessa was a science student in Montreal who witnessed the Dawson College shooting. Seeing the response of the police that day, Vanessa chose to pursue a career in policing at NBCC Miramichi Campus. As a fixture on campus, Vanessa can be seen chatting with security guards, organizing study groups and challenging her peers through spirited debates to make them work harder.



### ◀ NBCC'S ALUMNI SPRING CLEANING CAMPAIGN

Tom Meadus, Director of Advancement, on behalf of NBCC's Alumni Association, received the Bronze Prix d'Excellence for Best Alumni Initiative from the Canadian Council for the Advancement of Education.



### ◀ ROBERTSON INSTITUTE FOR COMMUNITY LEADERSHIP

The Robertson Institute for Community Leadership was awarded **top Innovation in Practice award** by Progress Magazine and the **United Way's Community Impact Award**.

In June 2015, NBCC's Robertson Institute for Community Leadership was awarded the **Gold Prix d'Excellence for Best Community Outreach Initiative**.

# NBCC EXCELLENCE



### ◀ MARILYN LUSCOMBE

NBCC President and CEO, Marilyn Luscombe named one of **Atlantic Canada's Top 50 CEOs** by Atlantic Business Magazine.



### ◀ EDOUARD SADE

A Respiratory Therapist graduate, Edouard Saade earned the second highest score in a national certification exam from the Canadian Society of Respiratory Therapists (CSRT).



### ◀ BRENDA DAIGLE

NBCC Communications Instructor, Brenda Daigle, received the Governor-General's **Caring Canadian Award** for her compassion and volunteerism towards building a smarter and more caring nation for her Operation Christmas Shoe Boxes campaign.

# ACHIEVEMENTS



◀ **COLIN MATTHEWS**  
Out of more than 100 art submissions from across the country, NBCC Animation and Graphics student, Colin Matthews, was awarded the **regional prize for New Brunswick in the Colleges and Institutes Canada (CICan) art contest** for his "Circus Elephant" artwork.



◀ **AL DEWITT**  
Department Head for Metals Processing and Construction, Al DeWitt received a **2015 National Inclusive Education Award** from the New Brunswick Association for Community Living (NBACL).

## OUR BEST



◀ **MOBILE FIRST TECHNOLOGY INITIATIVE**  
In February 2015, NBCC's Mobile First Technology Initiative received the **Connected to the Community Award** by the Canadian Wireless Telecommunications Association (CWTA). (Pictured: Dr. William McIver, NSERC Industrial Research Chair in Mobile First Technology).



◀ **MEGAN SCOTT**  
NBCC alumna, Megan Scott **placed second in a national applied research contest held by the Canadian Technology Accreditation Board (CTAB)**. She was recognized for her "Irrigation Pump Control System", a watering system for gardens that is controlled by monitoring daylight conditions.



Eleven NBCC students and apprentices showcased their skills on the national stage at the **2015 Skills Canada National Competition (SCNC)** in Saskatoon, bringing home two silver medals!



**COREY BENSON**  
**SILVER: Web Site Development,**  
NBCC Saint John Campus

**THOMAS DOON**  
Brick Masonry,  
NBCC Woodstock Campus

**ANDREW KENNAH**  
Heavy Equipment Service,  
NBCC Miramichi Campus

**ALEX MULLIN**  
Automation and Control,  
NBCC St. Andrews Campus

**REID PALMER**  
Plumbing,  
NBCC Moncton Campus

**JORDAN STEWART**  
Industrial Mechanics Millwright,  
NBCC Miramichi Campus



**TAYLOR WELCH**  
**SILVER: Electrical Installations, Apprentice,**  
NBCC Woodstock Campus

**COLBY BENSON**  
Automotive Service, Apprentice,  
NBCC Saint John Campus

**DANIEL CROUCH**  
Autobody Repair, Apprentice,  
NBCC Saint John Campus

**JAYCOBB HOOPER**  
Car Painting, Apprentice,  
NBCC Saint John Campus

**AARON SAUNDERS**  
Carpentry, Apprentice,  
NBCC Woodstock Campus



NBCC Saint John Campus's E-Building is a smart building mandated to focus on Energy Efficiency and Education. Power Engineering Instructor Michael Carrier is shown inside the Power Engineering Lab where energy is generated to heat the building and run auxiliary equipment, along with the potential to add energy to the provincial power grid.



## COMMITMENT TO OUR STAKEHOLDERS

*WE ARE ENSURING  
RESPONSIBLE STEWARDSHIP*

NBCC is committed to strategic and fiscal success. We will be accountable for maximizing the public's investment in learning through the effective and efficient stewardship and contemporary development of our resources.

## UPHOLDING OUR COMMITMENTS

New Brunswick Community College leads with integrity. As part of our commitment to stakeholders, we are undertaking the design and implementation of effective accountability frameworks.

NBCC's overall operational plan forms the framework for planning at the division, department and individual level. In this way, as this planning becomes fully implemented, each member of the NBCC team can understand how she or he contributes to our success and helps us uphold our commitments. In 2014-2015, we initiated quarterly operational progress reports which are shared with the College community. A Performance Measurement Framework has been developed for implementation in September 2015. This Framework will be a tool for us to measure our progress in achieving our strategic goals. A new Performance Management program has also been introduced to help employees better engage in connecting their work to the strategic goals of the College and

to establish personal development goals based on performance and aspirations.

In May 2015, NBCC undertook a five-year organizational and operational review of the College since it became a Crown corporation in 2010. This report will be presented government in September 2015.

The Internal Audit function is now well established and has become an integral and important part of the Board's fiduciary oversight. The significant work undertaken by both the Corporate Internal Auditor and Team Finance has resulted in significant improvements to the results of the fiscal 2015 external audit, with the number of recommendations noted in the audit, accounting and financial reporting matters reduced from ten in 2014 to three in 2015.

## STREAMLINING PROCESSES

To support learning and working at NBCC, we are working towards more streamlined and user-friendly policies and processes which empower and support learning and working. In 2014-15, NBCC's Quality Management team led the review of 84 policies. NBCC will continue policy and process development with the aim of bringing all up to date in 2015-2016.



## DEVELOPING OUR LEARNING AND WORKING ENVIRONMENT

Our working and learning environments are very much a part of our commitments to our learners, our people, and our stakeholders; however, we are challenged by both aging infrastructure and expanded facilities.

In 2015-2016, a College-wide Building Condition Assessment was conducted to establish a go-forward baseline for deferred maintenance investments. Research has commenced on sustainability and strategic facilities

management plans which will help us make the most of capital investments going forward.

In addition to building maintenance, we must continue to invest in enhancing our learning environments in order to support our quality programs. For example, in 2014-2015, a \$950K investment in our culinary teaching lab at our Moncton Campus will enhance support for quality training for Cook and Culinary Arts Management programs in the region.



## BECOMING A CONTEMPORARY E-COLLEGE

NBCC has set the goal of becoming a contemporary E-college with sustainable E-learning opportunities that can expand our program offerings to learners beyond our campuses and beyond our borders. As we review, develop and renew our educational programs, the integration of E-learning opportunities are an important consideration in our academic decision-making as well as ensuring that all new curriculum development is aligned with and supports online delivery.

Our broader E-college vision has required new investments and initiatives in information technology and enterprise applications. In addition to expanding Wi-Fi College-wide in 2014-2015, NBCC launched Bring Your Own

Device pilot projects in the Human Resource Management program in Moncton and Educational Assistant program in Saint John. Our services have been enhanced with improved self-service options for students, such as activation of their online accounts from home and prior to beginning of class and online access to tax information. Improved solutions in the areas of application and admission data, library services and budgeting and financial applications provide more timely access to information which in turn leads to better decision-making.

We have also implemented an industry-leading service management solution to replace our current helpdesk application. This service helps us to manage workflow more efficiently and allows us to track and manage our service response time and quality.

**NBCC now averages 3,000 concurrent devices on Wi-Fi on a typical day.**

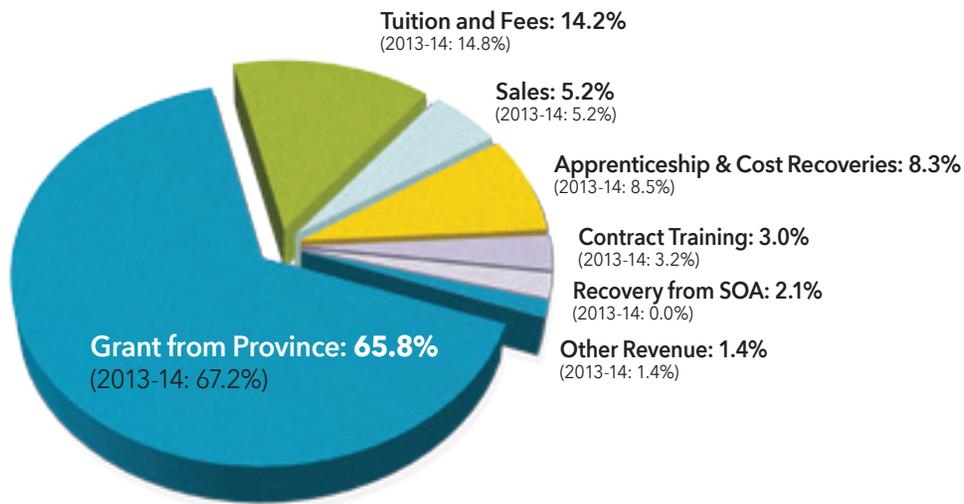
## BUILDING THE BOTTOM LINE

NBCC's 2014-2015 budget process continued to mature and improve in line with the Budget Development Framework and serves as a strong foundation for further improvement in 2015-2016. Over 250 unique financial reports have been issued to budget managers on a monthly basis which compare budget to actual results and the current year's results to those of the prior year. To enhance transparency and accountability, the College has also improved quarterly financial reporting to budget managers and the Board.

The College's Board approved a balanced budget for 2014-2015.

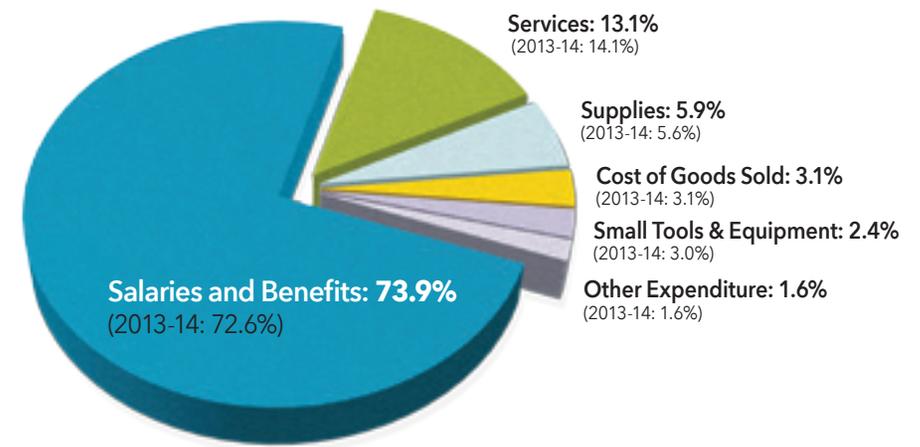
NBCC completed the year ended March 31, 2015 with an excess of revenue over expense of \$1.6 million (or 2% of revenue).

2014-15 revenue, at \$80.9 million, represents an increase of \$2.9 million (or 3.7%) over the prior year. 2014-15 expenditures, at \$79.2 million, represents an increase of less than \$0.1 million over the prior year.



### Key revenue highlights are:

- Grant from Province decreased by 1.6% as a percentage of total revenue over the prior year.
- Recovery from SOA (Special Operating Agency) is a non-recurring transfer from NBCC's predecessor organization totaling \$1.7 million.



### Key expenditure highlights are:

- Salaries and Benefits increased by 1.3% as a percentage of total expenditures over the prior year. This increase is attributable to normal economic increases and progress through ranges for employees in accordance with their collective agreements.
- Services decreased by 1.0% as a percentage of total expenditures, and Small Tools & Equipment by 0.6%. These decreases are mainly attributable to the completion of strategic initiative projects approved in prior year and are offset by a small increase in Supplies of 0.3%.

# FINANCIAL STATEMENTS

March 31, 2015



## INDEPENDENT AUDITOR'S REPORT

To the Chairperson and Board of Governors  
New Brunswick Community College

I have audited the accompanying financial statements of the New Brunswick Community College, which comprise the statement of financial position as at March 31, 2015, and the statement of operations, cash flows and changes in net assets 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 public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

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 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 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### *Opinion*

In my opinion, the financial statements present fairly, in all material respects, the financial position of the New Brunswick Community College as at March 31, 2015, and the results of its operations, its cash flows and its changes in net assets for the year then ended in accordance with Canadian public sector accounting standards.

A handwritten signature in black ink that reads "Kim MacPherson". The signature is written in a cursive, flowing style.

Kim MacPherson, CPA, CA Auditor General

June 26, 2015

P.O. Box 758  
5th floor, Suite 650 520 King Street  
Fredericton, NB E3B 5B4

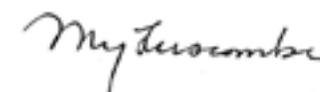
**New Brunswick Community College**  
**Statement of Financial Position**  
**As at March 31**

|  | 2015                 | 2014<br>(Restated per<br>Note 18) |
|--|----------------------|-----------------------------------|
| <b>ASSETS</b>  |                      |                                   |
| <b>Current Assets</b>  |                      |                                   |
| Cash on hand   | \$ 9,360             | \$ 9,060                          |
| Due from Province of New Brunswick (Note 2)                  | 15,093,560           | 15,208,776                        |
| Accounts receivable and accrued revenue (Note 3)             | 641,419              | 1,181,527                         |
| Prepaid expenses   | 278,792              | 193,328                           |
| Inventories (Note 4)   | 709,926              | 807,346                           |
|  | <u>16,733,057</u>    | <u>17,400,037</u>                 |
| <b>Capital Assets (Note 5)</b>                               | <u>2,417,805</u>     | <u>1,987,079</u>                  |
|  | <u>\$ 19,150,862</u> | <u>\$ 19,387,116</u>              |
| <b>LIABILITIES</b>   |                      |                                   |
| <b>Current Liabilities</b>                                   |                      |                                   |
| Accounts payable and accrued liabilities                     | \$ 2,605,280         | \$ 4,474,622                      |
| Deferred revenue (Note 6)                                    | 3,826,539            | 4,403,503                         |
| Accrued salaries and benefits                                | 3,853,585            | 3,623,480                         |
|  | <u>10,285,404</u>    | <u>12,501,605</u>                 |
| Deferred capital contributions (Note 7)                      | 314,367              | 126,791                           |
| Employee future benefits (Note 8, 18)                        | 2,846,800            | 2,693,800                         |
|  | <u>13,446,571</u>    | <u>15,322,196</u>                 |
| <b>NET ASSETS</b>  |                      |                                   |
| Invested in capital assets                                   | 2,103,438            | 1,860,288                         |
| Internally restricted for specific purposes (Note 9)         | 2,601,396            | 3,500,000                         |
| Unfunded employee future benefits: sick leave and WorkSafeNB | (2,846,800)          | (2,693,800)                       |
| Accumulated operating surplus                                | 3,846,257            | 1,398,432                         |
|  | <u>5,704,291</u>     | <u>4,064,920</u>                  |
|  | <u>\$ 19,150,862</u> | <u>\$ 19,387,116</u>              |

Approved by the Board:



Lois Scott  
Chair, Board of Governors



Marilyn Luscombe  
President and CEO

For further information with regard to Commitments, see Note 12.  
For further information with regard to Contingencies, see Note 17.

**New Brunswick Community College**  
**Statement of Operations**  
**As at March 31**

|  | 2015<br>Budget<br>(Unaudited) | 2015<br>Actual      | 2014<br>Actual<br>(Restated per Note 18) |
|--|-------------------------------|---------------------|--|
| <b>REVENUE</b>   |                               |                     |  |
| Grant from Province (Note 14)                                    | \$53,238,025                  | \$53,238,025        | \$52,427,534                             |
| Tuition and fees   | 11,040,000                    | 11,471,234          | 11,523,242                               |
| Sales  | 4,072,137                     | 4,174,201           | 4,054,420                                |
| Apprenticeship and cost recoveries (Note 14)                     | 6,650,312                     | 6,704,350           | 6,647,016                                |
| Contract training  | 2,800,000                     | 2,396,670           | 2,494,555                                |
| Recovery from Special Operating Agency (Note 19)                 | -                             | 1,713,142           | -  |
| Amortization of deferred capital contributions (Note 7)          | -                             | 61,093              | 36,226                                   |
| Other (Note 11)  | 1,350,688                     | 1,093,618           | 809,956                                  |
|  | <u>79,151,162</u>             | <u>80,852,333</u>   | <u>77,992,949</u>                        |
| <b>EXPENSE</b>   |                               |                     |  |
| Salaries and benefits (Note 18)                                  | 60,595,650                    | 58,501,389          | 57,414,822                               |
| Services   | 9,471,721                     | 10,401,485          | 11,146,812                               |
| Supplies   | 3,951,230                     | 4,666,184           | 4,469,347                                |
| Cost of goods sold   | 2,448,661                     | 2,427,430           | 2,448,661                                |
| Small tools and equipment  | 1,575,108                     | 1,872,192           | 2,405,324                                |
| Amortization of capital assets                                   | 510,650                       | 681,623             | 520,821                                  |
| Bank fees and miscellaneous                                      | 218,675                       | 328,725             | 242,383                                  |
| Grants and payments to others                                    | 239,967                       | 301,478             | 293,785                                  |
| Inventory obsolescence and adjustments                           | 65,500                        | 81,668              | 121,244                                  |
| Bad debt expense   | 74,000                        | (49,212)            | 73,595                                   |
|  | <u>79,151,162</u>             | <u>79,212,962</u>   | <u>79,136,794</u>                        |
| <b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSE</b>               | <b>\$ -</b>                   | <b>\$ 1,639,371</b> | <b>\$ (1,143,845)</b>                    |
| <b>Changes in net assets</b>                                     |                               |                     |  |
| Net assets used to acquire capital assets (Note 10)              | -                             | (243,150)           | (493,287)                                |
| Change in net assets internally restricted for specific purposes | -                             | 898,604             | -  |
| Unfunded future employee benefits                                | -                             | 153,000             | 1,531,300                                |
|  | <u>-</u>                      | <u>808,454</u>      | <u>1,038,013</u>                         |
| <b>INCREASE (DECREASE) IN ACCUMULATED OPERATING SURPLUS</b>      | <b>\$ -</b>                   | <b>\$ 2,447,825</b> | <b>\$ (105,832)</b>                      |

**New Brunswick Community College  
Statement of Changes in Net Assets  
Year Ended March 31**

|   | 2015  |                               |  |  |              | 2014<br>(Restated<br>Per Note 18) |
|---|---|-------------------------------|--|--|--------------|-----------------------------------|
|   | Accumulated<br>Operating<br>Surplus (Deficit) | Invested in<br>Capital Assets | Internally<br>Restricted for<br>Specific<br>Purposes | Unfunded<br>Employee<br>Future Benefits:<br>Sick Leave and<br>Worksafe | 2015 Total   |                                   |
| <b>NET ASSETS (LIABILITIES), BEGINNING OF YEAR (Note 18)</b>    | \$ 1,398,432                                  | \$ 1,860,288                  | \$ 3,500,000   | \$ (2,693,800)   | \$ 4,064,920 | \$ 5,208,765                      |
| <b>Changes during the year</b>                                  |   |                               |  |  |              |                                   |
| Excess of revenues over expenses                                | 3,089,825                                     | 243,150                       | (1,540,604)  | (153,000)  | 1,639,371    | (1,143,845)                       |
| Transfer of net assets to (from) accounts internally restricted | (642,000)                                     | -                             | 642,000  | -  | -            | -                                 |
| <b>Net change during the year</b>                               | 2,447,825                                     | 243,150                       | (898,604)  | (153,000)  | 1,639,371    | (1,143,845)                       |
| <b>NET ASSETS (LIABILITIES), END OF YEAR</b>                    | \$ 3,846,257                                  | \$ 2,103,438                  | \$ 2,601,396   | \$ (2,846,800)   | \$ 5,704,291 | \$ 4,064,920                      |

**New Brunswick Community College**  
**Statement of Cash Flows**  
**Year Ended March 31**

|   | <b>2015</b>          | <b>2014 (Restated)</b> |
|---|----------------------|------------------------|
| <b>Operating Activities</b>   |                      |                        |
| Excess (deficiency) of revenue over expense before changes in net assets            | \$ 1,639,371         | \$ (1,143,845)         |
| <b>Add (deduct) non-cash items</b>  |                      |                        |
| Amortization of capital assets  | 681,623              | 520,821                |
| Amortization of deferred capital contributions                                      | (61,093)             | (36,226)               |
| Bad debt expense  | (49,212)             | 73,595                 |
| Inventory obsolescence and adjustments  | 81,668               | 121,244                |
|   | <u>652,986</u>       | <u>679,434</u>         |
| <b>Add (deduct) changes in non-cash working capital</b>                             |                      |                        |
| Accounts receivable and accrued revenue   | 589,320              | (127,918)              |
| Prepaid expenses  | (85,464)             | (124,759)              |
| Inventories   | 15,752               | (54,251)               |
| Accounts payable & accrued liabilities  | (1,869,343)          | 701,011                |
| Deferred revenue  | (576,964)            | 218,945                |
| Accrued salaries & benefits   | 230,106              | 115,449                |
| Employee future benefits (Note 18)  | 153,000              | 1,531,300              |
|   | <u>(1,543,593)</u>   | <u>2,259,777</u>       |
| <b>Add (deduct) capital activities</b>  |                      |                        |
| Deferred capital contributions  | 248,669              | -                      |
| Acquisition of capital assets   | (1,112,349)          | (977,882)              |
|   | <u>(863,680)</u>     | <u>(977,882)</u>       |
| <b>INCREASE (DECREASE) TO CASH AND CASH EQUIVALENTS</b>                             | (114,916)            | 817,484                |
| <b>Add: Cash and cash equivalents, beginning of year</b>                            | \$ 15,217,836        | 14,400,352             |
| <b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>                                       | <u>\$ 15,102,920</u> | <u>\$ 15,217,836</u>   |
| <b>CASH AND CASH EQUIVALENTS REPRESENTED ON STATEMENT OF FINANCIAL POSITION BY:</b> |                      |                        |
| Cash on Hand  | \$ 9,360             | \$ 9,060               |
| Due from Province of New Brunswick (Note 2)   | 15,093,560           | 15,208,776             |
| <b>Cash and cash equivalents, end of year</b>                                       | <u>\$ 15,102,920</u> | <u>\$ 15,217,836</u>   |

# New Brunswick Community College

## Notes to Financial Statements

### Year Ended March 31, 2015

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#### 1. AUTHORITY AND PURPOSE

New Brunswick Community College (the “College”) was established as a post-secondary public education corporation under the authority of the *New Brunswick Community Colleges Act* effective May 29, 2010. The College is exempt from income tax under section 149 of the Income Tax Act.

The College, with campuses located in Fredericton, Miramichi, Moncton, Saint John, St. Andrews and Woodstock, is responsible for enhancing the economic and social wellbeing of the Province by addressing the occupational training requirements of the population and of the labour market of the Province.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The College is responsible for the preparation of the financial statements and has prepared them in accordance with Canadian public sector accounting standards for non-profit organizations (PSAS-NPO). The following is a summary of significant accounting policies:

##### a. Reporting basis

The financial position and operations of the College have been combined for reporting purposes.

##### b. Revenue recognition

The College follows the deferral method of revenue recognition.

Amounts received or receivable for Tuition and fees, and Sales, are recognized as revenue in the period in which the goods are delivered or the services are provided. Amounts received in advance are reported as unearned (i.e. deferred) revenue.

The College receives grants and donations from a number of different sources for operating, research and capital expenditures.

- Unrestricted operating grant (e.g. Grant from Province) is recognized in the period when received or receivable. Unrestricted operating grant received for a future period is reported as unearned (i.e. deferred) revenue.
- Externally restricted operating grants (e.g. research or other special purpose funding) and capital contributions are deferred until the period that the expenditure occurs. Externally restricted amounts may only be used for purposes designated by the funder.

Externally restricted amounts invested in capital assets having limited useful lives are reported as Deferred capital contributions. Deferred capital contributions are amortized and recognized as revenue in the same period(s) in which the amortization expense of the related funded capital asset is recorded.

# New Brunswick Community College

## Notes to Financial Statements

### Year Ended March 31, 2015

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#### c. Expense recognition

The College uses the accrual basis of accounting for expenses.

Amounts paid or payable are recognized as expenses in the period in which the goods are delivered or the services are provided to the College. Amounts paid in advance are reported as prepaid expenses.

#### d. Contributed services

The activities of the College are dependent on services received by the Province of New Brunswick ("Province") as well as other stakeholders. The value of contributed services is not recognized in the financial statements as it is not possible at the time of issuance of these financial statements to determine their fair value.

Examples of contributed services received by the College include:

- Buildings provided by the Province at six campuses and corporate offices, having an area in excess of one million square feet;
- Cash concentration services provided by the Province (see Note 2 for more information);
- Pension contributions on behalf of the employer provided by the Province for employees of the College (see Note 8 for more information);
- Retirement allowances provided by the Province for employees of the College (see Note 8 for more information);
- Payroll and financial system services provided by the Province; and,
- Training materials provided by third parties for use in the delivery of course programs.

#### e. Cash and cash equivalents

It is cost-effective for the College to employ cash concentration services provided by the Province rather than implement independent banking arrangements.

Cash consists of cash on hand and amounts held by financial institutions prior to concentration. Cash equivalents consist of amounts due from the Province of New Brunswick through their cash concentration service. College operational expenses and revenues flow through the Province of New Brunswick's bank account.

**New Brunswick Community College**  
**Notes to Financial Statements**  
**Year Ended March 31, 2015**

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**f. Inventories**

Inventories for resale are held by bookstores, copy centre(s) and cafeterias operated by the College. Inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less any applicable costs associated with its sale or disposal. See Note 4 for more information about inventories.

Inventories held for consumption exist in administrative and instructional programs across the College. The value of these inventories is not recognized in these statements.

**g. Capital assets**

Purchased capital assets are recorded at cost. See Note 5 for more information about capital assets. Donated capital assets are recorded at fair value at the date the donation was received. Fair value of donated capital assets with a value in excess of \$1,000 is established through independent appraisal. See Note 7 for donated capital assets recorded as deferred capital contributions during the period. Disposals of capital assets are removed from the accounts at their net book value.

Repairs and maintenance are charged to operating expense. Betterments which extend the estimated life of an asset owned by the College, (i.e. which increases its service capacity or lower future costs,) are capitalized.

Capital assets are amortized on a straight-line basis over their estimated useful lives, as estimated below:

| <b>Asset Class</b>                        | <b>Cost Thresholds</b> | <b>Estimated Useful</b> |
|---|------------------------|-------------------------|
| Land                                      | All purchases          | Not applicable          |
| Land Improvements                         | \$100,000              | 20 years                |
| Buildings                                 | \$100,000              | 40 years                |
| Portable Classrooms                       | \$10,000               | 25 years                |
| Lease (Capital Assets)                    | Per asset class        | Lease Term (SL)         |
| Leasehold Improvements                    | \$10,000               | Lease Term (SL)         |
| Computer Hardware                         | \$10,000               | 3-5 Years               |
| Computer Software                         | \$10,000               | 3-5 years               |
| Motor Vehicles and Mobile Heavy Equipment | \$10,000               | 5–15 years              |
| Major Equipment                           | \$10,000               | 5–10 years              |
| Betterments – Building                    | \$100,000              | 40 years                |
| Betterments – Equipment                   | \$10,000               | 5–10 years              |

# New Brunswick Community College

## Notes to Financial Statements

### Year Ended March 31, 2015

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In the year of acquisition, amortization will be calculated on a half-year basis.

The value of Land, Land Improvements, Buildings and Major Equipment owned by the Province of New Brunswick are not reflected in the assets of the College as agreements (i.e. lease, transfer or other agreements) do not exist. Initial discussions have occurred between the Province and the College regarding Land and Buildings however agreements remain outstanding. Accordingly, any betterments made to capital assets owned by the Province are expensed in the year they occur. Betterments made to buildings owned by the Province include \$877,478 in 2015 (approximately \$500,000 in 2014).

Leased capital assets are amortized over the lease term unless the lease terms contain terms allowing ownership to pass to the College, or a bargain purchase option, in which case the period of amortization would be the economic life of the asset.

#### **h. Accrued payroll benefits**

The College has accrued accumulated vacation pay and non-instructional time for employees. The number of days accumulated for each employee as well as their rate of pay (in accordance with current policy and collective agreements) has been used to determine the estimated amount of the liability. This liability is recorded in accrued salaries and benefits at a value of \$3,269,136 in 2015 (\$3,509,159 in 2014).

#### **i. Liability for sick leave obligation**

Employees of the College are entitled to sick leave benefits which accumulate but do not vest. Sick leave benefits which accumulate but do not vest are considered obligations. Canadian public sector accounting standards for non-profit organizations (PSAS-NPO) related to post-employment benefits and compensated absences require the College recognize that liability. Note 8(c) offers more detail regarding the College's liability for sick leave obligation.

#### **j. Liability for WorkSafeNB obligation**

Employees of the College are entitled to wage-replacement benefits in the event of illness or injury which can be established occurred as a result of employment at the College through WorkSafeNB. Benefits payable in the future related to claims approved by WorkSafeNB are considered obligations. PSAS-NPO standards related to post-employment benefits and compensated absences require the College to recognize that liability. Note 8(d) offers more detail regarding Liability for WorkSafeNB Obligation.

#### **k. Accounting estimates**

The preparation of financial statements in accordance with PSAS-NPO standards require 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 revenue and expenses during the reporting period.

If actual results differ from management's estimates the impact is recorded in future periods when the difference is known.

**New Brunswick Community College**  
**Notes to Financial Statements**  
**Year Ended March 31, 2015**

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The most significant estimates made in the preparation of the financial statements include:

- Allowance for uncollectible (doubtful) accounts receivable;
- Fair value of donated capital assets for which an appraisal is not available;
- Useful life of capital assets;
- Accrued salaries and benefits;
- Accrued liabilities related to sick leave obligation;
- Accrued liabilities related to WorkSafeNB obligation; and,
- Deferred revenue.

**3. ACCOUNTS RECEIVABLE AND ACCRUED REVENUE**

|  | <u>2015</u>       |           | <u>2014</u>      |
|--|-------------------|-----------|------------------|
| Tuition and fees                                       | \$ 165,204        | \$        | 463,746          |
| Organizations other than the Province of New Brunswick | 384,232           |           | 587,802          |
| Province of New Brunswick                              | 101,172           |           | 245,021          |
| Advances and other                                     | 43,672            |           | 50,952           |
| <b>ACCOUNTS RECEIVABLE (GROSS)</b>                     | <b>694,280</b>    |           | <b>1,347,521</b> |
| Allowance for doubtful accounts                        | (52,861)          |           | (165,994)        |
| <b>ACCOUNTS RECEIVABLE (NET)</b>                       | <b>\$ 641,419</b> | <b>\$</b> | <b>1,181,527</b> |

**New Brunswick Community College**  
**Notes to Financial Statements**  
**Year Ended March 31, 2015**

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**4. INVENTORY**

|                                     | <u>2015</u>              | <u>2014</u>              |
|-------------------------------------|--------------------------|--------------------------|
| Textbooks for resale                | \$ 555,574               | \$ 643,995               |
| Stationary and supplies for resale  | 102,074                  | 117,161                  |
| Clothing and other items for resale | 52,278                   | 46,190                   |
| <b>INVENTORY (GROSS)</b>            | <b><u>\$ 709,926</u></b> | <b><u>\$ 807,346</u></b> |
| Inventory obsolescence              | -                        | -                        |
| <b>INVENTORY (NET)</b>              | <b><u>\$ 709,926</u></b> | <b><u>\$ 807,346</u></b> |

**5. CAPITAL ASSETS**

|                         | <u>2015</u>                |                                     |                            | <u>2014</u>                |
|-------------------------|----------------------------|-------------------------------------|----------------------------|----------------------------|
|                         | <u>Cost</u>                | <u>Accumulated<br/>Amortization</u> | <u>Net Book<br/>Value</u>  | <u>Net Book<br/>Value</u>  |
| Vehicles                | \$ 1,013,187               | \$ 296,059                          | \$ 717,128                 | \$ 354,100                 |
| Furniture and equipment | 2,958,141                  | 1,257,464                           | 1,700,677                  | 1,594,627                  |
| Heavy equipment         | 923,394                    | 923,394                             | -                          | 38,352                     |
|                         | <b><u>\$ 4,894,722</u></b> | <b><u>\$ 2,476,917</u></b>          | <b><u>\$ 2,417,805</u></b> | <b><u>\$ 1,987,079</u></b> |

**New Brunswick Community College**  
**Notes to Financial Statements**  
**Year Ended March 31, 2015**

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**6. DEFERRED REVENUE**

|                         | <u>2015</u>                | <u>2014</u>                |
|-------------------------|----------------------------|----------------------------|
| Student tuition         | \$ 2,526,301               | \$ 2,756,760               |
| Confirmation fees       | 519,250                    | 509,914                    |
| Cost recoveries         | 317,246                    | 852,102                    |
| Contract training       | 232,804                    | 164,595                    |
| Research                | 221,605                    | 120,132                    |
| Other                   | 9,333                      | -                          |
| <b>DEFERRED REVENUE</b> | <b><u>\$ 3,826,539</u></b> | <b><u>\$ 4,403,503</u></b> |

**7. DEFERRED CAPITAL CONTRIBUTIONS**

|  | <u>2015</u>              | <u>2014</u>              |
|--|--------------------------|--------------------------|
| Deferred capital contribution, beginning of year   | \$ 126,791               | \$ 163,017               |
| Contribution during the year                       | 248,669                  | -                        |
| Amortization during the year                       | (61,093)                 | (36,226)                 |
| <b>DEFERRED CAPITAL CONTRIBUTIONS, end of year</b> | <b><u>\$ 314,367</u></b> | <b><u>\$ 126,791</u></b> |

**8. EMPLOYEE FUTURE BENEFITS**

**a. Pension**

Effective January 1, 2014 the Public Service Superannuation Act (the "PSSA") was converted and replaced by the Public Service Shared Risk Plan (PSSRP). The PSSRP is a shared risk pension plan in accordance with New Brunswick's Pension Benefits Act. Certain employees of the College are entitled to receive benefits under the PSSRP. This converted plan requires all employer classified full-time employees participate in this new plan, which is funded by both the employee and the employer. Employer pension contributions are paid and expensed by the Province on behalf of the College. The College is not responsible for any unfunded liability nor does it have access to any surplus with respect to its employee pensions. The value of the contributions made by the Province on the College's behalf was \$6,087,113 in 2015 (\$4,295,468 in 2014).

**New Brunswick Community College**  
**Notes to Financial Statements**  
**Year Ended March 31, 2015**

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**b. Retirement allowance**

Certain long serving employees receive a retirement allowance upon retirement from public service. The plan is funded by the Province of New Brunswick. The Province made changes to this program in 2013-14 where management and non-union employees of the College no longer accumulate retirement allowance credits. Employees were offered a choice of pay-out in lieu of a retirement allowance or, for those with more than five years of service, an option to defer the payout until retirement. The College's costs and liability associated with the plan and its recent changes are not included as part of its budget but are recorded by the Province in its financial statements. The amount of the retirement allowance paid on behalf of the College by the Province was \$489,909 in 2015 (\$1,687,587 in 2014).

**c. Sick leave**

Employees of the College are entitled to sick leave benefits which accumulate but do not vest. Sick leave benefits which accumulate but do not vest are considered obligations. PSAS-NPO standards related to post-employment benefits and compensated absences require the College recognize that liability. Based on an actuarial valuation of the liability at March 31, 2015 the accrued sick leave obligation and the expense related to the accrued sick leave obligation are as follows:

|  | <u>2015</u>         | <u>2014</u>         |
|--|---------------------|---------------------|
| <b>Accrued sick leave obligation, beginning of year</b>  | \$ 1,164,300        | \$ 1,162,500        |
| <b>Expense related to accrued sick leave obligation:</b> |                     |                     |
| Current period benefit cost                              | 151,800             | 153,000             |
| Amortization of actuarial losses (gains)                 | 6,800               | 10,500              |
| Sick leave benefit interest expense                      | 45,600              | 41,200              |
|  | <u>204,200</u>      | <u>204,700</u>      |
| <b>Employer benefit payments</b>                         | <u>(193,700)</u>    | <u>(202,900)</u>    |
| <b>ACCRUED SICK LEAVE OBLIGATION, END OF YEAR</b>        | <u>\$ 1,174,800</u> | <u>\$ 1,164,300</u> |

**New Brunswick Community College**  
**Notes to Financial Statements**  
**Year Ended March 31, 2015**

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The sick leave liability is unfunded. The liability has been determined by an actuarial valuation using management’s best estimate of salary escalation, accumulated sick days at retirement, long term inflation rates and discount rates, as follows:

|   |            |                               |            |                    |                 |
|---|------------|-------------------------------|------------|--------------------|-----------------|
| Number employees:                                     | 819        | Average age of employees:     | 49.7 years | Discount rate:     | 2.67% per annum |
| Expected Average Remaining Service Life of employees: | 10.3 years | Average service of employees: | 10.2 years | Salary escalation: | 2.92% per annum |

**d. WorkSafeNB**

Employees and students of the College are entitled to wage-replacement benefits in the event of illness or injury which can be established occurred as a result of employment at the College through WorkSafeNB. Benefits payable in the future related to claims approved by WorkSafeNB are considered obligations. PSAS-NPO standards related to post-employment benefits and compensated absences require the College to recognize to that liability. Based on an actuarial valuation of the liability at March 31, 2015 the accrued WorkSafeNB obligation and the expense related to the accrued WorkSafeNB obligation are as follows:

|  | <u>2015</u>                | <u>2014</u>                |
|--|----------------------------|----------------------------|
| <b>Accrued WorkSafeNB obligation, beginning of year</b>  | \$ 1,529,500               | \$ -                       |
| <b>Expense related to accrued WorkSafeNB obligation:</b> |                            |                            |
| Current period benefit cost                              | 274,300                    | 1,529,500                  |
| Amortization of actuarial losses (gains)                 | -                          | -                          |
| Sick leave benefit interest expense                      | 60,500                     | -                          |
|  | <u>334,800</u>             | <u>1,529,500</u>           |
| <b>Employer benefit payments</b>                         | <u>(192,300)</u>           | -                          |
| <b>ACCRUED WORKSAFENB OBLIGATION, END OF YEAR</b>        | <u><u>\$ 1,672,000</u></u> | <u><u>\$ 1,529,500</u></u> |

**New Brunswick Community College**  
**Notes to Financial Statements**  
**Year Ended March 31, 2015**

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Annual claim payments are expensed by the College and are included in salaries and benefits in the Statement of Operations.

The WorkSafeNB liability is unfunded. The liability has been determined by an actuarial valuation using management’s best estimate of inflation, discount rate and assumed average age at accident, as follows:

|                           |                 |  |             |                                 |                 |
|---------------------------|-----------------|--|-------------|---------------------------------|-----------------|
| Inflation                 | 1.90% per annum | Extended Wage Loss Benefits in Pay:                | 4           | Discount rate:                  | 2.67% per annum |
| Inflation on Medical Aid: | 3.65% per annum | Average age of Extended Wage Loss Benefits in Pay: | 57.65 years | Assumed average age at Accident | 39 years        |

**9. NET ASSETS INTERNALLY RESTRICTED FOR SPECIFIC PURPOSES**

The College restricts a portion of its net assets for specific purposes. Restrictions are recorded to reflect funds that have been internally restricted for specific projects and purposes including one-time, non-recurring expenditures as approved by the Board. Amounts included in net assets internally restricted for specific purposes include the following categories:

|                                 | <u>2015</u>         | <u>2014</u>         |
|---------------------------------|---------------------|---------------------|
| Contingency                     | \$ 1,000,000        | \$ 1,000,000        |
| Strategic initiatives           | 959,396             | 2,500,000           |
| Academic program priorities     | 400,000             | -                   |
| Capital projects                | 152,211             | -                   |
| Accommodation and special needs | 54,732              | -                   |
| Research                        | 35,057              | -                   |
|                                 | <u>\$ 2,601,396</u> | <u>\$ 3,500,000</u> |

**New Brunswick Community College**  
**Notes to Financial Statements**  
**Year Ended March 31, 2015**

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**10. NET ASSETS INVESTED IN CAPITAL ASSETS**

|   | <u>2015</u>                | <u>2014</u>                |
|---|----------------------------|----------------------------|
| Capital assets (net book value) per Note 5                  | \$ 2,417,805               | \$ 1,987,079               |
| Capital assets funded from capital contributions per Note 7 | <u>(314,367)</u>           | <u>(126,791)</u>           |
| <b>NET ASSETS INVESTED IN CAPITAL ASSETS</b>                | <b><u>\$ 2,103,438</u></b> | <b><u>\$ 1,860,288</u></b> |

The change in Net Assets Invested in Capital Assets comprises:

|  | <u>2015</u>              | <u>2014</u>              |
|--|--------------------------|--------------------------|
| <b>Capital asset additions (net of donated assets):</b>    |                          |                          |
| Additions per Statement of Cash Flows                      | \$ 1,112,349             | \$ 977,882               |
| Less: donated assets per Note 7                            | <u>(248,669)</u>         | <u>-</u>                 |
|  | 863, 680                 | 977,882                  |
| <b>External sources of funding:</b>                        |                          |                          |
| Financed with donations or contributions                   | <u>-</u>                 | <u>-</u>                 |
|  | <b>863,680</b>           | <b>977,882</b>           |
| <b>Other:</b>  |                          |                          |
| Amortization of capital assets per Statement of Operations | (681,623)                | (520,821)                |
| Amortization of deferred capital contributions per Note 7  | <u>61,093</u>            | <u>36,226</u>            |
| <b>NET CHANGE IN INVESTMENT IN CAPITAL ASSETS</b>          | <b><u>\$ 243,150</u></b> | <b><u>\$ 493,287</u></b> |

**New Brunswick Community College**  
**Notes to Financial Statements**  
**Year Ended March 31, 2015**

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**11. OTHER REVENUE**

|                              | <u>2015</u>         | <u>2014</u>       |
|------------------------------|---------------------|-------------------|
| Laptop rentals               | \$ 221,597          | \$ 276,838        |
| Facility and related rentals | 32,182              | 28,351            |
| Research                     | 566,245             | 274,403           |
| Other                        | 273,594             | 230,364           |
|                              | <u>\$ 1,093,618</u> | <u>\$ 809,956</u> |

**12. COMMITMENTS**

The College is committed to the following lease, maintenance or other agreement payments for future years.

|         | <u>2015</u>         |
|---------|---------------------|
| 2015-16 | \$ 771,436          |
| 2016-17 | 456,928             |
| 2017-18 | 367,622             |
| 2018-19 | 332,089             |
| 2019-20 | 332,089             |
|         | <u>\$ 2,260,164</u> |

**13. FINANCIAL INSTRUMENTS**

**a. Fair value of financial assets and financial liabilities**

Financial instruments of the College comprise cash and cash equivalents, accounts receivable, accounts payable, accruals of revenue, payroll benefits and other expenses. The carrying value of these financial instruments approximates their fair value due to the relatively short terms to maturity.

**New Brunswick Community College**  
**Notes to Financial Statements**  
**Year Ended March 31, 2015**

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**b. Credit risk**

The College may be exposed to credit-related losses in the event of non-performance by counterparties to its financial instruments including accounts receivable of students, sponsors and other parties contracting for the receipt of instruction. The amounts disclosed in the financial statements are net of an allowance for doubtful accounts, estimated by the College in accordance with its guidelines. The College has a diverse mix of students, sponsors and other parties limiting significant exposure to any individual counterparty.

**c. Liquidity risk**

The College may be exposed to liquidity risk in the event that its obligations exceed its supply of liquid assets or authorized spending. Through cash concentrator services provided by the Province of New Brunswick, the College receives adequate liquid assets to fulfill its obligations as they become due. The College also has an internally restricted contingency fund in place to accommodate reasonable unforeseen expenditure.

**14. RELATED PARTY TRANSACTIONS**

During the period the College has received the following funds from related parties:

- Province of New Brunswick grants of \$53,238,025 in 2015 (\$52,427,534 in 2014);
- Revenues from departments of the Province of New Brunswick for apprenticeship & cost recoveries of \$6,704,350 in 2015 (\$6,647,016 in 2014).

Amounts owing from the Province of New Brunswick at year end 2015 amounted to \$101,172 (\$245,021 in 2014).

See Note 2 for more information about contributed services from the Province.

**15. ECONOMIC DEPENDENCE**

The College is economically dependent on the Province of New Brunswick. As outlined in Note 14, the College received grants of \$53,238,025 in 2015 (\$52,427,534 in 2014).

**16. COMPARATIVE FIGURES**

Certain amounts in prior periods have been reclassified to conform to the current year's presentation.

**New Brunswick Community College**  
**Notes to Financial Statements**  
**Year Ended March 31, 2015**

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**17. CONTINGENCIES**

**a. Legal**

The College is engaged in various legal proceedings. Potential costs, if any related to claims against the College have not been reflected in the financial statements. While the ultimate outcome of these proceedings cannot be predicted at this time, it is the opinion of the College that the resolution of these claims will not have a material impact on the financial position of the College. Any loss or gain that may result from these proceedings will be accounted for in the period in which the settlement occurs.

**b. WorkSafeNB**

The College is self-insured for WorkSafeNB claims by employees and students of the College, past and present. The extent of future claims, and their ultimate outcome, cannot be predicted at this time. Accordingly, with regard to future claims, amounts are expensed in the period that they occur. Once claims are settled by WorkSafeNB they will be factored into the liability for WorkSafeNB obligation as outlined in Note 8.

**c. Collective bargaining**

The College is party to a number of collective agreements expired on or before March 31, 2015. At the time of issuance of these financial statements, no settlements have been reached. The value of potential settlements cannot be predicted at this time. Accordingly, amounts are expensed in the period that they occur. The Province has traditionally increased the Grant from Province in the amount of economic increases related to approved settlements in the form of an in-year supplementary budget transfer.

**18. RESTATEMENT OF PRIOR PERIOD: WorkSafeNB obligation**

Effective April 1, 2014, the College changed its accounting policy regarding WorkSafeNB claims. Previously, an obligation for these claims was recognized in the financial statements of the Province and claim payments were expensed by the College as incurred.

It is management's opinion, supported by section 53(1) of the New Brunswick Community Colleges Act, that this obligation is one of the College and that recognition would result in more appropriate presentation of the College's financial position and operations.

As detailed in Note 8(d), a valuation of this liability was undertaken by the College during 2014-15. The new policy has been retroactively adopted and therefore 2014 comparative figures have been restated.

Key adjustments resulting from the retroactive adoption of this accounting policy are as follows:

**New Brunswick Community College**  
**Notes to Financial Statements**  
**Year Ended March 31, 2015**

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**Statement of Financial Position**

**As at March 31, 2014**

|                                     |                     |
|-------------------------------------|---------------------|
| Liabilities, as previously reported | \$13,792,696        |
| Add: employee future benefits       | <u>1,529,500</u>    |
| Liabilities, restated               | <u>\$15,322,196</u> |

**Statement of Operations**

**For the year ended March 31, 2014**

|                                 |                     |
|---------------------------------|---------------------|
| Expense, as previously reported | \$77,607,294        |
| Add: salaries and benefits      | <u>1,529,500</u>    |
| Expense, restated               | <u>\$79,136,794</u> |

**Statement of Changes in Net Assets**

**For the year ended March 31, 2014**

|                                    |                    |
|------------------------------------|--------------------|
| Net assets, as previously reported | \$5,594,420        |
| less: salaries and benefits        | <u>1,529,500</u>   |
| Net assets, restated               | <u>\$4,064,920</u> |

**19. RECOVERY FROM SPECIAL OPERATING AGENCY**

Prior to its transition to a crown corporation, the New Brunswick Community Colleges Act transferred the operations, assets and liabilities of campuses to a special operating agency. During 2014-15, the College received a non-recurring (one-time) transfer of \$1,713,142 representing the accumulated surpluses of the campuses (prior to 2010) less amounts previously transferred to the College as



# Thank you!

To all our donors over the past year whose contributions to NBCC have helped support student success.

Donations over the past year totaled \$438,134.

A special thank you to the following donors whose contributions exceeded \$1,000.

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NB Power

Draeger Medical Canada Inc.

Allied Air Enterprises Inc.

Terry Kelly Memorial

GM of Canada

Commercial Properties Ltd.

Moncton and District Labour Council

Christoph Malinkowski

Bruce Wilkinson

Saint John Energy



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