



FANSHAWE



2017

2018

Annual Report on
Strategic Plan
Implementation

OUR MISSION

To provide pathways to success, an exceptional learning experience, and a global outlook to meet student and employer needs.



FANSHAWE

Unlocking Potential



EXECUTIVE SUMMARY



Executive Summary

2017/18 Strategic Plan Implementation

Policy	Successes Achieved	Challenges & Emerging Issues
<p>A-05 Vision and Mission</p> <p>A-35 Student Success</p> <p>A-40 Meeting Labour Market Needs</p>	<ul style="list-style-type: none"> ➤ Section C demonstrates how the Board's Ends are being achieved. ➤ Operating plans are in place for 2017/18 to advance the College's Strategic Goals. Highlights of the plans are provided to demonstrate advancement of the Strategic Goals and associated Outcomes. 	<ul style="list-style-type: none"> ➤ Section A summarizes the external environment, which highlights the importance of the College remaining nimble and adaptive in the mid-term. ➤ Government funding continues to be increasingly constrained.
<p>D-05 Financial Planning</p> <p>D-10 Financial Condition</p>	<ul style="list-style-type: none"> ➤ Details of the financial plans are outlined in Section D. ➤ The financial projection for 2017/18 reflects an in-year surplus position of \$2.75 million for 2018 and a projection of \$1 million for each of the following two fiscal years, as measured with the principles used in reporting the College's financial statements and consistent with the Board's financial planning policy (Board Policy D-05). ➤ The budget development process focused on continuing with the strategy of cost containment and the realignment of resources allowing for a number of new investments to support the Colleges' strategic goals. 	<ul style="list-style-type: none"> ➤ While the College takes an unbiased approach to its financial plans, the following are potential areas of financial risk associated with the 2017/18 operating plan assumptions: <ul style="list-style-type: none"> ○ Level of operating grants ○ Other revenue targets ○ Government programs ○ International revenues
<p>D-12 Capital Planning</p>	<ul style="list-style-type: none"> ➤ Details of the capital projects plans are outlined in Section E. ➤ The College's facilities expansion and capital development program is continuing as Fanshawe responds to pressure for capacity to support academic programming and service delivery necessary to achieve its current strategic goals, as well as for ensuring its facilities are well maintained and meet the needs of the current and ever-evolving learning and working environment. 	<ul style="list-style-type: none"> ➤ The College will increase its debt financing and draw down its working capital to support approved capital projects, but it is projected that financial health indicators will remain favorable. ➤ The College is coming to the end of its \$100 million capital campaign, which has had several aims including specific targets towards specific capital projects. ➤ Addressing unfunded infrastructure renewal needs continues to be a challenge for the College and the province.



SECTION A

Government Issues



A. Government Issues

The following section highlights the government context within which the College will be operating as it develops its operational and financial plans.

Economic and Political Challenges

In 2016, the Canadian economy grew by 1.4%¹. The growth rate is expected to increase to 1.8% in 2017, due to “the end of the two year downturn in business investment and increased government spending in infrastructure”. Economic projections however vary by region. In 2016, the provinces of British Columbia and Ontario enjoyed economic growth. However, these two provinces are expected to experience slowed growth due to a cooling in the housing market. Alberta and Saskatchewan, on the other hand, will “head to the top of the leaderboard” – partly because oil prices have experienced slight increases, stabilizing these economies. Although the job markets in these regions will remain soft with higher-than-usual unemployment rates, they are expected to gradually recover over the next two years.

Potentially dramatic shifts in United States government policies (e.g., approval of the Keystone XL pipeline; renegotiation of the North American Free Trade Agreement), following the appointment of the new administration, as well as, several Canadian federal initiatives (e.g., new housing regulations) could influence Canadian’s economy over the next year. It remains to be seen how these policies, especially Trump’s, will impact the Canadian economy.

Federal level: On March 22, 2017, the Trudeau government unveiled its 2017 federal budget². Although no plans were laid out to balance the books (“the deficit projection for 2016-17 is \$23-billion, rising to \$28.5-billion by 2017-18 and down to \$18.8-billion by 2021-22³”), the Finance Minister, Bill Morneau, indicated that the purpose of the plan was to “put Canadians to work, and to make Canada more innovative and globally competitive³”. Initiatives from the Canadian federal government, which are derived from the recently released Budget, the 2016 federal Budget and other relevant documents, and which are expected to influence the postsecondary sector are briefly discussed in the following paragraphs. These include: immigration reform; investments in education, research infrastructure and green energy; and the indigenous people strategy.

The Federal Liberals made a number of commitments to addressing immigration reform over the last year including: setting targets for admittance of Syrian refugees, adjusting the Express Entry Program, and attracting talented immigrants through increases to the research and innovation ecosystems. These initiatives generally follow a trend to boost the Country’s economic performance. Citizenship and Immigration Canada states that “for Canada to remain a model to the world, it must continue to welcome refugees, improve the transparency of immigration processes, decrease processing times and foster collaboration with provinces, territories, municipalities and individual Canadians”(Immigration Government of Canada, 2016)⁴. The government has also introduced its Express Entry Program to manage permanent residence applications under a number of federal and provincial entry programs, in order to find workers that meet labour market needs. Finally, it is granting more temporary (work and study) resident permits than it did in the past.

The 2016 federal budget proposed to increase Canada Student Grant amounts, which have not been updated since 2009, by 50%. Additionally, students will now be required to contribute a flat rate towards education costs rather than estimating their financial trade-offs between having student loans and financial assistance (Ministry of Finance, 2016)⁵. More recently, in the 2017 federal budget, the following were proposed for students and others looking to upgrade their skills:

¹ https://www.td.com/document/PDF/economics/qef/ProvincialEconomicForecast_Dec2016.pdf

² <http://www.budget.gc.ca/2017/docs/plan/toc-tdm-en.html>

³ <http://www.theglobeandmail.com/news/politics/2017-federal-budget-highlights-breakdown/article34380231/>

⁴ <http://www.cic.gc.ca/english/department/consultations/consult-por.asp>

⁵ <http://www.budget.gc.ca/2016/docs/plan/toc-tdm-en.html>

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- “\$59.8 million over four years, beginning in 2018-19, to make student loans and grants more readily available for part-time students, and \$107.4 million over the same period to assist students with dependent children.
- \$287.2 million over three years, starting in 2018-19, for a pilot project to facilitate adult-student access to student loans and grants.
- \$2.7 billion over six years for labour market transfer agreements with the provinces and territories to modernize training and job supports, to help those looking for work to upgrade skills, gain experience, start a business or get employment counselling⁶.”

Through its Post-Secondary Institutions Strategic Investment Fund (SIF), the government continues to invest in postsecondary educational initiatives. SIF is a \$2-billion initiative “designed to modernize research and commercialization facilities at Canadian universities, colleges and polytechnics” (Innovation Government of Canada, 2016)⁷. This investment has recently been accessed by Fanshawe to help fund the new Centre for Advanced Research and Innovation in Biotechnology, which was announced in October 2016.

In the Fall Economic Statement (Government of Canada, 2016a)⁸, the federal government outlined a plan to invest \$180 billion in infrastructure over the next 11 years. The new spending includes \$95 billion of new spending added to the \$91 billion of existing infrastructure programs. The government will begin distributing the new funds in 2017/18. Broadly, the funding will focus on public transit; green infrastructure; social infrastructure; transportation that supports trade; Canada’s rural and northern communities; and smart cities (Government of Canada, 2016a)⁸. This massive spending plan will require that the government run significant budget deficits as promised by the Liberal party during the 2015 elections. To direct this spending, the government is creating the new Canada Infrastructure Bank, “an arm’s-length organization dedicated to increasing investment in growth-oriented infrastructure, transforming the way infrastructure is planned, funded and delivered across the country” (Government of Canada, 2016a)⁸. The Bank will be responsible for investing at least \$35 billion from the federal government into large infrastructure projects that contribute to economic growth through loans, loan guarantees and equity investments.

Furthermore, following commitments made at the United Nations Climate Conference, the federal government has begun transitioning to a low-carbon economy. The 2016 federal budget allocated \$1 billion over four years for this initiative. Starting in 2017/18, the funds will be used to support clean technology in forestry, fisheries, mining, energy and agriculture sectors. This funding is broken down into two main categories: (a) Clean Technology and (b) Securing a Cleaner, More Sustainable Environment. The bulk of funding for the sustainable environment initiatives will support environmental protection activities such as reducing greenhouse gas emissions, developing a pan-Canadian Framework on Clean Growth and Climate Change and improving the regulatory review process for major projects in the far north (Government of Canada, 2016b)⁹.

Finally, the 2017 federal Budget indicates that an additional \$3.4 billion will be allocated to indigenous communities over the next five years to improve their socio-economic conditions. Although most of the new money is to be used for infrastructure and health, funds are also to be used for “child care, *postsecondary education*, employment initiatives, language and culture preservation, alternative sentencing, rehabilitation of Indigenous offenders, environmental fisheries

⁶ <http://www.ctvnews.ca/politics/highlights-from-the-2017-federal-budget-1.3336415>

⁷ <https://www.ic.gc.ca/eic/site/051.nsf/eng/home>

⁸ <http://www.budget.gc.ca/fes-eea/2016/docs/themes/infrastructure-en.html?=&wbdisable=true>

⁹ <http://www.budget.gc.ca/2016/docs/plan/ch4-en.html>

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(which get another \$250-million over five years), help for urban aboriginals, land-claims settlement, and meeting the oversight recommendations of the Truth and Reconciliation Commission¹⁰.”

Provincial level: At the provincial level, increases in GDP growth are projected in 2017 – from 2.6% in 2016 to 3.0% in 2017. Factors contributing to the positive trend include “steady growth in the U.S. economy, the ongoing impacts of a more competitive Canadian dollar, low oil prices¹¹” and low interest rates. Risk factors that could have negative impacts on Ontario’s real GDP are low metal prices (specifically affecting the northern regions), “geopolitical events, and potential disruptions in financial markets emanating from emerging markets” (OCC, 2016, p.3)¹¹.

Exports and imports are both expected to increase by 2.4% and 2.2% on average each year from 2016 to 2019. The projected average growth rates for household spending; government spending (including investment and consumption), and business investment are 2.1%, 1.4%, and 2.8% respectively over the three-year period (Ontario Ministry of Finance, 2016a)¹¹. It is noteworthy that Canada-U.S. trade relationships might be affected by a more protectionist approach adopted by president Trump’s administration.

Further decline in the unemployment rate is forecasted for the next three years, with an average of 68,000 new jobs (equal to 1.0% increase in employment) expected to be created annually. According to the Ontario Ministry of Finance projections, the value of Canadian dollar against U.S. dollar will increase gradually over the next three years, from 77.0 to 82.0 Cents (Ontario Ministry of Finance, 2016a, pp. 115, 120, 124)¹¹.

Provincial matters in the upcoming year that are expected to influence the postsecondary educational sector include the upcoming election in 2018, changes to Ontario Student Assistance Program (OSAP), a revised funding formula, immigration efforts, and investments in infrastructure and green technology.

The current year (2017) will see the provincial political parties building their campaigns for the upcoming June 7, 2018 election as the incumbent Liberals try to manage flagging poll numbers. “The Liberals have spent much of the past year playing defence on hydro and fundraising reform. If the past is any guide, they’ll switch to offence in the run-up to the election. However, there’s still only so much Wynne can do to recover from her abysmal approval rating. Much will depend on her opponents” (Platt, 2016)¹².

Furthermore, the province has maintained that it will achieve a balanced budget by 2018. Along with this promise, Ontario has amended OSAP to allow low-income students the ability to graduate without having to pay back provincial student loans (“Ontario Making College and University More Affordable”, 2016)¹³. Further plans from the 2016 Budget include: the increase in access to interest-free and low-cost loans for middle and bupper income families. It should be noted that Ontario is faced with a growing debt of over \$300 and has also been labeled the ‘world’s most in-debt jurisdiction’. This financial position may reduce its fiscal flexibility (Financial Accountability Office of Ontario, 2016).

The Ministry of Advanced Education and Skills Development (MAESD) has also changed its method of funding the college system. Where funding has traditionally been tied to the set amount of money per student enrolled, it has now introduced a corridor-funding model for the 2017/18 fiscal year. This funding, based on weighted funding units (WFU), will look at student numbers in relation

¹⁰ <http://www.theglobeandmail.com/news/politics/2017-federal-budget-highlights-breakdown/article34380231/>

¹¹ <http://www.fin.gov.on.ca/en/budget/fallstatement/2016/chapter3a.html>

¹² <http://ottawacitizen.com/news/politics/platt-as-we-enter-2017-a-shaky-opposition-takes-aim-at-a-beleaguered-ontario-government>

¹³ <https://news.ontario.ca/opo/en/2016/09/ontario-making-college-and-university-more-affordable.html>

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to three-year historical trends at each college. “In 2017-18, the Core Operating Grant will be allocated based on the average enrolment in 2013-14, 2014-15 and 2015-16 multiplied by the average grant per WFU...” (Ministry of Advanced Education and Skill Development, 2017). This process will be repeated in 2018/19 and 2019/20. However, “in the years after 2019-20, as long as enrolments remain within the range of 3% above and 7% below the established corridor midpoint, a college will receive the same amount of funding” (Ministry of Advanced Education and Skill Development). The new model will also be tied to the new Strategic Mandate Agreement.

The MAESD also advised that the tuition fee framework, which was to have ended in 2017, will be extended for two additional years. For Fanshawe, this means that tuition for most post-secondary programs can increase by 3% per year with some variation for programs labeled as “high demand.”

The province has also identified education as an ongoing priority as Ontario has been the leader in terms of tertiary attainment among the provinces and territories with 56% of its population holding a college or university credential (“Education Indicators in Canada: Fact Sheets,” 2016). In September of 2016, the Premier issued a mandate to the MAESD that focused on three new priorities. These priorities are to:

- Create a more seamless, integrated client-focused employment and training system to improve the experience for workers and job seekers and to help Ontarians prepare for the jobs of the future;
- Increase access to high-quality and affordable college and university education; and
- Build Ontario’s highly skilled workforce for the modern economy (“September 2016 Mandate letter: Advanced Education and Skills Development | Ontario.ca,” 2016)¹⁴.

The provincial government has committed to investing up to \$180 million in two new university-led postsecondary sites in Brampton and Milton, as part of its plan for major expansion in postsecondary infrastructure. Over the next few years, the province will place high emphasis on “increasing experiential learning opportunities, helping students acquire the talent and skills for the knowledge economy, and encouraging partnerships in high-demand fields¹⁵”. In 2016, University of Toronto, Algonquin College, Niagara College, Sault College, Collège Boréal, and Fanshawe College received financial support from the government, as part of the Postsecondary Institutions Strategic Investment Fund in Ontario (Ontario Ministry of Finance, 2016a, pp. 33-34)¹⁶. In addition, \$26.4 million has been invested in the Ontario Bridge Training programs since 2015, in order to facilitate and foster the integration of highly skilled newcomers into the Canadian job market (Ontario Ministry of Finance, 2016b, p. 321).

The Province is continuing to seek out immigrants in its growth agenda, “adding to the quality indicators, Ontario excels at integrating immigrant students and has the smallest gap between the performance of immigrant and non-immigrant students on the student math test, which earns the province an “A” on the equity in outcomes indicator. Ontario’s strong showing on this indicator is particularly significant given that it has the largest provincial share of immigrants” (Conference Board of Canada, 2016)¹⁷. It is expected that Ontario will continue to build on these strengths.

For infrastructure spending, the Province has committed to investing \$137 billion over the next 10 years in public infrastructure such as roads, bridges, public transit, hospitals and schools (Government of Ontario, 2016). A portion of this money has been directed to the infrastructure of

¹⁴ <https://www.ontario.ca/page/september-2016-mandate-letter-advanced-education-and-skills-development>

¹⁵ <https://news.ontario.ca/maesd/en/2016/10/ontario-expands-access-to-postsecondary-education-in-milton-and-brampton.html>

¹⁶ <https://www.ic.gc.ca/eic/site/051.nsf/eng/home>

¹⁷ <http://www.conferenceboard.ca/hcp/provincial/education.aspx>

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postsecondary education. It is promised that \$3 billion will be available over 10 years for capital grants to post-secondary institutions¹⁸.

In 2016, the province began a five-year initiative called the Climate Change Action Plan (Ontario, 2016)¹⁹. The Plan is intended to have broad, sweeping impacts across the private and public sectors. Attached to this plan is a spending allocation of \$7 billion over four years to be mainly focused on establishing a "Green Bank" to help homeowners and businesses access and finance energy-efficient technologies to reduce greenhouse gas pollution from buildings. The other major investment area will be to offset the costs of cleaner transportation options, targeting personal vehicles and trucks and increasing public transportation. Additional investments from the plan will create a carbon market for the cap and trade initiative, retrofitting public buildings for energy efficiency, creating collaborations with indigenous communities, and protecting agricultural and natural lands (Ontario, 2016)¹⁹. Included in this initiative is \$55 million to support research and development in climate science and zero-carbon technologies. These research and development funds will also support proof-of-concept technologies.

Municipal level: At the municipal level, continued economic growth is forecasted for 2017 and "substantial gains" in the housing market are expected for London and Windsor-Sarnia regions (OCC, 2016)²⁰. The city of London's population is expected to grow "by more than 77,000 people and 41,000 housing units" over the next 20 years (The City of London, 2016, p.4)

In 2017, the City of London enters the second half of its four-year council mandate. In its 2016 Report to the Community, city residents were polled on the top three issues facing London. These issues were Transportation, Development, and Infrastructure and Economics. The status of transportation as a number one issue is unsurprising, as the Bus Rapid Transit plan dominated the news for a significant portion of 2016.

The City has moved forward on its \$500 million rapid transit plan with Council confirming that the option will be to have a bus system with a possibility of limited light rail. The funding for the plan has not yet been confirmed from federal and provincial governments. However, the City is confident in its proposal and has established a Rapid Transit Implementation Office, which is intended to coordinate the transit planning activities (Brown, 2016)²¹.

In 2015, the City of London created its Community Economic Road Map as part of its Strategic Plan for 2015-2019 (City of London, 2015)²². The Economic Road Map "sets out the framework to ensure that the City evolves with a strong and diverse economic base while fostering high-value and sustainable employment over the long term. Success of the plan will rely on the ability of the city and other stakeholders to coordinate and orchestrate the actions of a broad range of community based organizations that influence economic, social, and environmental activities (City of London, 2015). This Economic Road Map will focus on five priorities: (a) a city for entrepreneurs; (b) a supportive business environment; (c) an exceptional downtown, a vibrant urban environment; (d) a top quality workforce; and (e) a national Centre of Excellence for medical innovation and commercialization. For the other pillars of their 2015-19 Strategic Plan, the city is reporting steady progress towards "Strengthening the Community", "Building a Sustainable City", and "Leading in Public Service"²².

¹⁸ <http://www.fin.gov.on.ca/en/budget/ontariobudgets/2016/bk2.html>

¹⁹ <https://www.ontario.ca/page/climate-change-action-plan>

²⁰ <http://www.occ.ca/advocacy/ontario-economic-update-2016/>

²¹ <http://www.lfpress.com/2016/11/29/rapid-transit-nerve-centre-rolling-closer-to-reality>

²² <https://www.london.ca/business/Resources/Documents/London's%20Community%20Economic%20Roadmap%20-%20Final%20Report.pdf>

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Demographic Challenges

On July 1, 2016, Canada's population was estimated at 36,286,425. This indicates 1.2% growth compared to the previous year (2015/16), which is the highest rate since 1988/89 (Statistics Canada, 2016a)²³. According to Statistics Canada's projection, the Country's population would continue to grow over the next 50 years. However, the growth may happen at a slower rate (Carrière et al., 2016)²⁴. Ontario will remain Canada's most populous province. The current population of 13,982,984 residents will increase to 14.8 million by 2038 according to the lowest growth rate scenario and immigration will continue to be the key factor contributing to population growth (Statistics Canada, 2014)²⁵. The population of the London Census Metropolitan Area was 474,786, based on the 2011 census data²⁶.

Baby-boomers formed more than one-third (35.7%) of the population aged over 65 in 2016, compared to 30.2% in the previous year (Statistics Canada, 2016a). The trend toward aging population is expected to persist according to all projection scenarios²⁷. The proportion of the working age population (between 15 and 64 years) would decrease from 68.6% in 2013 to 60% in 2030. At age 65, about 1 in 4 people born between 1957 and 1961 could be born abroad and 17% could belong to a visible minority. These proportions increase to 1 in 2 and 50% respectively among people born between 1997 and 2001 (Carrière et al., 2016).

According to the 2011 Census data, the median age is relatively lower in London compared to the province. Yet, the number of residents in the 40 to 54 age group, as well as those 80 and older is increasing. At the same time the total share of population aged 25 to 39 continues to decline.

Immigration and Diversity

Migration accounts for 71.7% of the population growth. During the past year Canada experienced the highest number of immigrants in a single annual period (320,932) since the early 1910s. It is noteworthy that 53.4% of immigrants were in the 25 to 44 age group. In addition, a relatively high and increasing proportion of immigrants (21.3% in 2016 compared to 18.7% in 2016) have children younger than 15 years of age (Statistics Canada, 2016a)²³.

According to the 2011 National Household Survey, 1 out of 5 people in Canada is foreign-born. This proportion accounts for 20.6% of the total population and is the highest among the G8 countries. The majority of immigrants, arrived in Canada between 2006 and 2011, and came from Asia (including the Middle East), while immigration from Africa, the Caribbean, Central and South America increased slightly (Statistics Canada, 2013a). New immigrants tend to live in large urban centers, specifically Toronto, Vancouver and Montreal. Nearly 11,905 newcomers have settled in London between 2006 and 2011, representing 2.5% of its total population (Statistics Canada, 2013a)²⁸.

In 2011, 6,264,800 people identified as members of a visible minority group. South Asians, Chinese and Blacks (mostly Africans) are the three largest visible minority groups, accounting for 61.3% of the total visible minority population, followed by Filipinos, Latin Americans, Arabs, Southeast Asians, West Asians, Koreans and Japanese. Around 22.1 million people, two-thirds of Canada's population, were affiliated with the Christian religion, while slightly over 1 million people identified

²³ <http://www5.statcan.gc.ca/olc-cel/olc.action?objId=91-215-X&objType=2&lang=en&limit=0>

²⁴ <http://www.statcan.gc.ca/daily-quotidien/160309/dq160309a-eng.htm>

²⁵ <http://www.statcan.gc.ca/daily-quotidien/140917/dq140917a-eng.htm>

²⁶ <http://www12.statcan.gc.ca/census-recensement/2011/dp-pd/prof/details/page.cfm?Lang=E&Geo1=CMA&Code1=555&Geo2=PR&Code2=01&Data=Count&SearchText=Lond on&SearchType=Begins&SearchPR=35&B1=All&Custom=&TABID=1>

²⁷ Stats Canada's report is based on seven projections scenarios including a low-growth scenario, five different medium-growth scenarios that only differ in terms of their assumptions about interprovincial migration, and a high-growth scenario.

²⁸ <http://www12.statcan.gc.ca/nhs-enm/2011/as-sa/99-010-x/99-010-x2011001-eng.cfm>

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themselves as Muslim (3.2% of the total population), 1.5% as Hindu, 1.4% as Sikh, 1.1% as Buddhist and 1.0% as Jewish. About 24% of the population indicated no religious affiliation.

During the past year 36,393 Syrian refugees have arrived in Canada, with 13,372 of them privately sponsored. By December 4th 2016, an additional 4,124 refugee applications were finalized and 18,940 applications were in progress. Refugees are settled in 340²⁹ communities across Canada, including London. Since November 2015, 1,093 government-assisted refugees and 368 privately-sponsored refugees have settled in London³⁰.

Indigenous People's Prosperity

In 2012, the National Aboriginal Economic Development Board (NAEDB) completed a benchmark study examining the prosperity of First Nations, Inuit and Metis people between the period of 2006 and 2011. The latest Statistics Canada census data was then used to complete a new report called "The Aboriginal Economic Progress Report", released in June 2015³¹. This recent report indicates that key indicators of Indigenous prosperity are actually moving in the wrong direction. Key indicators examined by the report relate to "core economic issues such as employment and income and underlying issues such as education and living conditions". The gap is widening for First Nations on reserves in terms of "employment, reliance on government transfers, college and university completion rates and housing". Some critics suggest that the greatest barrier to Indigenous economic development is the federal spending formula. Approximately 96% to 98% of the federal funding is earmarked for social programming as opposed to economic development (Galloway, 2015, First Nations, p.1)³².

Only 6% of Ontario college students self-identified as Aboriginal in the 2015/16 KPI Student Satisfaction Survey, mostly enrolled in the Northern Ontario colleges (Ontario Colleges, 2016, p. 19). The importance of facilitating and reducing barriers to post-secondary education for Indigenous individuals is emphasized in the Truth and Reconciliation Report. All levels of government are called upon to "provide the necessary funding to post-secondary institutions to educate teachers on how to integrate Indigenous knowledge and teaching methods into classrooms". In addition, postsecondary institutions are encouraged to "create university and college degree and diploma programs in Aboriginal languages" (TRC, 2015, pp. 157; 239)³³.

Postsecondary Enrolment

In the 2014/15³⁴ academic year, 2,054,943 students were enrolled in Canadian public colleges and universities, slightly higher than the previous year (2,048,343). The growth was mainly driven by the increase in enrollment numbers in Ontario (+8,358) and Quebec (+6,600). Enrolments declined in British Columbia, Alberta and New Brunswick. Business, management and public administration were the top fields of study selected by female students in the 2014/15 academic year. The majority of male students were enrolled in architecture, engineering and related technologies (Statistics Canada, 2016b). According to the 2011 National Household Survey, men accounted for the majority (78.9%) of Registered Apprenticeship certificate holders aged 25 to 64 as well as the majority (67.4%) of adults with STEM degrees at the university level within this age range. It is noteworthy that the percentage of STEM degree holders has increased among younger women (aged 25 to 34). Immigrants (including both established and new immigrants) account for 34.3% of adults with a

²⁹ Not including Quebec

³⁰ Retrieved on December 14, 2016 from: <http://www.cic.gc.ca/english/refugees/welcome/milestones.asp>

³¹ <http://www.naedb-cndea.com/reports/NAEDB-progress-report-june-2015.pdf>

³² This paragraph is quoted from the "2016/2017 – Fanshawe Planning Framework", submitted in March 2016.

³³ http://www.trc.ca/websites/trcinstitution/File/2015/Findings/Calls_to_Action_English2.pdf

³⁴ This information was obtained from a Statistics Canada report released on November 23, 2016 and represents the most recent published data on this matter.

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university degree and 50.9% of all STEM degree holders, although they represent one-quarter (24.6%) of Canada's total adult population.

The number of students with a career, technical or professional training diploma has significantly increased over the past 15 years. These students accounted for 18.3% of all graduates in 2014, compared to 10.8% in 2000. International student enrolments increased by 11.4% during this period, accounting for 10% of total enrolments. Ontario, Quebec, and British Columbia are the main destinations for international students (Statistics Canada, 2016b). It is noteworthy that in 2015, two-thirds of Canadians aged 25 to 64 had completed postsecondary education, which is considerably higher than the OECD average (40%). Thirty per cent (30%) of people with postsecondary education had a university degree (in par with the OECD average of 28%), while 37% attended colleges or other forms of trade or vocational educational institutions. This is much higher than the 13% OECD average and can be partly attributed to Canada's relatively unique college system (Statistics Canada, 2016c).

The number of applicants to Ontario colleges has declined over the past three fully reported academic years (from 199,998 in 2013/14 to 196,088 in 2015/16³⁵). More than 34,000 international students were enrolled in Ontario colleges in the 2015/16 academic year, indicating an increasing trend over the last decade. According to 2015 data, 87% of Ontario College applicants were born in Canada. Immigrants who arrived in Canada between 2009 and 2013 account for the largest proportion of the foreign-born applicants, while new immigrants, arrived after 2013, represent the smallest group of immigrant applicants. With regard to employment status, the majority of applicants (43%) had part-time jobs, 28% were unemployed and 20% worked full-time. Women and those between 35 to 44 years of age account for the majority of continuing education students. Recent immigrants (arrived in Canada within the last ten years) form 20% of the continuing education students (Ontario Colleges, 2016).

Student Mental Health

According to Health Canada, the onset of a significant number of mental health issues occurs during adolescence and young adulthood³⁶, which coincide with the start of postsecondary studies. Canadian research findings show gender and geographic differences in incidence as well as better outcomes for affected students at smaller institutions. A comprehensive body of Canadian, American, Australian, and British research has established that poor student mental health is highly correlated with poorer academic outcomes including lower grade point averages, fewer course completions, and early school leaving.

Research

Applied research continues to be an important area of growth in the college sector. To this end, Colleges and Institutes Canada (CICan) has launched recommendations "encouraging the government to capitalize on the capacity and capabilities of its members to achieve inclusive growth". These recommendations are: "developing and maintaining an innovation-ready workforce to foster an entrepreneurial and creative society and compete in a digital world; unlocking innovation to expand and exploit global science excellence, support world leading clusters and partnerships and increase the ease of doing business; and empowering student and community entrepreneurs to grow companies and accelerate clean growth" ("CICan shares its vision for Canada's Innovation Agenda", October 20, 2016)³⁷.

³⁵ The 2016 data covers applications received up to May 2016.

³⁶ http://www.camh.ca/en/hospital/about_camh/newsroom/for_reporters/Pages/addictionmentalhealthstatistics.aspx

³⁷ <https://www.collegesinstitutes.ca/news-centre/news-release/cican-shares-its-vision-for-canadas-innovation-agenda/>



SECTION B

Board Directions



B. Board Directions

The direction to the College from the Board of Governors is communicated through three separate Ends policies. Descriptions of these policies follow:

Vision and Mission (A-05)

The Board approved a new Vision and Mission for the College in May 2013 as articulated in Policy A05. They are as follows:

Vision Statement:

Unlocking Potential

Mission Statement:

Provide pathways to success, an exceptional learning experience, and a global outlook to meet student and employer needs.

The Vision Statement is considered aspirational and a powerful picture of what the College can and should be a decade from now. The Mission Statement is considered to be the path that directs the College towards the Vision. A Mission Statement is often considered to be a five to ten year journey. Our Mission builds upon the College's former strengths with respect to the provision of an exceptional learning experience, but now also emphasizes the importance of enabling student education and labour market pathways to emerge and blossom. Moreover, it recognizes that our work is indeed global and so too then must be our reach and influence.

The College leadership developed and implemented four Strategic Goals aligned to the Vision and Mission in May 2013. Within each of these goals, several operational Outcomes were developed by College leadership. The Goals and Outcomes are now viewed by the Board of Governors and College leadership as having been achieved. During the past year, a collaborative approach has been ongoing to cast new Strategic Goals and Outcomes. During the April 2017 Board of Governors meeting, the revised Strategic Framework will be shared with the Board of Governors for their final review and endorsement.

More specific actions intended to advance the College's operational Outcomes are discussed in the next section of this report.

Student Success (A-35)

In April 2015 the Board of Governors approved extensive changes to its Student Success policy. The scope of the revised policy includes most of the College's students instead of the previous focus on the success of full-time post-secondary students. Indicators of student success through which the College's performance is measured are expanded to include other educational goals including pathways to further education, personal development, employment, students' progression in their programs, the attainment of global mindset, and value for

students' investments in their education in addition to the existing success indicators of program completion, skill attainment, graduate satisfaction and employer satisfaction. The revisions to the policy were informed by focus group discussions with students, alumni, employers, and College faculty and staff. In September 2015 the Board approved the first monitoring report under the expanded Student Success policy.

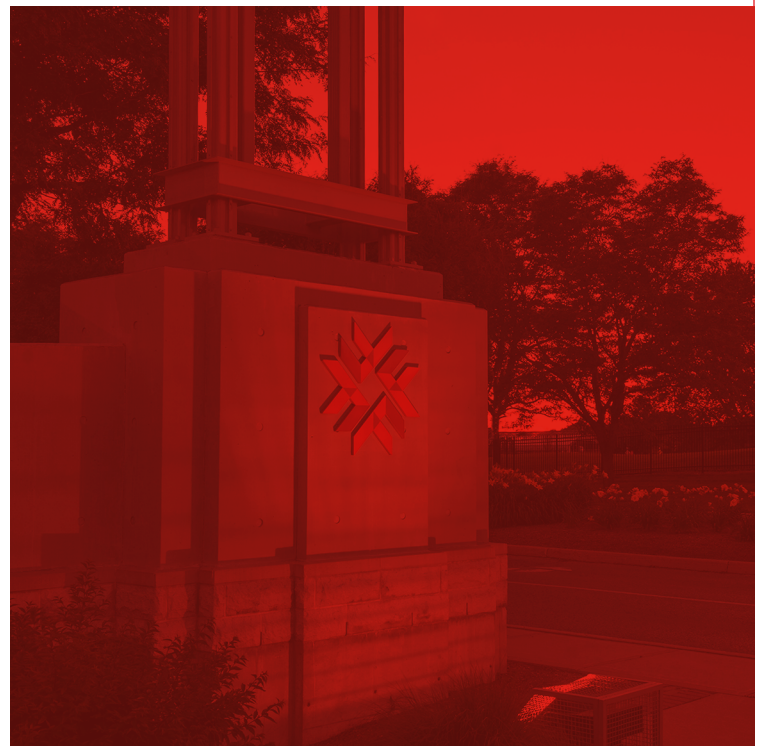
Meeting Labour Market Needs (A-40)

The Board's Meeting Labour Market Needs policy ensures compliance with one of the mandates defined in the Ontario Colleges of Applied Arts and Technology, 2002 where it states, "the objects of the colleges are to offer a comprehensive program of career-oriented, post-secondary education and training to assist individuals in finding and keeping employment". The policy also affirms the College's commitment to providing graduates with the skills necessary to satisfy current and future labour market needs of the communities served by the College. The College accomplishes this by providing career focussed post-secondary programs for which curriculum is informed by industry led program advisory committees and through delivery of corporate/contract training. The College remains committed to an aggressive new program development/renewal initiative. The College also enjoys a strong working relationship through its signed partnership with the London Economic Development Corporation.



SECTION C

Progress Towards Achieving
College Goals



C. Progress Towards Achieving College Goals

The purpose of Section C is to demonstrate that operating plans are in place for 2017/18 to advance the College's Strategic Goals. Specifically, Section C demonstrates how compliance with the monitoring criteria 1.1 in Board policy D-05 will be achieved:

- (1.1) Each financial plan shall not fail to describe in a narrative form how financial resource allocations are aligned with the Board's Ends

Goal 1: Enhance innovative practices for exceptional student learning

Fanshawe College remains committed to continuous improvement in its pedagogy as well as its services and facilities. To this end, the College has actively engaged in various strategic and results-oriented processes and activities, to ensure it maintains high quality standards in teaching, learning and student services. Some of these processes and activities are briefly described below:

The College has developed some key processes and practices aimed at enhancing innovation and quality in the classroom. These include: the Stage-Gate new program development process, which carefully considers new program proposals; a number of assessment tools that comprehensively examine the health of existing programs (e.g., the balanced scorecard; Program Quality Assurance Self-Assessment tool); and the formal program review process, which occurs every five years. These rigorous processes are followed to ensure that students' needs are met; program and course learning outcomes are achieved; the content of academic programs is current and relevant to meet the needs of the labour market; the delivery format is effective; and action plans have clear recommendations and next steps for implementation.

To strengthen its competitive advantage and to attract and retain students, Fanshawe has also focused on enriching the student experience through its services and facilities. Strong student experience data is also being continuously collected to give the College an understanding on how it is performing relative to its competitors. These data include results from the Ministry-mandated KPI Student Satisfaction Survey and the University/College Applicant Survey (UCAS). Using these data, the College is able to compare itself to other large colleges on specific student services and outcomes, and reputational dimensions (e.g., affordability, teaching, innovation). Results of these analyses are used to develop strategies and action plans for continuous improvement. For example, in 2016/17 the various student services departments in the College (e.g., Library Services, the Campus Store, Food Services, Student Residence Services, Health Services, Career Services, and Athletics/Recreation Services) engaged in a series of activities aimed at increasing student satisfaction and engagement.

All future-focused research has demonstrated the need for colleges of the future to be increasingly innovative. In addition, the Board of Governors, and internal senior and mid-level leaders have consistently rated 'innovation' as a priority for the College moving forward. Moreover, the federal and provincial governments are increasingly rewarding innovation. For example, the recently released 2017 federal budget includes an "innovation and skills plan" to

“
Canada Foundation for Innovation (CFI) is participating in the Innovation Enhancement (IE) component of the College and Community Innovation (CCI) Program “in order to foster partnerships between colleges and private sector that will lead to business innovation at the local, regional and national levels².” For

¹ <http://www.ctvnews.ca/politics/highlights-from-the-2017-federal-budget-1.3336415>

² http://www.nserc-crsng.gc.ca/Professors-Professeurs/RPP-PP/CCI-ICC_eng.asp

C. Progress Towards Achieving College Goals

these reasons, the College will continue to encourage and promote innovation in research and teaching.

In the sections that follow, specific strategies for the next year are discussed:

Teaching and Learning:

- The College will ensure that key policies, procedures and practices are in place to successfully meet the six standards associated with the College Quality Assurance Accreditation Process (CQAAP). The audit will be taking place in the spring of 2018.
- In the last few years, the number of online courses and programs offered by Fanshawe has increased significantly. The Lawrence Kinlin School of Business, the School of Language and Liberal Studies, and Part-Time Studies offer most of these courses and programs. The College has been deliberate in moving in this direction and has provided the necessary resources and structures needed to support e-learning across its Schools. The College will continue to implement its e-learning strategy by ensuring that all postsecondary programs provide at least 5% online delivery in the next few years.
- Fanshawe will continue to develop a culture of research and innovation. According to the College's most recent Integrated Master Academic Priorities Plan 2016-2019 (iMAPP), "the participation in research and innovation projects supports experiential learning, provides opportunities for faculty and staff to engage in professional development, and engages the College with our industry, business, and community partners to help them address their real-world needs." The College has recently developed a renewed Research and Innovation Agenda, and has also been invited to join Polytechnics Canada. These factors will help research and innovation become an integral part of the College, and are expected to lead to increased research activity in the next year. The College will also ensure that all post-secondary students have a research or innovation experience as part of their programs.
- The College will develop a digital strategy aimed at supporting technology-enabled practices in the classroom. Technological advances have resulted in radical shifts across various sectors, and have also blurred the boundaries across disciplines and encouraged integration across fields. Technology has also allowed for more flexibility in pedagogy and facilitated interactions between students, and their colleagues and instructors inside and outside the classroom. Technology also enables more effective learning approaches such as experiential learning and cross-disciplinary collaborations. The College will support educators as they introduce more technology in the classroom.

Student Services: The following Student Services strategies will be introduced across the College:

- *First Year Experience:* Colleges are increasingly challenged with helping students to successfully complete their postsecondary education. There is a significant body of research to support that focusing on academic and social integration in the first year of a student's lifecycle will bolster persistence and engagement and help students achieve their educational goals. To this end, the College will develop strategies to enhance the student learning and social experience from orientation through to the end of first year. These strategies will be aimed, in particular, at helping Level 1 students persist to Level 2 (students are most likely to withdraw from their programs and/or dropout of the College between Level 1 and Level 2). The College already tracks retention rates by program. This information is important, as it helps the College identify programs with low retention rates, groups of students that may be performing significantly worse than others, and courses that may be acting as gatekeepers. Retention information informs new

C. Progress Towards Achieving College Goals

approaches to service and learning that will enhance the first year experience of all students, enabling students to transition successfully into and through college.

- *An indigenous strategy:* This strategy will align with the Indigenous Education Protocol for College and Institutes³. All levels of government have been called upon to “provide the necessary funding to post-secondary institutions to educate teachers on how to integrate Indigenous knowledge and teaching methods into classrooms”. In addition, postsecondary institutions have been encouraged to “create university and college degree and diploma programs in Aboriginal languages” (TRC, 2015, pp. 157; 239)⁴. To this end, the College will work with internal and external stakeholders to develop strategic plans to meet the specific needs of its indigenous population.

Goal 2: Grow enrolment by 6% over three years

In 2012, the College set an aggressive growth agenda, aiming to grow by 15% over a five-year period. To achieve this goal, the College engaged in a host of activities including: significant new program development, closely aligned to student demand and labour market need; the expansion of flexible delivery offerings for academic programs; expedited development and delivery of programs designed to specifically attract international students; the recruitment of significantly more international students across academic programs; and better marketing and recruitment strategies aimed at specific groups (e.g., non-direct applicants).

However, a few challenges have emerged as a direct/indirect result of this explosive growth. First, space and scheduling challenges have risen in trying to accommodate students and faculty as well as course specifications and requirements. Space utilization exceeds 90% at certain hours of the day and is above industry standards (80%) during core hours (10am to 4pm). This space challenge could have quality implications. Furthermore, the College needs to restore its working capital, which was heavily used for capitalization projects that were, in part, in support of enrolment growth. Finally, the College’s student population ought to be brought into great balance (i.e., greater heterogeneity in the international student population to sustain the student experience).

For these reasons, the College will focus more on a *managed enrolment growth* agenda in the next few years. This new focus has also been influenced by the Ministry of Advanced Education and Skills Development’s (MAESD) new funding model for the college system. Where funding has traditionally been tied to the set amount of money per student enrolled, it has now introduced a corridor-funding model for the 2017/18 fiscal year. This funding, based on weighted funding units (WFU), will look at student numbers in relation to three-year historical trends at each college.

Specific strategies for achieving this goal are discussed below:

- *Enrolment growth:* The College can now grow at a more incremental pace while remaining responsive to ongoing, changing labour market demand and student demand. Growth will mostly come from international students. To achieve this objective, the College will grow domestic enrolment by 1% in 2017/18, with the view of growing these enrolments by 0.5% in 2018/19 and 2019/20. However, international enrolment will be grown at 13% in 2017/18, with the view of growing by 5% in 2018/19 and 2019/10.
- *Flexible options:* Through continued investments in part-time program offerings and flexible delivery options, the College hopes to attract non-direct students, mature

³ <https://www.collegesinstitutes.ca/policyfocus/indigenous-learners/protocol/>

⁴ http://www.trc.ca/websites/trcinstitution/File/2015/Findings/Calls_to_Action_English2.pdf

C. Progress Towards Achieving College Goals

students and students in niche markets, who may be unable to complete postsecondary programs on a full-time basis or in-person.

- *Program Life Cycle*: To maintain quality in academic programs, the College has developed a comprehensive Program Excellence Model, which includes the Stage-Gate process for new program development; annual program assessment tools (e.g., the Program Quality Assurance Self-Assessment tool, Strategic Dashboards) and formal program reviews, which occur every five years. As previously stated, within the phases of the Program Excellence Model, rigorous processes are followed to ensure that students' needs are met; program and course learning outcomes are achieved; the content of academic programs is current and relevant to meet the needs of the labour market; the delivery format is effective; and action plans have clear recommendations and next steps for implementation. However, a process is also needed to sunset or suspend academic programs that may no longer be achieving these key objectives. To this end, the College will be developing a mechanism to make these tough, but necessary, decisions.

Goal 3: Optimize use of resources

According to KPMG⁵, “optimization is about ensuring effective and efficient deployment of existing resources for capability maximization. Organisations adopting this transformational approach derive benefits greater than just cost saving. In fact, they are able to leverage synergies across levels, ensure value creation, increase competence, deliver quality, strengthen infrastructure, and, most importantly, improve business results”. For these reasons, the College plans on engaging in a series of activities aimed at resource optimization. These are workforce, process and technological optimization strategies and are briefly described below:

- In the last few years, the College has used data and analytics (e.g., predictive modeling, dashboard creation) for improved decision-making and productivity, and to raise its competitive advantage. The College has recognized the need to engage in even more advanced analytics, and as a result, it is pursuing a long-term data strategy. A well-designed data strategy, which includes information on investments in technology, tools, and data sets; a review of organizational processes; and a change in organizational behaviour, will help the College become smarter, more productive, and better at making predictions (McKinsey, 2013)⁶.
- Given that administrative and operational procedures often become dated, redundant or inefficient over the course of time, the College will be reviewing its various processes and operations (including its administrative services, and its business planning and budgeting process) and providing recommendations on ways to improve the efficiency and effectiveness of these processes.
- The College will also be developing an integrated Infrastructure Plan to help, amongst other things, accommodate continuous growth in enrolment.

Goal 3: Build sustainable sources of alternative revenue

At the college level, operating grants are decreasing as an overall percentage of operating revenue. In addition, federal and provincial levels of government are rarely funding new

⁵ https://www.kpmg.de/docs/India_OptimizedOrganisation.pdf

⁶ <http://www.mckinsey.com/business-functions/digital-mckinsey/our-insights/making-data-analytics-work>

C. Progress Towards Achieving College Goals

capitalization, and their contributions to deferred maintenance are short of requirements. The College's capital reserves also need to be restored, as cash flow limitations have reached an apex. As less revenue flows from the government, additional revenue sources (such as domestic and international business partnerships and business acquisitions) may represent significant opportunities for the College.

The College has already embarked on several such initiatives, which include:

- Establishing a four-year partnership agreement with the Armed Forces Public Technological Institute of Peru. As part of this partnership, the College is providing an intensive leadership program in Canada to the institute's leaders and academics, who will then take the module back to Peru and train 55 additional faculty members. The project is currently underway.
- Acquiring Hot Zone, a health and safety training company, owned by the College, but independently operated, which provides confined space training; forklift training; FIT testing; specialist high skills major to school boards; and specialist advanced hazmat to a range of public and private companies and organizations.
- Establishing the Canadian Centre for Product Validation (CCPV), a wholly-owned for-profit subsidiary of the College. CCPV will perform developmental, performance, and compliance testing for new or improved products in the primary areas of thermal, mechanical, electrical, and environmental testing.
- Providing AZ to DZ training and testing, which was approved by the Ministry of Transportation (MTO). In 2016, Fanshawe commenced this training as an adjunct to M1, M2, F, z-endorsement, 3 wheel, Drivewise, and G licence training currently offered.
- Successfully concluding the "Remarkable" Campaign in the 2016/17 fiscal year, with a fundraising target of \$100M achieved.

Efforts are also underway to identify other opportunities that will lead to increased revenue for the College:

- The College is creating and operationalizing a standalone Corporate Training Solutions (CTS) entity with a target revenue of \$3.4M in its first year, \$5M by 2019 and \$7M by 2020. These targets will be achieved from both domestic and international engagements. For instance, as part of its global strategy, the College conducted some market research and identified international regions with potential business opportunities including India, Malaysia and South America. CTS will examine these regions further and determine where best to invest in the near future. These investments will help the College achieve its revenue objectives;
- The College will also conduct an impact evaluation of its subsidiaries governance framework. "Having a common governance framework can play an important role in helping boards gain a better understanding of their oversight role⁷". These frameworks also include tools to help address governance risk and can help evaluate how management's responsibilities align with the board's oversight responsibilities.
- Finally, Fanshawe will be launching a Foundation plan, which will be mapped to its strategic priorities and which is expected to positively impact charitable giving to the College.

⁷ <http://deloitte.wsj.com/riskandcompliance/2013/05/24/the-role-and-benefits-of-a-corporate-governance-framework/>



SECTION D

Financial Planning/Financial Condition



D. Financial Planning/Financial Condition (Policy D-05, D-10)

D.1 Introduction

The financial projection (Schedule A on the following page) reflects an in-year surplus position of \$2.75 million for 2017/18 and a projection of \$1 million for each of the following two fiscal years, as measured with the principles used in reporting the College's financial statements and consistent with the Board's financial planning policy (Board Policy D-05). These projections include the projected operating results of the College's four subsidiary organizations.

Planning for the 2017/18 fiscal year has been underway since November 2016. The budget development process focused on continuing with the strategy of cost containment and realignment of resources allowing for a number of new investments to support the College's strategic goals. An emphasis was placed on developing sustainable operating efficiencies and enrolment growth through new program development and implementation that will carry forward to future years.

The tuition fee policy mandated by the Ministry for domestic students expires at the end of the 2018/19 academic year, and allows for a maximum 3% increase to tuition rates, this increase has been taken into account for 2017/18 and 2018/19 only. Tuition rate increases have been forecasted to increase for International tuition by 3% for the current budget year as well as the two years forecasted. Total domestic enrolment growth of 0.5% have been projected in both 2018/19 and 2019/20. Forecasts for the operating grant are based on the assumption that while the number of funding units will increase (as driven by an averaging of past enrolment levels) the funding value per unit may have an adverse effect due to provincial budget pressures. Expenses are expected to rise at a greater rate than revenues in the last two years of these projections as new programs and new facilities are introduced, which require other operating adjustments to reach the projected surpluses.

Included in Appendix F are two schedules demonstrating the allocation of resources aimed at achieving the Board's ENDS policies regarding student success and meeting labour market needs. As indicated on these schedules, just over 65% of expenditures support student success while 53% of expenditures are directly related to meeting labour market needs. Also included is a schedule showing the budget distribution by organization capturing the revenue and expenses for each subsidiary corporation.

D. Financial Planning/Financial Condition (Policy D-05, D-10)

Schedule A

<i>ref</i>	<i>in \$000's</i>	2016 (Note 1)	2017 (Note 4)	2018 (Note 4)	2019 (Note 4)	2020 (Note 4)
a)	Available Net Assets [Note 2] (opening balance)	32,490	17,280	11,050	(15,990)	(15,550)
	Revenue					
b)	Government Grants	95,580	97,080	96,080 -1.0%	96,080 0.0%	96,080 0.0%
c)	Enrolment Revenue	96,050	113,480	130,280 14.8%	135,490 4.0%	138,200 2.0%
d)	Ancillary Revenue	22,420	23,230	24,170 4.0%	24,530 1.5%	24,900 1.5%
e)	Amortization of Deferred Capital Contributions	8,330	8,460	8,930 5.6%	9,080 1.7%	8,770 -3.4%
f)	Other Revenue	16,010	14,070	13,720 -2.5%	14,000 2.0%	14,280 2.0%
		238,390	256,320	273,180 6.6%	279,180 2.2%	282,230 1.1%
	Expenditure					
g)	Instructional Services	111,660	120,630	128,530 6.5%	133,030 3.5%	136,680 2.7%
h)	Instructional Support	23,580	24,820	24,480 -1.4%	25,290 3.3%	26,000 2.8%
i)	Student Services	34,621	35,580	38,750 8.9%	40,050 3.4%	41,210 2.9%
j)	College Services	30,249	34,300	37,030 8.0%	38,460 3.9%	39,730 3.3%
k)	Ancillary Services	19,150	19,440	20,390 4.9%	20,930 2.6%	21,450 2.5%
l)	Facility Services	15,460	18,550	21,250 14.6%	21,940 3.2%	22,570 2.9%
		234,720	253,320	270,430 6.8%	279,700 3.4%	287,640 2.8%
m)	Operating Adjustments	-	-	-	(1,520)	(6,410)
n)	Operating Surplus (Deficit)	3,670	3,000	2,750	1,000	1,000
o)	Change in net assets invested in capital assets	(18,880)	(9,230)	(29,790)	(560)	5,110
p)	Available Net Assets [Note 2] (closing balance)	17,280	11,050	(15,990)	(15,550)	(9,440)
q)	Investment in Capital Assets	113,280	122,510	152,290	152,860	147,750
r)	Accumulated Net Assets [Note 3]	130,560	133,560	136,300	137,310	138,310

Notes

- 1 as per audited consolidated financial statements
- 2 includes Unrestricted Net Assets and Internally Restricted Net Assets
- 3 includes Unrestricted Net Assets, Internally Restricted Net Assets, and Investment in Capital Assets
- 4 projected Consolidated Statement of Operations
- 5 certain comparative figures have been reclassified to conform to the current year's presentation

D. Financial Planning/Financial Condition (Policy D-05, D-10)

D.2 Financial Projections

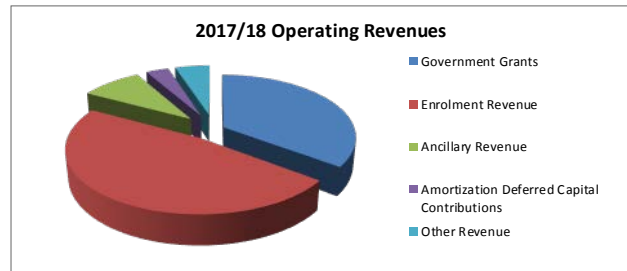
NOTES: (using reference in Schedule A on the preceding page)

a) Available net assets (opening balance)

Available net assets is defined as the unrestricted net assets plus the internally restricted net assets as projected to be presented on the consolidated financial statements in each fiscal year.

Operating Revenue

b) Government Grants	96,080	35.2%
c) Enrolment Revenue	130,280	47.7%
d) Ancillary Revenue	24,170	8.8%
e) Amortization Deferred Capital Contributions	8,930	3.3%
f) Other Revenue	13,720	5.0%
Total revenue	273,180	



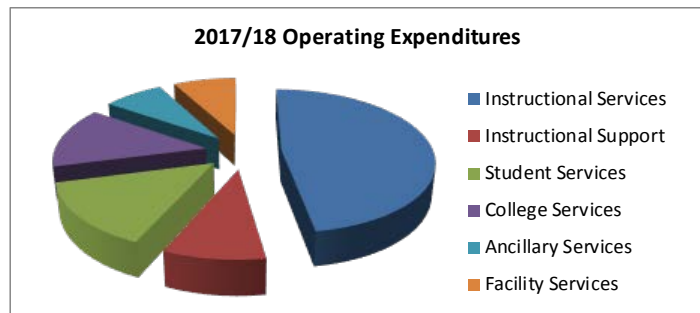
- b) Government Grants** - Includes all grants received from the Provincial and Federal Governments, such as base operating grants, apprentice revenue based on training agreements with the Provincial Government, government sponsored programs such as Literacy and Basic Skills (LBS), Employment Services (ES) and Canada Ontario Job Grants (COJG), Accessibility Funding, etc. Since details of the 2017/18 grants are largely unknown at this time, this proposed budget includes best estimates.
- c) Enrolment Revenue** - Includes all fees collected from students, such as tuition and related ancillary fees. The tuition portion for domestic students was projected based on the approved tuition policy from the Ministry. Total domestic revenue is projected to increase by 3% resulting from an overall increase in tuition rates for all programs funded through the operating grant. International tuition rates were also increased by 3% over 2016/17 levels.
- Total post-secondary enrolment projections are currently set at an overall increase of 3.3% over the 2016/17 actual enrolment (+1,149 term enrolments). International enrolments are planned to increase by 13% (+880) while domestic enrolments are set at an increase of just under 1% (+269).
- d) Ancillary Revenue** - There are a variety of ancillary activities. The more significant operations include the College Bookstore, Parking, Student Residences and the Canadian Centre for Product Validation (CCPV). The 4.0% increase in revenues is due to rate increases for residence and a projected increase in activity at CCPV.
- e) Amortization of Deferred Capital Contributions** - The College recognizes revenues from grants and donations received for capital projects over the same timeframe that it amortizes the costs of those projects. The values presented in these projections are based on grants and donations that have already been received by the College or committed to us from granting bodies with respect to specific capital projects.

D. Financial Planning/Financial Condition (Policy D-05, D-10)

f) **Other Revenue** - The College earns other revenues from various sources such as domestic and international contract training activities, investment revenue, rental revenue, donations and sales of course products. Included in 2016/17 actuals is the recognition of donation revenue, whether gift in kind or cash. Donations are not included in budget projections for 2017/18, which is the largely the cause of the revenue decline in this category. Investment income has also been projected to be lower in 2017/18. Revenues have been forecasted to rise on an inflationary basis over the future two year period of these projections.

Operating Expenditures

Instructional Services	128,530	47.5%
Instructional Support	24,480	9.1%
Student Services	38,750	14.3%
College Services	37,030	13.7%
Ancillary Services	20,390	7.5%
Facility Services	21,250	7.9%
	<u>270,430</u>	



- g) **Instructional Services** - is defined as activity directly involved with the learning process where there is an expectation of a financial contribution. Examples include, but are not limited to, academic programs funded by government, and contract training funded by business and industry. The addition of new faculty (12) and academic staff positions necessary to support new programming, and the operating costs of those programs, along with salary rate increases per the collective agreements contribute to the 6.5% increase in these costs from 2016/17. The 2017/18 budget also reflects a full year of salary costs for those new employees hired in 2016/17 (10 faculty).
- h) **Instructional Support** - is defined as activity that primarily supports Instructional Services and contributes to the learning process, which may or may not attract additional revenue. Examples include, but are not limited to the Library, Research, and International Partnerships. The 1.4% decrease in costs from 2016/17 is impacted by a reduction of costs associated with government employment programs to assist students, which are anticipated to be funded at a lower level in 2017/18 compared to 2016/17.
- i) **Student Services** - is defined as activity that primarily supports the needs of students either with the learning process or with student life. Examples include, but are not limited to, the Office of the Registrar, Counselling and Accessibility Services and Athletics. The 8.9% increase in expenditures is in part attributable to increases in costs to service our International student cohort that are offset by growing international tuition revenue. The increase is also attributable to expenditures to support the Wellness Centre, as it will become operational in May 2017, ancillary fees charged to the students will offset this additional expense and have been included in the enrolment revenue.

The proposed budget complies with Board Policy D-05, which requires that expenditures contributing to the learning process (*Instructional Services, Instructional Support Services, and Student Services*) must total at least 70% of the College's total expenditures excluding *Ancillary Services*.

D. Financial Planning/Financial Condition (Policy D-05, D-10)

- j) College Services** - is defined as activity that primarily serves the needs of the College as a corporation. Examples include, but are not limited to, the Board of Governors, Human Resources and Financial Services. The 8.0% increase in costs from 2016/17 is largely related to College recruitment activities including commissions paid to international recruiters, and staff cost increases related to the collective agreement.
- k) Ancillary Services** - is defined as activity that primarily provides a user-pay service at competitive rates as a convenience to students, and in some cases the College. Examples include, but are not limited to, the College Stores, the Residence, CCPV and Parking Services. The 4.9% increase in expenditures reflects general inflationary increases, as well as additional activity anticipated at CCPV. The proposed budget complies with Board Policy D-05, which stipulates that ancillary expenses shall not exceed ancillary revenues.
- l) Facility Services** - is defined as activity primarily associated with providing a physical environment conducive to education and training that is both safe and secure and is in compliance with all applicable codes and regulations. Examples include, but are not limited to, facilities planning and development, maintenance, utilities, custodial services, and security. The cost increase of 14.6% over 2016/17 reflects inflationary pressures, including an anticipated 3.6% increase in utilities costs and 4.5% increase in contract cleaning costs, staff cost increases related to the collective agreement, as well as full year costs for renovated facilities including amortization and loan interest.

m) Operating Adjustments

There are always new initiatives or developments in which the College needs to invest to remain competitive and relevant. Included in the proposed 2017/18 budget are a number of new developments to support improved programming and service delivery across various departments as well as setting aside \$1.5 million for deferred maintenance costs.

Further operating adjustments will be required in 2018/19 (\$1.52 million) and 2019/20 (\$6.41 million) to reach the projected surpluses in each of those years. It should be noted that the 2019/20 adjustment is compounded from the previous year and represents an additional \$4.9 million beyond adjustments identified for 2018/19. These operating adjustments can be either increased revenues or decreased costs which put additional strain on already reduced operating budgets.

n) Operating Surplus (Deficit)

An in-year \$2.75M surplus budget is projected for 2017/18. Given the volatility of government grants, and restrictions around student fees, the further into the future that projections are made, the more uncertain they become. At this time, the projections assume an in-year surplus of \$1.0 million for both 2018/19 and 2019/20.

o) Change in net assets invested in capital assets

The following table presents the detail to support the change in net assets invested in capital assets as presented with the financial projections on Schedule A. This table shows the impact of non-cash items on the operating surplus and the net change in investment in capital assets.

	2016	2017	2018	2019	2020
Amortization of deferred capital contributions	(8,327,595)	(8,458,000)	(8,932,000)	(9,076,000)	(8,771,000)
Amortization of capital assets	16,169,444	16,812,000	17,900,000	19,570,000	20,020,000
Additions to capital assets	(40,397,701)	(54,331,000)	(57,412,000)	(14,686,000)	(9,655,000)
Amounts financed by: deferred contributions	15,930,844	36,132,000	17,626,000	5,391,000	5,391,000
bank loans	(2,257,223)	617,000	1,031,000	(1,763,000)	(1,878,000)
Change in net assets invested in capital assets	(18,882,231)	(9,228,000)	(29,787,000)	(564,000)	5,107,000

D. Financial Planning/Financial Condition (Policy D-05, D-10)

p) Available net assets (closing balance)

The impact to the opening balance of available net assets with the current year operating surplus and the change in net assets invested in capital assets is shown on this line on Schedule A with the closing balance of available net assets.

q) Investment in Capital Assets

As a result of the change in net assets invested in capital assets (line o above), the investment in capital assets on the consolidated financial statements has changed as projected on this line on Schedule A.

	2016	2017	2018	2019	2020
Investment in capital assets (opening balance)	94,396,682	113,278,913	122,506,913	152,293,913	152,857,913
Change in net assets invested in capital assets	18,882,231	9,228,000	29,787,000	564,000	(5,107,000)
Investment in capital assets (closing balance)	113,278,913	122,506,913	152,293,913	152,857,913	147,750,913

r) Accumulated Net Assets

The balance of Accumulated Net Assets is the sum of the College's Unrestricted Net Assets and the Internally Restricted Net Assets and the Investment in Capital Assets as presented on the consolidated financial statements.

D. Financial Planning/Financial Condition (Policy D-05, D-10)

D.3 Risks

Every operating budget contains risks since there are obvious uncertainties when predicting the future. The College strives to maintain a balanced approach with respect to projecting financial information. The following describes the risks associated with the 2017/18 operating budget.

- 1) **Operating Grants** - In total, it is estimated that the General Purpose Operating Grant from the Province will be approximately 27% of the College's operating revenues. Due to the volatility of funding allocations, there is some risk that operating grant projections will not be achieved. A balanced approach towards estimating government grants has been taken.
- 2) **Enrolment Targets** - The 2017/18 financial projections reflect substantial revenues based upon enrolment projections. There are always uncertainties regarding enrolment levels, and some targets may not be achieved while others may be exceeded. Based on past outcomes, the overall risk associated with enrolment levels is not significant. International student enrolments and revenues are affected by global events in other parts of the world and can be difficult to forecast. Additional resources have been allocated that will support international recruiting activities and help to mitigate the risk attached to these revenue growth assumptions. The 2017/18 budget includes international revenues (both post-secondary and ESL) totaling \$55.5 million, which reflects an increase of 19% (\$8.9 million) from revenue levels expected for 2016/17. This includes a 3% increase to the international tuition fee rates and a 13% increase in international post-secondary enrolment. As a comparison, the year over year growth of international revenue in 2016/17 was an increase of 17%.
- 3) **Other Revenue Targets** - There are many revenue estimates in the 2017/18 financial projections, some of which may not be realized. Revenues involving higher levels of risk include contract training and miscellaneous revenues. A balanced approach has been taken regarding these sources of revenue, which results in a stabilization of the projected amount of contract training and miscellaneous revenues relative to 2016/17. Included in 2016/17 actuals is the recognition of donation revenue, whether gift in kind or cash. Donations are not included in budget projections.
- 4) **Government Programs** - Confirmation of projected revenues related to some government sponsored programs (e.g. Literacy and Basic Skills) has not yet been received, and although reductions have been projected relative to past levels, there is some risk that revenues may be reduced further. However, there are opportunities for the College to respond to such changes by adjusting expenditures accordingly.
- 5) **Salary Costs** - The academic collective agreement expires September 30, 2017 and the support staff collective agreement expires August 31, 2018, so there are some risks associated with salary cost assumptions with this financial projection. Best estimates have been used with all salary assumptions.
- 6) **Actuarial Estimates** - The value of post-employment benefits and compensated absences as presented on the College's consolidated financial statements are based on actuarial estimates performed annually. There has been no attempt to estimate the changes to these balances and their impact with the financial projections presented on Schedule A.



SECTION E

Capital Planning



E. Capital Planning (Policy D-12)

E.1 Introduction

The College's facilities expansion and capital development program is continuing as Fanshawe responds to pressure for capacity to support academic programming and service delivery necessary to achieve the College's current Strategic Goals, as well as for ensuring our facilities are well maintained and meet the needs of the current and ever evolving learning and working environment. The management of service disruptions and the risks associated with the College's Capital Plan will continue to be an important element of the College's activities for the next several years.

Schedule A Capital Plan Summary (in '000s)

	prior	2018	2019	2020	remaining	TOTAL
1) Downtown Phase II Project	27,000	34,200	5,000	-	-	66,200
a) Government Grants-Municipal	6,800	2,400	2,400	2,400	5,000	19,000
b) Fundraising	3,500	3,500	200	-	-	7,200
c) Working Capital	16,700	28,300	2,400	(2,400)	(5,000)	40,000
Total Funding Sources						66,200
2) Wellness/Fitness Centre Project	21,030	4,070	-	-	-	25,100
d) Bank Loan	19,050	2,950	-	-	-	22,000
c) Working Capital	1,980	1,120	-	-	-	3,100
Total Funding Sources						25,100
3) Centre for Applied Research in Biotechnology	2,212	6,788	-	-	-	9,000
a) Government Grants-Federal/Provincial	2,212	5,023	-	-	-	7,235
c) Working Capital		1,765	-	-	-	1,765
Total Funding Sources						9,000

E. Capital Planning (Policy D-12)

E.2 Capital Projects

- 1) Downtown Phase II Project** - Plans for the development of the downtown London Campus were broken into two major phases. The second building of the downtown Campus, expected to be operational by September 2018, will occupy up to approximately 116,000 sf of existing buildings in the City's downtown core and will accommodate approximately 1,600 students. A \$66.2 million capital project, including a total of six floors (plus basement), affords the College the square footage appropriate for housing the School of Tourism and Hospitality and software development programs from the School of Information Technology. Situating these programs at the new downtown campus synergistically aligns with the Education and Arts District, the centre of London's digital media, arts and culture, entertainment and hospitality service industries. With the transfer of these programs to downtown, capacity will be created on the main London Campus to adapt spaces for new programs with renovations beginning fall, 2018.

Through the provision of this facility, a positive learning/working environment in the building, the Board's values as expressed in the Ends policies are being met. Further, this project is consistent with the College's Strategic Mandate Agreement with the Ministry of Advanced Education and Skills Development (MAESD) and the College's Strategic Goals, creating an exceptional learning experience and ultimately meeting employer needs.

- 2) Wellness/Fitness Centre** - The College and the Fanshawe Student Union are jointly financing an extension to the College's athletic centre (J-Building) and some interior renovations to provide students with improved access to fitness, athletic, wellness and health services. Construction of the facility commenced in 2015 and is expected to be operational by May 2017. The total project is estimated to cost \$25.1 million with 88% of the total cost paid by students supported by a written agreement with the Fanshawe Student Union, which recognizes their authority to act on behalf of all students. The student commitment includes debt-financing costs for the student share of construction costs and a building renewal fund of \$5.2 million over 25 years. In addition, the student commitment includes the creation of a universal access fee to cover the staffing and operating costs of the Wellness/Fitness Centre associated with providing universal access to students. The College contribution to the capital costs is \$3.1 million. The project, including the College's portion, will be financed with a loan from the Ontario Financing Authority at rates less than that which a bank would offer.

This project aligns with the College's Vision and Mission – namely to unlock potential and to provide pathways to success, an exceptional learning experience and a global outlook to meet student and employer needs. Additionally, this project aligns with the College's Strategic Goals to provide a premier College learning, student life experience and foster a high-performing organization.

- 3) Centre for Applied Research in Biotechnology (CARIB)** - The CARIB project, approved in the summer of 2016 is jointly funded by the Federal government, Provincial government and the College. When completed the CARIB renovation project will have replaced approximately 16,460 sf of existing science laboratories and other academic spaces with approximately 18,275 sf of new or renewed laboratory, academic and research spaces including approximately 1,700 sf of industry research space.

E. Capital Planning (Policy D-12)

Existing facilities are limiting the academic delivery, and do not offer research and industry partner opportunities due to limitations of lab facilities in both space, and type of space that requires licensing with the Canadian Biosafety Commission. This project will significantly increase our ability to collaborate with partners in an applied, multi-disciplinary environment, thus providing applied research co-ops for our students, professional development for our faculty, and helping to support economic development with our partners. Completion of this project is anticipated to be April 2018.

Funding Sources

	\$ 000's	
a) Government Grants	26,235	26%
b) Fundraising	7,200	7%
c) Working Capital	44,865	45%
d) Bank Loan	22,000	22%
Total	100,300	100%

- a) Government Support** - The College regularly receives special purpose and other capital grants from the Ministry of Advanced Education and Skills Development (MAESD), funds from this source will be supporting the CARIB project, with additional funding coming from the Federal Government under the Strategic Investment Fund. The City of London has also supported the downtown development which brings the total government support from all levels of government to approximately \$26.0 million towards the capital projects presented on the Capital Plan Summary.
- b) Fundraising/Donor Support** - Fanshawe College Foundation is coming to the end of a \$100 million Capital Campaign which has had several aims including specific targets towards specific capital projects. This includes commitments from the Fanshawe Student Union who have already made contributions towards the Wellness/Fitness Centre.
- c) College Working Capital** - As demonstrated with past financial monitoring reports, financial health indicators used by the province demonstrate that Fanshawe College has a healthy balance sheet when compared to other Ontario colleges. Both liquidity measures and debt measures exceed industry benchmarks, so there is an opportunity to draw excess working capital to meet the Colleges capital needs.
- d) Debt Financing** - The College has obtained debt financing through the Ontario Financing Authority in accordance with the Board resolution provided in January 2015. During the construction phase of the Wellness/Fitness Centre, a facility is in place to allow draws up to \$22 million until substantial completion. Ninety days after substantial completion is achieved the facility will be transferred to a fixed term loan document with a 25 year repayment schedule.

E. Capital Planning (Policy D-12)

Project Risks

- 1) The capital plan references several different sources of financing. Some of these sources carry more risk than other sources which places additional pressure on existing working capital should the expectations from these sources not be realized in accordance with financial projections.
- 2) Even though many capital projects continue to carry estimates of costs prepared by professional third parties, there is always the risk of unforeseen costs and under estimating the extent of work necessary, which may exceed existing contingency amounts. Therefore, there is always an element of cost variances, which can be both favourable and unfavourable.
- 3) The College is not expecting any new capital grant announcements from the province, but it is expected that current budget estimates for existing capital grants continue to be reasonable.

Unfunded Infrastructure Renewal

The allocation of limited, often inadequate, operating funds among organizational priorities or to ongoing facilities maintenance is a multiple decades old challenge faced by government, public and private sectors alike. This has led to the accumulation of a deferred maintenance backlog of building systems on an ongoing basis.

In response to the Auditor General of Ontario's 2010 audit of MAESD's capital planning process of Ontario colleges, working through MAESD, conducted condition assessments of all 24 Ontario colleges' facilities over a three year period (2012 to 2015) to formally establish a facilities capital planning and management system to forecast and model as well as monitor and manage the condition of the colleges' facilities. The system is similar to those used by the Ontario universities and hospitals. With the College's facilities condition information entered, the system integrates with well-known industry cost modelling and lifecycle data systems to forecast the lifecycle of a facility by its building systems and to forecast cost projections to assist with capital planning and management of the College's facilities. Condition assessments are also physically undertaken periodically to assess whether the building systems are deteriorating faster than, at the pace of, or slower than the theoretical lifecycle, so that adjustments can be made to the system's predictive forecasting model.

Recognizing facilities renewal and the growing unfunded infrastructure renewal backlog as a key infrastructure priority across the college and university sector, MAESD committed to increasing the Facilities Renewal Program (FRP) grant envelope for the sector from the current \$40 million to \$100 million in 2019-20 (subject to Legislature's approval of the Budget). MAESD also provided a one-time FRP top up of \$44.1 million in 2016-17. However, in support of the Federal Government's Strategic Investment Fund (SIF) program announced in May 2016 MAESD directed all of the sector's 2016-17, 2017-18 and half of the one-time top up grant to support the sector's SIF projects as the Province's contribution. In the College's case \$2.2 Million of the College's \$2.6 Million FRP allocation over two years has been redirected to the CARIB project described earlier.

E. Capital Planning (Policy D-12)

As shown in the table below, Unfunded Infrastructure Renewal, the College's unfunded infrastructure renewal backlog will exceed \$16.5 million at the end of fiscal year 2019. This figure represents the *Currently Critical (1st)* and *Potentially Critical (2nd)* priorities. A further \$47.8 million, identified as *Necessary-But Not Yet Critical*, will become *Critical* or *Potentially Critical* within the five year capital plan cycle if not addressed by capital renovations or through other opportunities, such as the Energy Conservation and Demand Management Plan, for a total of \$64.3 million in unfunded infrastructure renewal.

Unfunded Infrastructure Renewal	Years	\$ 000's
Currently Critical (1st) Priorities	0-1	4,097
Potentially Critical (2nd) Priorities	1-2	12,496
Necessary - But Not Yet Critical	3-5	47,756
		64,349

Currently Critical (1st) priorities identify building systems typically requiring renewal either immediately to address a life safety or code compliance requirement or within a one year period to replace a building system that is at, or has exceeded, its service life. *Potentially Critical (2nd)* priorities identify building systems typically requiring renewal within a two year period to maintain the integrity of the building by replacing a building system functioning improperly (or not at all) or that will be at or has exceeded its service life, but is being well maintained to achieve an extended service life. *Necessary-But Not Yet Critical* requirements identify building systems typically requiring renewal beyond two years but within a five year period to maintain the integrity of the building by replacing systems that have exceeded their forecasted or expected useful life during that period, but are still functioning properly and/or are being well maintained to achieve an extended service life.

Over the past decade, the College has advanced best efforts to mitigate the impact of the unfunded infrastructure renewal. During this period, the College has allocated to the extent practicable an annual budget for facilities renewal to address priority needs. Government assistance has helped in this regard as well, with grants in some years more material than in other years. The College focused its attention on reducing unfunded infrastructure renewal requirements attributable to mission critical building systems, including building envelope (roofing, brickwork), major mechanical (boilers, chillers, cooling towers) and electrical system requirements (transformers, switchboards, primary distribution panels). In many cases, other building systems (painting, replacement of ceiling tiles, flooring, interior walls, windows, clocks, etc.), while identified as a priority, were considered to be either non-mission critical, or relatively minor in nature, so as a result, were not addressed and in many instances remain deferred.

Further, where practicable, the College has leveraged academic and service renovation projects to incorporate capital renewal elements into the project to further reduce the backlog of unfunded infrastructure renewal overall. Some examples include the Simcoe/Norfolk Regional Campus renovations (summer 2014), the recently completed School of Public Safety renovations in C-Building, the new Wellness/Fitness Centre project in J-Building (opening spring 2017) and the CARIB renovation project currently underway.

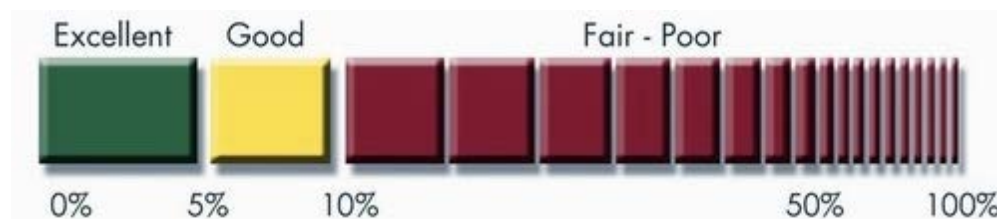
Since the College's facilities condition assessment was completed in the summer of 2013 it is estimated that approximately \$14 million in unfunded infrastructure renewal has been addressed through capital renewal and capital renovation projects.

E. Capital Planning (Policy D-12)

The College has developed a 5 year Capital Renewal Plan to continue addressing unfunded infrastructure renewal. The plan assumes \$1.5 million annually in College funds in addition to the Provincial FRP grant commitments and that FRP funding will be maintained at 2019-20 levels in subsequent years. The proposed plan further ranks *Currently Critical (1st)* and *Potentially Critical (2nd)* deferred maintenance priorities based on risk severity and probability in order to address the highest, mission critical deferred maintenance priorities with the limited available funds.

Facilities Renewal Funding Plan					\$ 000's
	2018	2019	2020	2021	2022
College	1,500	1,500	1,500	1,500	1,500
Provincial FRP	0	1,500	1,900	1,900	1,900
Total	1,500	3,000	3,400	3,400	3,400

One real property industry standard developed in an effort to quantify, monitor and manage infrastructure renewal is the Facilities Condition Index (FCI) which is the ratio of the unfunded infrastructure renewal needs (or deferred maintenance backlog) to the real property's Current Replacement Value (CRV). The condition of a facility according to the calculated FCI is illustrated in the graph below.



excerpt from VFA facility user manual

The College's current FCI is 11% or "Fair" which is a 2% improvement from previous reports and 3% better than the Ontario college system average. If the Facilities Renewal Funding Plan unfolds as shown above the unfunded infrastructure renewal at the end of the five year capital plan cycle is estimated at \$54.2 million which corresponds to a FCI of 8% or "Good". Of the thirty-four College buildings, six buildings are more than 40 years old with the two oldest being 55 years old. At this stage, many of the building systems in these buildings, if not already renewed (many but not all mission critical systems have seen renewal), will be at or exceed their theoretical service life within the next decade, resulting in the unfunded infrastructure renewal number increasing as building systems reach the end of their service life (if not still functioning properly and/or being well maintained to achieve an extended service life).

The MAESD requires all 24 Ontario colleges to update their facilities condition assessments every five years. In 2018 the College will be required to update the assessment completed in 2013. The Ontario Colleges Facilities Management Association (OCFMA) through the Ontario Education Collaborative Marketplace (OECM) have developed a Negotiated Request for Proposal to select Vendors of Record to complete the condition assessment updates for the colleges. The College is represented on the evaluation committee reviewing NRFP submissions along with three other colleges. It is anticipated that each college will be required to provide funding to complete their respective condition assessments. The MAESD funded the assessments completed in 2013.

E. Capital Planning (Policy D-12)

The College will continue to leverage opportunities to address and reduce the impact of the unfunded infrastructure renewal by incorporating capital renewal as part of future renovation projects. All Ontario colleges, including Fanshawe College, will also continue to advocate for appropriate levels of funding from government to assist with meeting infrastructure renewal requirements.



SECTION F

Appendices



F. Appendices

F.1 Resources allocated to meeting labour market needs

	Activity	Budget
20	Academic Services	\$4,739,192
21	Faculty of Art, Media & Design	\$25,815,801
22	Faculty of Business	\$29,256,269
23	Faculty of Health Sciences & Human Services	\$25,537,982
24	Faculty of Technology	\$22,563,200
26	Faculty of Regional and Continuing Education	\$15,358,468
60	Student Services	\$4,210,141
61	Office of the Registrar	\$369,250
62	Student Success	\$150,764
42	International Centre	\$180,019
11	Human Resources	\$1,067,443
53	Information Technology	\$7,248,230
54	Finance	\$4,193,305
41	Strategy and Planning	\$1,424,265
	GRAND TOTAL	\$142,114,329

F. Appendices

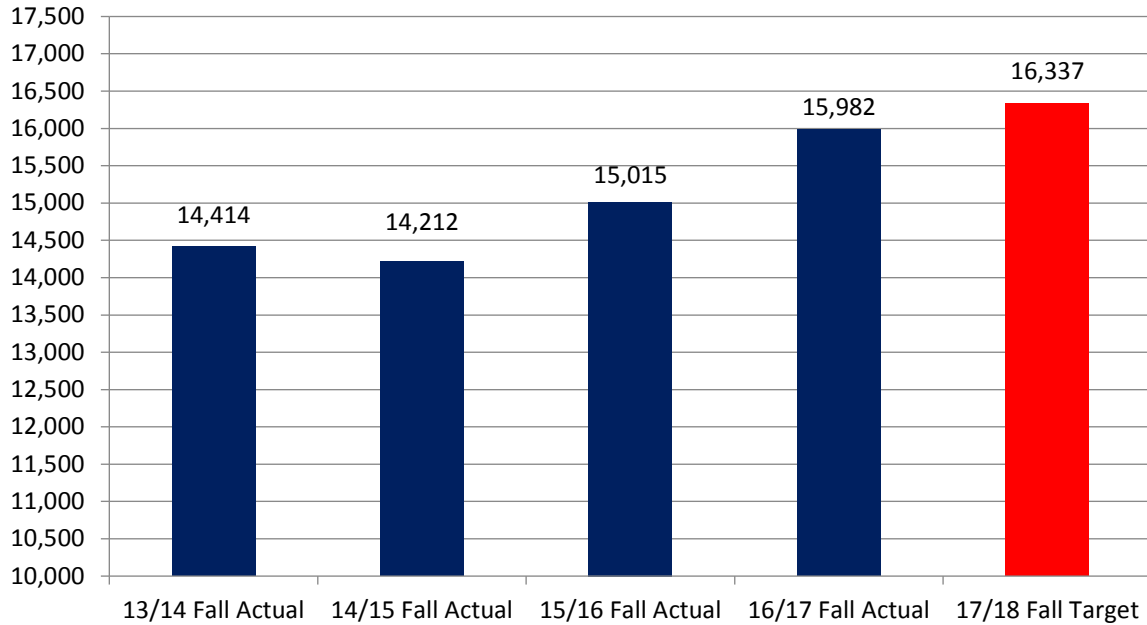
F.2 Resources allocated to Student Success

	Activity	Budget
20	Academic Services	\$4,739,192
21	Faculty of Art, Media & Design	\$25,815,801
22	Faculty of Business	\$29,256,269
23	Faculty of Health Sciences & Human Services	\$25,537,982
24	Faculty of Technology	\$22,563,200
26	Faculty of Regional and Continuing Education	\$17,929,191
60	Student Services	\$7,203,517
61	Office of the Registrar	\$13,449,541
62	Student Success	\$10,099,531
11	Human Resources	\$1,067,443
40	Corporate Strategy & Business Development	\$573,480
41	Strategy and Planning	\$1,424,265
42	International Centre	\$2,359,803
51	Facilities Management and Community Safety	\$5,000
53	Information Technology	\$7,248,230
54	Finance	\$7,084,549
	GRAND TOTAL	\$176,356,994

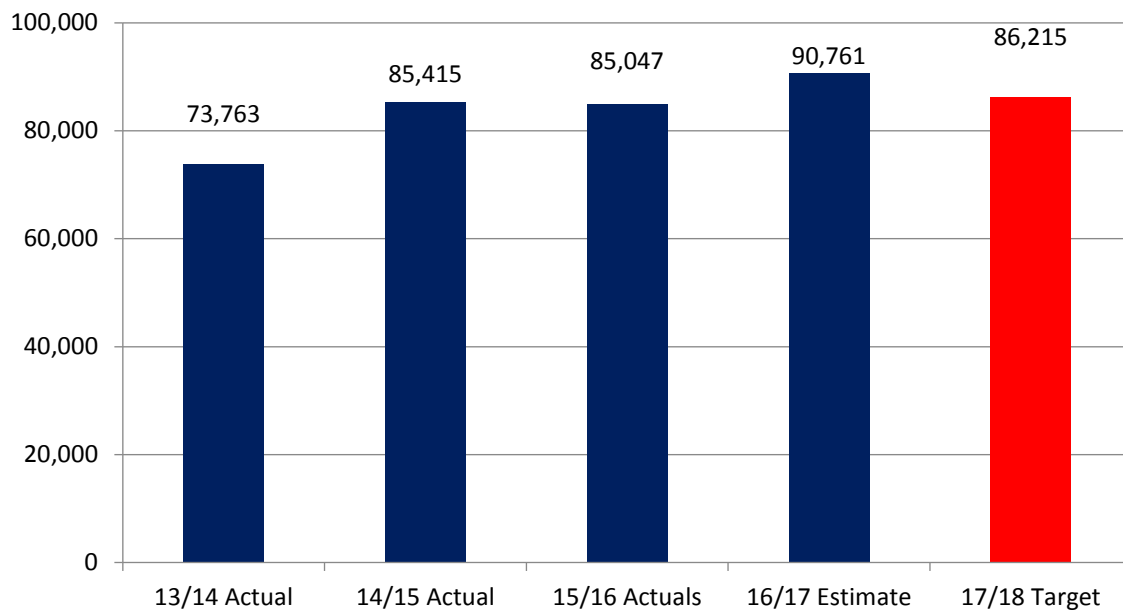
F. Appendices

F.3 Enrolments

a) Full-Time Postsecondary Enrolments



b) Apprenticeship Purchased Training Days



F. Appendices

F.4 Organizational Results Summary

ORGANIZATIONAL DISTRIBUTION

2017/18 BUDGETS

in 000's

	Foundation	FIC	Hotzone	CCPV	College	Total
Revenue	\$470	\$770	\$1,080	\$1,630	\$269,320	\$273,270
Expenses	<u>\$460</u>	<u>\$580</u>	<u>\$830</u>	<u>\$1,190</u>	<u>\$267,460</u>	<u>\$270,520</u>
Surplus	<u>\$10</u>	<u>\$190</u>	<u>\$250</u>	<u>\$440</u>	<u>\$1,860</u>	<u>\$2,750</u>

STRATEGIC GOALS

To help direct and focus the time, energy, and resources of the College, strategic goals have been identified:

- 1** Enhance innovative practices for exceptional student learning.
- 2** Grow enrolment by 6% over three years.
- 3** Optimize use of resources.
- 4** Build sustainable sources of alternative revenue.

