



**CANADIAN
UNIVERSITY
COLLEGE**

Annual Report

2013-2014

October 2014



**CANADIAN
UNIVERSITY
COLLEGE**

October 31, 2014

Excellence in

Christian

University

Education

The Honourable Don Scott
Minister of Innovation and Advanced Education
402 Legislature Building
10800 – 97 Avenue
Edmonton, AB T5K 2B6

Dear Minister Scott:

Canadian University College presents the 2013-2014 annual report indicating how the institution has met its responsibilities along with challenges during the past academic year. We are privileged to be a partner in the post-secondary sector providing quality education, not only for Alberta students, but also for those coming to the University College from across Canada as well as around the world. The mission of educating students to think with discernment, to believe with insight and commitment and to act with confidence, compassion, and competence continues to inform all campus planning and activity.

A SEVENTH-DAY
ADVENTIST
INSTITUTION
OF HIGHER
LEARNING

As Chair of the Board of Trustees of Canadian University College, I am pleased to present the 2013-2014 Annual Report and to confirm the following statement:

Canadian University College's Annual Report for the year ended April 30, 2014, was prepared under the Board's direction in accordance with ministerial guidelines. All material economic, environmental, or fiscal implications of which we are aware have been considered in the preparation of this report.

Sincerely,

Mark Johnson
Chair, Board of Trustees
Canadian University College

5415 COLLEGE AVENUE
LACOMBE, ALBERTA
T4L 2E5

403.782.3381
WWW.CAUC.CA



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Dear Minister Scott:

Canadian University College's management is responsible for the preparation, accuracy, objectivity and integrity of the information contained in the Annual Report including the financial statements, performance results, and supporting management information. Systems of internal control are designed and maintained by management to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, reliable financial records are maintained, and assets are properly accounted for and safeguarded.

A SEVENTH-DAY
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The Annual Report is prepared in accordance with Ministerial guidelines.

Sincerely,

Mark Haynal, EdD
President

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Canadian University College

Annual Report

2013-2014

Part One

Narrative

Message from the President

After four years of dramatic growth in enrolment, the 2013-14 academic year was, for Canadian University College, a time to consolidate gains and deal with significant unexpected challenges to its physical plant. A violent wind and hail storm in July damaged the exterior of several buildings and uprooted or badly damaged many of the campus' stately old trees. In October, a small explosion and fire that triggered the sprinkler system causing significant water damage in the Chan Shun Science Centre forced relocation of all classes and labs to other buildings for most of the academic year. Heavy snowfall in December collapsed a portion of the roof of the vehicle storage facility.

In spite of these challenges, Canadian University College provided, without interruption or reduction, its full array of classes and services to students and the community. It fulfilled all aspects of its mandate. In April, 112 students, the largest group in the institution's history, participated in commencement exercises.

Canadian University College's enrolment at the start of the 2013-14 academic year was 5.9% lower than the previous year. Two of the more significant factors contributing to this drop appear to have been improving economic conditions across Canada and a smaller pool of potential applicants in two key markets.

A major focus of this institution's marketing and recruitment efforts continues to be making meaningful contact with potential students in Canada and abroad, then carefully tracking and supporting the interest those students show in attending CUC. The institution is steadily enhancing its efforts to increase the number of Albertans it enrolls with special emphasis on students from rural communities within commuting distance of CUC.

In addition to the personal support provided by recruiters and academic advisors, Canadian University College also offers potential students an impressive array of renewable scholarships. In 2013-14 just over 25% of tuition income was returned to student accounts in the form of scholarships.

While there was a dip in the number of new students enrolled in 2013-14, excellent retention rates kept overall enrolment from decreasing significantly. Seventy-nine percent of students who were new to CUC the 2012-13 academic year returned for the 2013-14 terms. Seventy-seven percent of the total group of 2012-13 students who could have returned did so for the 2013-14 academic year. Both of these figures exceed the retention goal stated in CUC's Strategic Plan.

One of this institution's major long-term goals is the construction of a new library/learning centre. Additional staff were added to the Office of Advancement in August to plan and implement the capital campaign for this new building.

During the 2013-14 academic year, significant improvements were made to campus networks, servers, and other hardware. The institution continues to invest in connectivity and hardware that enhances students' on-campus experience and ensures efficient participation with Campus Alberta's online resources.

New academic programs and improvements in campus infrastructure are merely the tools by which this institution accomplishes its most important work: Improving the lives of students, faculty, staff, and our community. It gives me the greatest satisfaction to summarize CUC's success in 2013-14 in these areas. To this end, Canadian University College systematically gathers data related to student success and satisfaction. All indicators are good. Just four of many possible compelling examples are

- *The average response of Canadian University College 4th-year students to the 2013 National Survey of Student Engagement question, "How much has your experience at this institution contributed to your acquiring job- or work-related knowledge and skills," was 3.0 on a 4-point Likert scale. (The 2013 Canadian NSSE average was 2.7.)*
- *95% of Canadian University College respondents to the 2012 Alberta Graduate Outcomes Survey indicated they had received an adequate to excellent preparation for their job.*
- *Results of the 2013-14 Graduate Exit Survey and the 2013 National Survey of Student Engagement revealed CUC students have a level of commitment to community service significantly higher than Canada's national average.*

During the 2013-14 academic year 93% of CUC's faculty reported participation in at least one of 305 different local and/or global service events. All of CUC's faculty reported active involvement in professional development opportunities made available.

In spite of a decrease in enrolment and damage to the physical plant, financial support for faculty and staff development and research was fully sustained in 2013-14. Academic administration continues to implement mechanisms that will require and support more research.

In 2013-14 CUC continued its push to be more fully involved in community life, taking steps to more fully develop Lacombe's image as a "university town." The institution did this by intentionally including the community in campus cultural programs and concerts and sporting events and tournaments. The City of Lacombe and SERVUS Credit Union continued their sponsorship of CUC's Sunday@7 Concert Series. Canadian University College is working to increase the number of classes available in the Continuing Education Program. As it has

for many years, in 2013-14 CUC's aquatics program again taught roughly 1000 children how to swim.

Although tuition revenue was lower in 2013-14, Canadian University College had sufficient financial reserves to maintain a balanced budget without cutting programs or services. The institution benefited from increasing support from the Seventh-day Adventist Church in Canada as well as alumni and friends who contributed just over \$650,000,00. Management developed plans this year to strategically take advantage of voluntary employee resignations and retirements to maintain a balanced budget.

Although it faced unexpected challenges, I am very pleased to report that in 2013-14 academic year Canadian University College continued with passion and great efficacy to pursue its mission to "educate students to think with discernment, to believe with insight and commitment, and to act with confidence, compassion and competence." The following report will provide a more detailed description of how this was accomplished in 2013-14.

A handwritten signature in blue ink, appearing to read 'Mark Haynal', with a stylized flourish at the end.

Mark Haynal, EdD
President, Canadian University College

Canadian University College Annual Report, 2013-2014

Operational Overview

Core programs

The core academic programs at Canadian University College are offered within four academic units: the Division of Arts, the Division of Science, the School of Business and the School of Education. Following is a list of 39 degree program options and 41 minors that are offered at Canadian University College.

Division/ School	Degrees	Minors
Division of Arts	Bachelor of Arts (BA) Four-Year Degrees <ul style="list-style-type: none"> ▪ Adventure Based Counselling ▪ Behavioural Science ▪ English ▪ International Studies ▪ Music (BA) ▪ Religious Studies 	<ul style="list-style-type: none"> ▪ Applied Christianity ▪ Art ▪ Biblical Languages ▪ Canadian Studies ▪ English ▪ French ▪ History ▪ Music ▪ Music Education ▪ Philosophy ▪ Political Science ▪ Religious Studies ▪ Religious Studies Pre-professional ▪ Writing
	Bachelor of Arts (BA) Three-Year Degrees <ul style="list-style-type: none"> ▪ Adventure Based Counselling ▪ Business Administration ▪ English ▪ General Studies ▪ History ▪ International Health and Wilderness Studies ▪ Music ▪ Outdoor Adventure Business Studies ▪ Outward Pursuits ▪ Religious Studies 	
	Bachelor of Music (BMus) Four-Year Degree <ul style="list-style-type: none"> ▪ Performance 	
Division/	Degrees	Minors

School		
Division of Science	Bachelor of Science (BSc) Four-Year Degrees <ul style="list-style-type: none"> ▪ Biology <ul style="list-style-type: none"> • Biology (General) Track • Biomedical Track • Environmental Studies Track ▪ Psychology 	Adventure Programming Biology Chemistry Counselling Psychology <ul style="list-style-type: none"> ▪ Environmental Science ▪ Environmental Studies ▪ Industrial-Org. Behaviour ▪ Mathematics ▪ Outward Pursuits ▪ Physical Education ▪ Physical Science ▪ Psychology ▪ Sociology ▪ Wellness
	Bachelor of Science (BSc) Three-Year Degrees <ul style="list-style-type: none"> ▪ Biology ▪ General Studies ▪ Psychology ▪ Wellness Management 	
School of Business	Bachelor of Business Administration (BBA) Four-Year degrees <ul style="list-style-type: none"> ▪ Business Administration with four tracks <ul style="list-style-type: none"> • Accounting • Human Resource Management • International Business • Management 	<ul style="list-style-type: none"> ▪ Business
School of Education	Bachelor of Education (BEd) Four- Year degrees <ul style="list-style-type: none"> ▪ Elementary Education ▪ Secondary Education with seven specializations <ul style="list-style-type: none"> • Biology • Business • English • Mathematics • Music • Religious Studies • Social Studies Bachelor or Education After Degree (BEd AD) Elementary Education Secondary Education	<ul style="list-style-type: none"> ▪ Art Education ▪ Biology Education ▪ Business Education ▪ Chemistry Education ▪ English Education ▪ French Education ▪ Mathematics Education ▪ Music Education ▪ Physical Education ▪ Physical Science Education ▪ Religious Studies Education ▪ Social Studies Education

Major accomplishments

A significant academic achievement during the 2013-2014 academic year was the implementation of the CUC Scholars alternative core program. Designed for academically motivated students, Scholars provides an interdisciplinary approach to learning. Instead of taking the standard core courses that form a part of every degree program on campus, students who select and are eligible for this program take one Scholars course each semester of their degree program. Courses are co-taught by faculty from different disciplines. Scholars students read and discuss seminal as well as emerging works and then write thoughtful, critically-engaged papers. The program is designed so that students who successfully complete it will be prepared for a lifetime of wide reading, rigorous thinking, and ethical development. Thus, Scholars students will be well equipped to serve their local, regional, national, and global communities.

Another significant development in our academic program occurred in February when the Canadian University College and Red Deer College presidents signed a Memorandum of Understanding, creating the opportunity for eight qualified Canadian University College students to join the University of Alberta's Bachelor of Science in Nursing degree program offered at Red Deer College. This agreement allows CUC students to live on and participate in the extracurricular life of the University College campus, while they earn a career credential unavailable at CUC through Red Deer College and the University of Alberta.

Also during this reporting period, Canadian University College received the results of the 2013 National Survey of Student Engagement (NSSE). Once again, students indicated their satisfaction with their CUC experience. The NSSE instrument was revised for 2013. Instead of the usual 5 benchmarks, the NSSE now provides results for 11 engagement indicators: Collaborative Learning, Discussions with Diverse Others, Student-Faculty interaction, Effective Teaching Practices, High Impact Practices, Quality Interactions, Supportive Environment, Higher Order Learning, Reflective and Integrative Learning, Learning Strategies, and Qualitative Reasoning. Both first-year and fourth-year Canadian University College students rated their CUC experience higher than the 2013 NSSE Canadian national average on 8 out of the 11 engagement indicators. On the remaining 3 indicators, first-year students' experience was slightly lower than the national average. However, on those same indicators, fourth-year students' experience was at or above the national average. While there is always room for further improvement, Canadian University College staff, faculty, and administration are pleased with these results.

The Alberta Library (TAL) Online was installed on the Canadian University College library webpage this year, continuing to strengthen the goal of providing seamless access to materials in all TAL libraries for all Albertans. CUC students are now able to see and make online requests for books from any TAL library as well as request material from all NEOS libraries.

In addition to the usual work of revitalizing the library collection, music faculty and the library director collaborated to strengthen the music resources in the library, and the CUC library offered services to College Heights Christian School (CHCS). The assistant librarian provided support in transitioning the CHCS library to a new integrated library system. He also prepared themed book packs for CHCS to strengthen the themes around which teachers construct their classrooms. As a result of the assistant librarian's work, CHCS teachers can also create their own custom packs or simply check out books from the CUC library.

During the 2013-2014 academic year, Computer Services completed the migration of all of CUC servers from the previous XEN virtualization platform to VMWare ESXi host servers. Only one Netware server still exists, running the legacy Crossroads system for reference purposes. A total of 32 servers running production and development services are operating on 9 hosts. Only 10 years ago, CUC had just 4 servers running all of the functions for the University College. This growth in server capacity demonstrates how much the demand for computing resources has increased in the last decade.

Another change that has made a positive impact is switching Canadian University College's Internet Service Provider to an educational institution-based Internet buying group via Cybera, the Alberta Government technical agency that operated the research network in Alberta. This has reduced CUC's cost for Internet services from \$70/GB to \$14/GB without requiring CUC to sign any long-term contracts.

Technology changes occurred during the year that increased teaching efficiency. With the installation of the large lecture hall in the Education building, the 21st Century Computer lab was relocated to the basement of the Administration building, including a Smart Board and presentation system. Additionally, a new AV system was also installed in the Art department studio classroom.

Canadian University College contracted Shaw in 2013-14 to install access to Shaw Go WiFi service across most publically accessible locations on campus. The entire campus was also upgraded to the Microsoft Office 2013 suite, and the implementation of a government-provided free Office 365 subscription for all existing students and faculty/staff was completed. The University College also participated for the second time in a campus-wide Educause ECAR survey on student and faculty use of educational technologies. The survey results are helpful in determining where the institution needs to focus in meeting needs for enhanced technology services.

Fall enrolment at Canadian University College in September 2013 resulted in a 5.7% decrease. Although enrolment declines are never welcome, this drop was not unexpected. A record-breaking graduating class in the spring of 2013 which was almost double the usual number of graduates demanded that a record-breaking number of students would need to enrol in the fall in order to maintain 2012 enrolment. Administration was thus prepared for a decreased enrolment. The achievement this year, despite the drop in enrolment, was the increase in student

retention: 79% of the previous year's incoming students returned in September 2013, which contributed to an overall retention rate of 77%. These figures are well above the institution's target retention rates of 70% and 75% respectively.

Canadian University College's Marketing department continued to explore new avenues to locate prospective students. During 2013-14, strategies were implemented to connect with Brazilian international students. These students were given special status in order to make admissions easier and, thus, more attractive to them. Also, further investment was made in the Adventist Enrolment Association to enhance the University College's presence in a joint marketing initiative targeted at potential students in the United States. CUC representatives also continued to actively participate in the Educational Liaison Association of Alberta (ELAA) by touring throughout the province, attending high school, university, and college fairs with other Alberta post secondary personnel and providing leadership at the ELAA executive level. Additionally, the marketing department continued to provide information and engagement with its constituency across Canada as well as locally throughout Alberta.

A significant transition occurred during 2013-14 in Canadian University College's delivery of food services. In order to reverse financial losses in this area, CUC hired ARAMARK to manage and operate the cafeteria. ARAMARK is a leading provider of dining, facilities, and conference center management to colleges, universities, and preparatory schools. The company serves over 600 institutions across North America by providing residential dining and retail operations, such as convenience stores, coffee kiosks, late-night eateries, and branded restaurants. One of the first changes the company advised CUC to take shortly after it began its CUC operations was to close the snack shop and extend the dining hall hours of operation from early in the morning to late in the evening. This change alone has made a substantial difference to the University College's bottom line.

Major accomplishments originating out of the Advancement department this reporting period continue to revolve around yearly scheduled programs and activities. Alumni homecoming events were held in the fall and late spring. The fall homecoming featured the 40th anniversary of the CUC's acrosport gymnastics team, Acronaires. The highlight of this anniversary weekend of events was an electrifying program that included Olympic athletes and world-class performance artists. Homecoming attendees were challenged to support the new Acro Centre. Over \$25,000 was donated as a result. The Spring homecoming featured the dedication of the new bronze sculpture, "The Sower," in the lobby of the Administration Building. The weekend theme was Sowing the Seed: Anticipating the Harvest. During that weekend, attendees were invited to support campus beautification by assisting in the cost of replacing aging and storm-damaged trees. The response was positive. This weekend also features a fundraising golf tournament with the objective of involving the community as well as alumni in raising funds for 8 athletic scholarships and for a \$1,000 gift to the Lacombe Community Athletic Park.

Early in fall 2013, the “SOS” campaign (Support our Students) occurred. This fundraising effort is primarily a mail campaign aimed at attracting gifts for student aid. Approximately \$29,000 was received.

In March, the annual awards and scholarships event was held. Another group of more than 75 students received recognition, scholarships, and awards, totalling more than \$185,000. Each year several new scholarships are added. At the end of March, the major Canada-wide fundraising event took place. This one-day event resulted in a substantial increase in donations compared to previous years. Promotional materials, including DVDs, posters, special response envelopes, and more, were sent to 275 churches across Canada as well as to 7,000 alumni and friends across Canada and the United States.

The Committee of 100, an enthusiastic group of supporters, also continued to actively contribute. This year, the committee supported two major classroom remodels. One of the classrooms was renovated into a 96-seat amphitheatre and another classroom was renovated into a new computer lab.

The Advancement Office continues to produce the *Canadian Campus* magazine, which is distributed to 9,500 alumni and friends 2 to 3 times per year. Each magazine contains response envelopes. Many are returned with gifts of support. There also was an increased effort to encourage planned giving by constituents. During this reporting period, the University College was notified that it has been named as a beneficiary in three estates currently in probate.

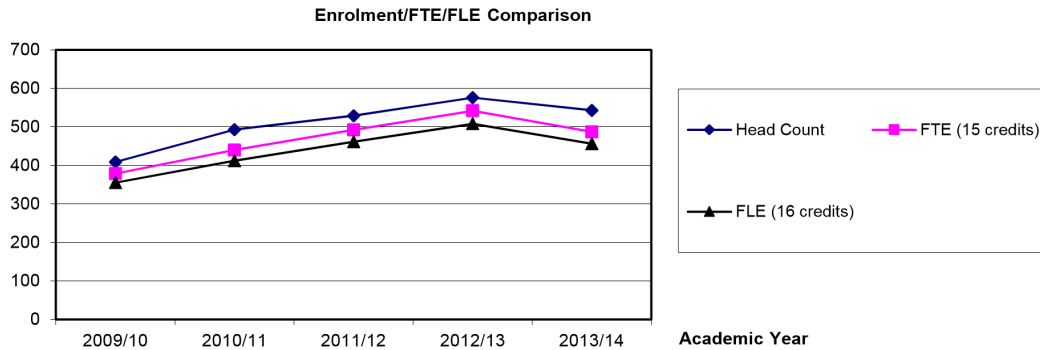
Canadian University College also hired on contract a Capital Campaign manager to assist the University College in preparing and then fundraising for the Learning Centre. This is a substantial project for the campus and for the institution’s Canadian constituency.

The most significant financial accomplishment during this reporting period was operating without a loss, not only during this most recent fiscal year, but also as a trend over the past thirteen years. The University College also is making steady progress towards its goal of having a resilient financial base through continuing to have moderate growth in the Unrestricted Unallocated Net Asset balance. In addition to the strong financial support received from the Seventh-day Adventist Church, one of the other significant factors assisting in the accomplishment of this goal is the income generated from the University College’s Heritage Fund established from the sale of CUC land.

Enrolment, facility and staffing information

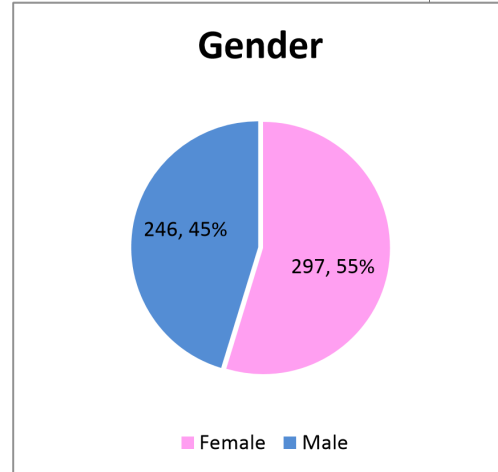
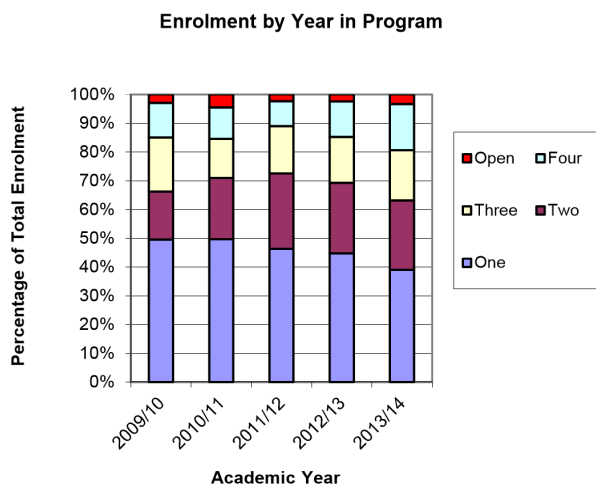
The 2013-2014 academic year saw a decrease in enrolment. Headcount decreased by 5.7% while the FTE decreased by 10.18%. In addition to a record-breaking 2013 graduating class, the decrease is also due to a decrease in the demographic from which the University College's enrolment derives. The following is a five-year comparison chart indicating enrolment over this time period:

ENROLMENT/FTE/FLE COMPARISON	2009/10	2010/11	2011/12	2012/13	2013/14
Total Head-Count Enrolment (All Programs)	409	493	529	576	543
Total Full-Time Equivalent (15 crs)	378.8	439.6	492.13	541.93	486.73
Total Full-Load Equivalent (16 crs)	355.1	412.1	461.38	508.06	456.31



ENROLMENT BY CONFERENCE/AREA	2009/10	2010/11	2011/12	2012/13	2013/14
Alberta/NW Territories/Nunavut	175	199	203	238	216
British Columbia/Yukon	67	84	99	90	85
Manitoba/Saskatchewan	7	15	19	18	22
Ontario	76	111	117	136	128
Quebec	11	15	22	17	17
Maritimes	11	14	14	16	16
Newfoundland/Labrador	2	1	1	2	3
United States	43	39	31	36	39
International	17	15	23	23	17
TOTAL	409	493	529	576	543

ENROLMENT BY YEAR IN PROGRAM	2009/10	2010/11	2011/12	2012/13	2013/14
One	203	245	245	258	212
Two	68	105	139	141	131
Three	77	67	87	92	95
Four	49	54	46	71	87
Open	12	22	12	14	18
TOTAL	409	493	529	576	543



Gender	2010/11	2011/12	2012/13	2013/14
Female	267	269	301	297
Male	226	260	275	246
TOTAL	493	529	576	543

ENROLMENT BY PROGRAM OF STUDY	2009/10	2010/11	2011/12	2012/13	2013/14
Bachelor of Arts (4-Year)					
Adventure Based Counseling	9	14	10	9	12
Behavioural Science	13	14	18	18	25
English	8	13	13	16	16
International Studies (Opened 01 May 2010)		4	9	10	9
Music	14	13	14	10	9
Religious Studies	6	8	11	8	8
Religious Studies (ABYL)	8	7	4	7	7
Religious Studies (Pre-Professional)	31	39	49	61	45
Subtotal	89	112	128	139	131
Bachelor of Business Administration (4-Year)					
Accounting Track		16	22	14	17
Human Resource Management Track		1	5	4	2
International Business Track		14	10	8	8
Management Track		10	15	22	25
Business Administration	34	2	2	3	0
Subtotal	34	43	54	51	52
Bachelor of Music (4-Year)	3	9	8	11	7
Bachelor of Science (4-Year)					
Biology	51	28	22	25	19
Biology: Bio-Medical Track		44	63	84	81
Biology: Environmental Science Track		5	4	3	2
Psychology	39	46	47	44	36
Subtotal	90	123	136	156	138
Bachelor of Education					
Elementary	56	65	57	66	56
Secondary	33	37	39	36	30
After Degree Elementary (Opened 2011/12)			1	4	12
After Degree Secondary (Opened 2011/12)			5	5	5
Subtotal	89	102	102	111	103
Bachelor of Arts (3-Year)					
Adventure Based Counseling	1	1	0	0	2
Business Administration	3	5	3	4	1
English	2	0	2	1	1
General Studies	23	14	23	32	31
History	5	4	4	4	3
Intern'l Health & Wilderness Studies	2	2	4	5	6
Music	0	1	0	0	0
Outdoor Adventure Business Studies	1	0	0	0	0
Outward Pursuits	2	4	5	9	6
Religious Studies	1	0	2	3	1
Subtotal	40	31	43	58	51
Bachelor of Science (3-Year)					
Biology	26	16	12	8	10
General Studies	6	7	12	13	12
Psychology (Opened 01 May 2001)	5	5	3		2
Wellness Management (Opened 01 May 2001)	13	20	19	16	19
Subtotal	50	48	46	37	43
Diploma (2-Year) (Closed 10/11)					
Adventure Based Counseling	2	3	0	0	0
Subtotal	2	3	0	0	0
Open	12	22	12	13	18
TOTAL ENROLMENT	409	493	529	576	543

Retention Statistics: Based on Fall To Fall Enrolment												
Year	Previous Enrolment	Grads	Eligible to Return	Fall Enrolment	New Students	New Previous Year Continuing	Returned	Total New ^①	Overall Retention Rate ^②	New Student Retention Rate ^③		
2005/06	422	72	350	398	119	79	245	153	70%			
2006/07	398	96	302	372	110	81	222	150	74%	68%		
2007/08	372	79	293	360	111	86	205	155	70%	78%		
2008/09	360	61	299	352	91	68	207	145	69%	61%		
2009/10	352	62	290	409	148	71	224	185	77%	78%		
2010/11	409	59	350	493	180	118	268	225	77%	80%		
2011/12	493	66	427	529	172	130	312	217	73%	72%		
2012/13	529	56	473	576	151	133	375	203	79%	77%		
2013/14	576	102	474	543	132	119	364	179	77%	79%		
^①	Incudes											
	1. New Students											
	2. New students in Winter term of the previous year that are returning											
	3. Any returning student that has been away for at least one year											
^②	(Returned / Eligible to Return)											
^③	(New Previous Year Continuing / Previous Year's "New Students")											

Facility Information

During the 2013-14 year the University College worked towards its goal of upgrading and revitalizing buildings by refreshing the exterior of the Library, repurposing a classroom to a computer lab and repurposing the old computer lab to a 96-seat lecture hall. Additionally the University College replaced its campus phone system during the year.

Staffing Information

Canadian University College's staffing needs were largely met during the 2013-14 year. There were no changes administratively.

A half-time faculty position was added in Wellness. A strong candidate with a doctorate in the field was hired to fill the position. There were no other changes to the tenure-track faculty complement. The new faculty member who was hired during the previous reporting period joined the music department in September 2013. Thus, all faculty needs during this year were met by a complement of tenure, tenure-track, and contract instructors.

With the retirement of the administrative assistant to the Vice President for Academic Administration, University College leadership took the opportunity to re-construct that position. Recognizing that technology has reduced the need for certain secretarial-type assistance and that the institution needs more emphasis on data collection as well as analysis, a new position was created and filled: Director of Academic Administration and Institutional Research.

Staff vacancies were largely filled by year's end.

Environmental factors

During the 2013-14 academic year, Canadian University College continued to enjoy the benefits of several key positive environmental factors while effectively managing several significant negative factors. After four consecutive years of dramatic enrolment growth, the institution began the academic year with a 5.9% decrease in enrolment. Fortunately, the institution had established a reserve fund that allowed it to continue offering all programs and services and avoid laying off any employees.

While the institution was financially resilient enough to cope with this year's decrease in enrolment, it must more effectively recruit students for the coming academic year. One pool of potential students from which CUC must more effectively recruit are Albertans who live within commuting distance of the campus.

A significant factor contributing to Canadian University College's financial resiliency is that it carries no external debt. The Unrestricted Unallocated Net Assets balance increased from \$739,439 at the end of 2012-13 to \$1,022,673 at the end of the 2013-14 fiscal year. Return on investments was reasonable, matching that of standard indices for the same period.

The institution is in the process of preparing a large area of land for development in a manner that will benefit the institution financially while facilitating urban growth that is visually appealing, attractive to consumers, and environmentally responsible.

An ongoing negative environmental factor is the amount of deferred maintenance evident across campus. While management has each year sought to deal with this threat, this effort was negatively impacted in 2013-14 by three events. A major hail and windstorm in July damaged the exterior of several buildings and uprooted numerous trees. In October, the Chan Shun Science Centre suffered major water damage when the sprinkler system was triggered by a small explosion and fire. Heavy snowfall in December collapsed a portion of the roof of the vehicle storage facility. These unfortunate events along with the financial pressures resulting from lower enrolment pose a significant threat to the institution's ability to chip away at the backlog of deferred maintenance required.

Steadily increasing support from the Seventh-day Adventist Church in Canada continues to be a reliable positive environmental factor. Total donations from alumni, friends, and all other sources increased from \$1.13 million in 2012-13 to just over \$1.22 million in 2013-14.

Canadian University College is now in the early stages of a \$20 million capital campaign to build a new library/learning centre. Additional staff was hired in

August to help the institution properly position itself for a successful capital campaign by more effectively staging its key annual giving events.

Canadian University College continues to work with Campus Alberta Quality Council (CAQC) to increase the number of degree programs offered in a manner that benefits students in Alberta without placing the institution at risk. The program most recently approved, the Bachelor of Education After Degree with Elementary and Secondary Education tracks, continues to prove to be a positive environmental factor. While Canadian University College's existing programs enjoy a strong reputation, the institution must continue expanding its offerings in order to sustain growth and effectively meet the needs of students in central Alberta.

If the downward trend in enrolment continues, management will need to balance the budget by taking strategic advantage of voluntary employee resignations and retirements. While there were no reductions in faculty or staff during the 2013-14 fiscal year, the threat of further decreases in enrolment means administration may soon need to determine in which areas the number and faculty and staff will be reduced.

The fact that CUC's faculty and staff are aging will present opportunities to reduce the institution's workforce without resorting to involuntarily layoffs. Coping with issues of employee satisfaction and workload during a time of force reduction, while concurrently planning for retirements and successions within the context of a very competitive labour market, create a negative environmental factor administration must deal with for the next ten years.

Canadian University College's most cherished positive environmental factor continues to be the good character and incredible talent of its students. Student behaviour and academic achievement during the 2013-14 academic year were outstanding. The percentage of CUC students involved in regular community service is above the national average. Student leadership in campus life and their involvement in nearly every governance committee are ongoing positive environmental factors.

Canadian University College continues to wrestle with the ongoing challenge and consequences of insufficient funding from the Province of Alberta. Full and ongoing reinstatement of Access to the Future Funds, along with annual operating grant increases commensurate with the cost of living, would give this institution what would be greatly-appreciated stability and security.

Significant changes during 2013 - 2014

- Significant changes that occurred, for example, with respect to
 - Operating efficiency

The most significant change to operating efficiency occurred with Canadian University College ceasing to operate its own cafeteria. For several years the University College was heavily subsidizing the cafeteria in order to ensure that students living in residence would have meal service. However, the cost of that subsidy became too expensive for the institution to maintain. After a request for proposals process that included representatives of interested parties making on-campus presentations of their companies' services, administration decided to engage ARAMARK's services. Over the summer of 2013, CUC cafeteria employees were offered generous severance packages or employment with ARAMARK. Some employees elected to work for the new provider, while others choose the severance option. By September 2013, ARMARK had assumed cafeteria operations. Over the course of the reporting period, the relationship between CUC and ARAMARK has developed to a point where ARAMARK has realized a profit from its CUC operations and CUC's subsidy of food services has decreased dramatically.

- Consultative processes

The National Survey of Student Engagement (NSSE) was administered during the 2012-2013 year. The 2013 NSSE results were helpful in encouraging continued focus on academic quality. During this reporting period, the Faculty Survey of Student Engagement (FSSE) was administered. Administration is looking forward to the 2013 FSSE results and intends to use the data to continue to strengthen the University College.

Consultation continued with Hanover Research. This year the company completed three research tasks: an update to the BEd Physical Education specialization demand, Best Practices in One-Stop Shops for Student Services, and Enrolment Forecasting Report for CUC. This work is providing information that will allow administration to develop an effective institutional research program for the University College that will then assist in moving the University College faster and further toward its goals.

All regular consultation processes continued this reporting period. For example, students completed assessments of classroom instruction, graduates reported on their Canadian University College experience through the Graduate Exit Survey; administration sought advice from colleagues across North America and

government; and staff provided feedback through a variety of committees and forums.

- Program initiatives

Part B of the proposal for a 4-year Bachelor of Science degree with a major in Wellness neared completion during this reporting period. Additionally, the Memorandum of Understanding with Red Deer College to create a cohort of CUC students for the University of Alberta's BScN degree offered at RDC is an exciting program opportunity for CUC students.

- Policy

No new policies were created during the 2013-14 year. However, several policies were updated and revised to reflect current practice and realities.

Major operating or capital initiatives

Major operating or capital initiatives

- Major operating or capital initiatives (expansion and renewal)

Administration is proceeding with plans for a new learning centre. A capital campaign director has been hired and is working to build a fundraising program that will result in the capital funding necessary to construct this building.

Another ongoing significant capital project continued during this reporting year. Implementation of a new campus management software/student information system, CAMS, continued during this year. However, several challenges slowed progress, primarily revision of the program to accommodate Canadian national and provincial reporting requirements, the accurate conversion of data from the previous information system, and the steep learning curve required of campus staff to adapt to the new system. While the transition to the new system has been stressful and difficult, progress is being made. However, administration expects that full implementation will take another year or two to realize.

Financial highlights

The Unrestricted Unallocated Net Asset (UUNA) balance continues to grow. As of April 30, 2014, it is at a meagre balance of \$1,022,673; however, the University College intends to continue the trend of modest growth in this area as it seeks to establish a resilient financial base. The University College also continues to hold external debt to zero.