



CONESTOGA  
Connect Life and Learning

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# **BUSINESS PLAN**

## **2017-18**

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**Conestoga College Institute of Technology and Advanced Learning**

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## MESSAGE FROM THE PRESIDENT

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As we celebrate the 50<sup>th</sup> anniversary of Conestoga and the Ontario college system, we can look back with pride at our strong record of growth, and the tremendous successes of our graduates. But it's also time for looking forward, and making plans for the next stage of our journey as Conestoga continues to strive for excellence in polytechnic education to serve the needs of individuals and businesses across our growing community.

The 2017-18 Business Plan reflects the vision and directions provided in Conestoga's 2017-2020 Strategic Plan and the 2017 Strategic Mandate Agreement with the Ministry of Advanced Education and Skills Development.

In the coming year, we will continue to focus on quality programming that supports student success and effectively addresses industry and community needs. We will refine and streamline processes and introduce new initiatives to further support the efficient implementation of program development, review and accreditation efforts.

We will build on our efforts to support student success through the introduction of a more integrated model of service delivery and increase access to affordable, technology-based learning resources. We will continue to engage students in positive dialogue to support our respectful and inclusive community and invest in new initiatives to further support safe and healthy campuses.

We will continue to expand experiential learning opportunities for students and support Conestoga's employee team in their efforts to develop or enhance their skills to address the needs of students and the college community.

We will continue to support the development and implementation of new programming aligned with industry and community needs, with a particular focus on graduate certificates and the expansion of engineering and information technology programs.

A major focus for 2017-18 is the completion of the Waterloo campus expansion project, targeted to be ready for academic activity in Fall 2018. We will also focus on the delivery of more flexible programming options to better meet the needs of students who require alternatives to full-time, in-class study.

We will build on our strengths in applied research to provide new solutions for industry and community partners. Plans for 2017-18 include the establishment of a new Centre for Supply Chain Excellence as well as a new applied research facility in Cambridge in association with Grand Innovations to address challenges related to cybersecurity and waste electronic and electrical equipment.

We will continue to focus on international enrolment growth to address the community's need for more highly skilled personnel and introduce new digital marketing efforts to support our recruitment and enrolment goals.

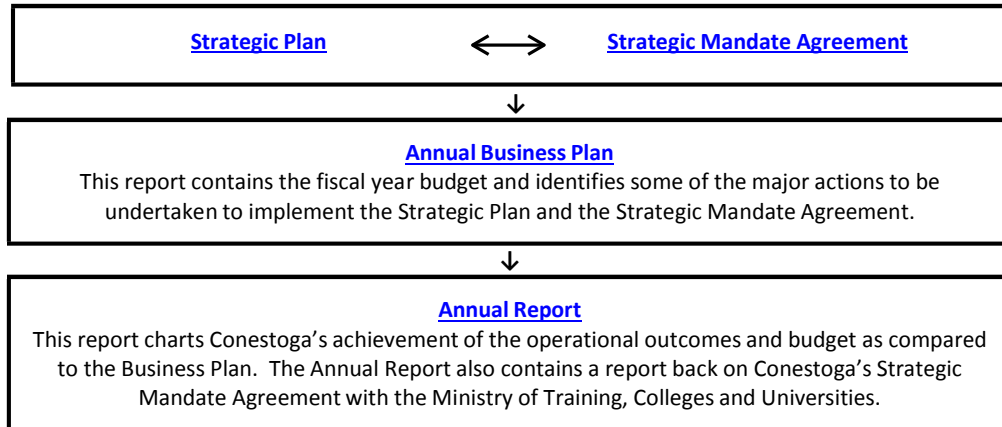
We look forward to creating new opportunities to engage with our college and community partners as we work together to transform lives and businesses on the way to a more prosperous future for our region and for Ontario.

John Tibbits, President

# 1. INTRODUCTION

The annual Business Plan is part of Conestoga’s planning, reporting and accountability process.

The key components and reports in the process are:



Conestoga’s Strategic Plan and Strategic Mandate Agreement set out the context for the Business Plan.

The 2017-18 Business Plan summarizes activities and initiatives that are planned for the first year of Conestoga’s current [Strategic Plan](#) and the [Strategic Mandate Agreement \(2018-2020\)](#). It builds on the successful outcomes of the prior year in achieving strategic priorities and goals in a fiscally challenging environment.

## 2. STRATEGIC PRIORITY FOCUS

The 2017-18 Business Plan allocates resources for the further achievement of Conestoga’s strategic goals as outlined in the 2017-20 Strategic Plan. Examples of new and ongoing initiatives in alignment with our goals are outlined below.

### QUALITY

Between 2017 and 2020, Conestoga will demonstrate excellence and continuous improvement in programming and services.

Objective	2017-18 Initiatives
<p><b><i>Q1. Continually improve programming through the ongoing implementation of quality assurance measures and processes.</i></b></p>	<p><i>We will focus on quality programming that supports student success and effectively addresses industry and community needs. Continued implementation of established quality assurance processes will contribute to the effectiveness of our programs, the success of our graduates and the satisfaction of their employers.</i></p> <p>Conestoga’s Continuous Quality Improvement (CCQI) initiatives will continue to guide program quality assurance activities. With support from Academic Administration, all schools and program areas will continue to schedule, implement, document and track Annual Program Reflections (APR) and Major Program Reviews (MPR). New initiatives include the review and revitalization of General Education and Degree Breadth course offerings, as well as the expansion of mechanisms that can more easily verify compliance and improved efficiencies.</p> <p>In 2017-18, we will work towards further refinement of all levels of the review process through additional online integration of relevant components and data elements. Storage and access of program development and review records will also be streamlined to improve efficiencies. Degree and program accreditation efforts will be further supported as the PEQAB &amp; Accreditation Repository pilot project moves towards institutional implementation.</p>
<p><b><i>Q2. Support student achievement and success through the delivery of a full range of services in a secure and inclusive learning environment.</i></b></p>	<p><i>We will support student success and satisfaction through a comprehensive range of services that address the academic, cultural and social needs of learners from diverse backgrounds.</i></p> <p>Conestoga will continue to enhance orientation efforts and activities for both domestic and international students in order to support their successful transition to college. A new online Orientation Learning</p>

Objective	2017-18 Initiatives
	<p>Module developed in partnership with the Online Learning Centre will be launched in Fall 2017.</p> <p>Work will continue towards the development of an integrated model of service delivery to support student success and decrease the burden placed on students to navigate systems and processes. The new model will enable students to move seamlessly across services, facilitate timely and appropriate referrals, and improve access to essential support at critical times in the student activity cycle.</p> <p>Student and client services will be enhanced through the development of a new Service Hub that consolidates various services in a single location (parking, OneCard, Safety &amp; Security), as well as through the implementation of electronic request forms in the Registrar’s Office.</p> <p>Expansion of eText and Bring Your Own Device (BYOD) initiatives will support increased access to affordable and effective learning resources. The eText initiative, which provides students with access to all electronic textbooks and resources on the first day of classes, will be expanded to include 13 additional programs in Fall 2017. Based on early successes, we anticipate further expansion of the eText initiative in future years.</p> <p><i>TeachMeTech</i>, a new initiative that involves the Library, Student Success and IT Services, will provide students with peer-delivered technology support services in the libraries at Doon and Cambridge campuses.</p> <p>Co-curricular programming that encourages dialogue on diversity and inclusion will continue to contribute to a respectful, safe and inclusive college community. Programming will include the Connect Leadership Workshop Series, English Conversation Partners, Celebrating Cultural Diversity Week, Health and Wellness Week, Human Library, International Women’s Day, guest lecture and panel discussions. Work will also begin towards the creation of a Student Rights and Responsibilities Office.</p> <p>Safe and healthy campus initiatives include the installation of Phase I and II of access control with accompanying policies and procedures; an update to the mobile safety app; a security camera audit and resulting replacement and/or new installation projects with a focus on external cameras.</p>
<p><b><i>Q3. Develop career-ready graduates by building on our leadership in work-integrated, experiential and active learning.</i></b></p>	<p><i>We will continue to enhance opportunities for students to apply their skills and knowledge through the integration of learning activities that reflect real-world challenges and opportunities and prepare graduates for successful careers.</i></p> <p>Conestoga will continue our efforts to expand and track experiential learning opportunities for students in alignment with our vision for</p>

Objective	2017-18 Initiatives
	<p>excellence in polytechnic education as well as the Ministry’s commitment to providing all students with such opportunities.</p> <p>As part of the Annual Program Reflection process, program areas will assess current and potential opportunities for involvement of students in experiential learning activities such as co-op work terms, work placements, job shadowing, community projects, simulations, capstone and applied research projects. Areas will work towards the further integration of applied research projects into the curriculum and available through co-op or part-time work opportunities.</p> <p>Student service areas will work to support student access to experiential learning opportunities as well. For example, Aboriginal Services will continue to engage with Aboriginal youth and employment agencies to better understand current and future labour force needs and assist with the identification of placements and job opportunities. The Student Engagement department will continue to expand learning outcome-based co-curricular opportunities offered through the Co-curricular record.</p>
<p><b>Q4. Foster the development of an effective and high-performing employee team.</b></p>	<p><i>We will achieve our current and future goals through the recruitment and development of a qualified and talented employee team supported through ongoing professional and personal learning opportunities that result in enhanced skills, shared successes and an engaged college community.</i></p> <p>The recruitment and development of a qualified and talented employee team will continue to be supported through various initiatives. The hiring and development of new faculty will be supported through enhanced clarity of essential competency requirements. New faculty development processes (e.g., College Faculty Development Program, College Educator Development Program and classroom observations) will continue to be enhanced and streamlined, with additional emphasis and support on technology-enabled learning.</p> <p>Additional resources will be provided to support inclusive design and excellence in teaching and learning. An online Teaching and Learning series will also be developed and launched.</p> <p>Another focus for the upcoming year will be to increase faculty participation in research activities.</p> <p>Conestoga employees will continue to be provided with ongoing development opportunities through the annual Employees for Excellence in Education conference and other professional development activities.</p>

Objective	2017-18 Initiatives
	<p>The reengineering of the Professional Development (PD) website will allow Conestoga to post and track all internal PD opportunities. A new campus-wide training database will also be introduced and launched to track mandatory training requirements for employees.</p> <p>Employee communications initiatives will continue to provide opportunities to share college news and success stories across the Conestoga community.</p>

## CAPACITY

Between 2017 and 2020, Conestoga will build our capacity to address community, workforce and industry needs through the development of facilities, technologies and programming options.

Objective	2017-18 Initiatives
<p><b><i>C1. Deliver a comprehensive range of career-focused programs that responds to current and evolving workforce needs.</i></b></p>	<p><i>We will remain committed to a comprehensive range of accessible, career-focused programming geared to workforce and community needs. Targeted areas for development in 2017-2020 include additional engineering and IT programming, increased access to trades and apprenticeship training, the enhancement of culinary and hospitality offerings, and focused programming for a new Milton campus in partnership with Wilfrid Laurier University (WLU).</i></p> <p>In 2017-18, Conestoga will continue to support the development, approval and implementation of new programs aligned with industry and community need. The development of graduate certificate programming will continue to be a focus. New graduate certificates in Structural Packaging Design and Structural Steel Detailing will be launched in 2017-18, as well as a diploma in Nutrition and Food Service Management.</p> <p>Ministry consent for the delivery of a bachelor’s degree in Power Systems Engineering is expected within the next year. Ministry review of a bachelor’s degree in Computer Science will take place in the coming year as well.</p> <p>Conestoga will continue to collaborate with other academic institutions and community partners to develop new online programs and additional eCampus Ontario projects.</p> <p>We will continue to identify and develop programming options for the Brantford campus in collaboration with Wilfrid Laurier University. New initiatives include the delivery of trades programming in welding (Fall 2017) with support from local businesses; the identification of academic partnership opportunities through joint (integrated) programming; new programming initiatives relevant to community needs; and the exploration of potential two-year programming for international students.</p> <p>Conestoga will also continue work with WLU on a proposed new campus site in Milton.</p>



Objective	2017-18 Initiatives
<p><b>C2. Renew and expand campus facilities to support enhanced access and the delivery of programming and services.</b></p>	<p><i>The expansion of the Waterloo campus to be completed in 2018 will enhance access to programming and services for a diverse range of learners, grow enrolment in key program areas, improve the visibility and image of Conestoga at the gateway to Waterloo’s education corridor, and consolidate two small rental satellites while improving college services. Other priority projects include the establishment of the new WLU campus in Milton, the development of an enhanced Student Centre, and continued renewal and refurbishment of existing facilities. We will also continue to explore potential partnerships for the development of new, multi-use facilities on college lands that address community needs while providing additional opportunities for students and programs.</i></p> <p>In 2017-18, Conestoga will complete the current Waterloo campus expansion project in order to meet funding timelines and ensure the new space is ready for academic activity in Fall 2018. The project includes the development of new and expanded facilities for culinary and hospitality education, training and applied research, a centralized access hub for all services including Library and Learning Commons space, and the relocation and expansion of Language Instruction for Newcomers to Canada (LINC) programming.</p> <p>Additional projects to be undertaken in 2017-18 will also contribute to increased capacity and efficiency while enhancing and refreshing learning spaces. Projects include the development of 10 new delivery model classrooms that support active learning and Bring Your Own Device (BYOD) as well as Library renovations to support the new service model that incorporates learning and technology support services.</p>
<p><b>C3. Increase access to education and skills training through pathways, technologies and flexible programming options.</b></p>	<p><i>We will continue to enhance access to programming through the expansion of online and hybrid delivery models and explore new opportunities for the delivery of short courses, modular programming and stackable credentials that lead to career success. Continued investment in technology-based tools and infrastructure will support new approaches to efficient and effective program delivery that meets the needs of today’s learners.</i></p> <p>In 2017-18, Conestoga will continue to focus on pathway opportunities from existing programs into other Conestoga credentials as well as those delivered through outside institutions. Collaborative efforts will be undertaken to review and develop pathway clusters, flexible and alternative-delivery courses and programs.</p> <p>The Online Learning Centre will produce 45 new online courses in 2017-18, will further integrate Desire2Learn (D2L) applications, expand the</p>

Objective	2017-18 Initiatives
	<p>pilot of the advanced D2L Brightspace Student Success System and investigate online synchronous delivery methods/tools.</p> <p>We will continue to focus on the development of flexible programming to meet learner needs. In 2017-18, Conestoga will develop a number of new programs focused on stackable and micro-credentials, including an IT Bootcamp.</p> <p>The School of Business will continue moving towards course-based registration, individual course scheduling that provides opportunities for students to select required courses from available daytime or evening offerings. This new model will allow additional flexibility for students to schedule classes to meet their needs, and is expected to enhance student retention.</p> <p>Conestoga will continue work in preparation for delivery of the Ministry initiative for OSAP reform, which requires major changes both to business processes and to the systems supporting those processes. This project impacts every aspect of the student life-cycle with changes to admissions, enrolment, registration, fees and online services.</p> <p>A re-engineering of the Student Portal will be undertaken to better support student access to various electronic resources.</p> <p>Website projects slated for 2017-18 to support increased access to flexible learning opportunities include enhancement of the FAST (Flexible, Accessible, Stackable Training) Programs website, re-engineering of the Career Centre website, and changes to the Continuing Education (CE) website to provide clearer and easier access to course information.</p> <p>Conestoga will continue to provide leadership for a provincial initiative aimed at the development of an Open Educational Resources Toolkit for Faculty and Library Staff, and will be working to create an internal Open Educational Resources &amp; Affordable Course Content committee to formalize processes, supports and philosophy.</p>
<p><b><i>C4. Address the innovation needs of industry and community partners through the expansion of applied research capacity.</i></b></p>	<p><i>We will continue to expand applied research activities and the development of Conestoga’s centres of excellence to support student learning, spur innovation for small and medium-sized enterprises in the local community, and contribute to regional prosperity. Priority projects include the establishment of a centre of excellence for Supply Chain Management and the development of an applied research hub in the Gaslight District in Cambridge that will provide new opportunities to focus on innovation for advanced manufacturing, cybersecurity and</i></p>

Objective	2017-18 Initiatives
	<p><i>advanced recycling technologies.</i></p> <p>In 2017-18, Conestoga’s Centre for Smart Manufacturing, Institute of Food Processing Technology and Schlegel Centre for Advancing Seniors Care will continue to build capacity for the delivery of applied research solutions through ongoing project development, grant applications, project management and reporting.</p> <p>Research chairs funded through Canada’s Industrial Research Chair for Colleges program in the areas of Seniors Care and Advanced Recycling for Waste Electrical and Electronic Equipment will continue their work with faculty, students and industry partners on projects designed to address key industry and community needs.</p> <p>During 2017-18, Conestoga will also work to establish a new Centre for Supply Chain Excellence and launch the Grand Innovations Research Hub, a new facility in Cambridge that will deliver enhanced capacity for innovation and applied research in the areas of new recycling technologies and cybersecurity. Activities will include engagement with new industry partners, implementation of the CANARIE Cybersecurity Project and launching of the Grand Innovations website.</p> <p>Conestoga’s Applied Research and Innovation office will update the college’s Intellectual Property policy and Applied Research documentation and provide ongoing support for the Research Ethics Board. The office will also work to enhance project management systems for all funded projects and provide monthly activity reports to executive deans.</p> <p>Conestoga will also undertake Phase 2 development of an Institutional Repository System for Conestoga Archives, Research &amp; Scholarship. In addition to the 1,000 records and objects already migrated to this system, we will continue to digitize remaining archival collections and launch the collection in September 2017 to coincide with 50th anniversary celebrations. Going forward, a process for gathering items and a criteria for the types of research and scholarship materials to be accepted will be established.</p>

## SUSTAINABILITY

Between 2017 and 2020, Conestoga will build on our longstanding commitment to responsible resource management, engaging with partners and exploring new opportunities to support the achievement of our goals.

Objective	2017-18 Initiatives
<p><b><i>S1. Achieve economies of scale and enhance revenues through enrolment growth and increased student retention.</i></b></p>	<p><i>We will continue to increase enrolment in high-demand areas by implementing new recruitment methodologies and expanding international recruitment into a broader range of countries and markets. Delivery of a quality learning experience, including a comprehensive range of support services tailored to student needs, will support retention and continued progress in graduation rates.</i></p> <p>As outlined in our Strategic Mandate Agreement, Conestoga is targeting stable enrolment for domestic students for 2017-18, along with continued substantial growth in international student enrolment.</p> <p>Recruitment efforts will be supported through the re-engineering of the corporate website to improve design, user experience, search engine optimization and mobile responsiveness. An enhanced focus on digital marketing will support regional and international recruitment of full-time students as well as increasing awareness of part-time and Continuing Education options.</p> <p>Enhanced recruitment to international audiences will employ a variety of digital strategies, including Google, Facebook, webinars, newsletters, in-house recruiter follow-up and customer service. A new China-specific strategy for 2017-18 includes the launch of a Chinese language website, use of social platforms WeChat and Weibo, as well as in-country customer service and recruitment.</p> <p>International recruitment activities will support diversification as outlined in the International Strategic Enrolment Management plan. The International Education office will continue to work with academic schools to build additional capacity for international enrolment and develop opportunities for new programs and intakes.</p>

Objective	2017-18 Initiatives
<p><b><i>S2. Enhance engagement with college and community partners to support the achievement of our goals.</i></b></p>	<p><i>We will launch new initiatives to increase public awareness of Conestoga’s role in supporting the prosperity and well-being of our community. Building on our strong relationships with student government, alumni, partners and stakeholders will support the development of programs, services and facilities and provide new opportunities for current and future students.</i></p> <p>As we celebrate the 50<sup>th</sup> anniversary of Conestoga and the Ontario college system, Conestoga will create new opportunities to engage with public and community stakeholders to increase recognition of the important role the college plays in supporting business and workforce needs and contributing to the prosperity of the region we serve.</p> <p>We will enhance efforts to engage with our alumni community and provide new opportunities for them to remain connected to Conestoga through a variety of outreach activities including an increased emphasis on the use of social media tools.</p> <p>Conestoga’s International Office will continue to work with regional partners and stakeholders through the “Why Waterloo?” campaign designed to promote the broad benefits of living, learning and conducting business in Waterloo Region.</p> <p>A new report to be launched in Fall 2017 will document the impact Conestoga and its graduates have made to the local community. Findings will be shared through a variety of initiatives, including a launch event for community and industry leaders, a digital and hard-copy publication distributed broadly across the community, and promotion through traditional and social media.</p> <p>In 2017-18, Conestoga will officially launch Transforming Together, a new community fundraising campaign to support the Waterloo campus expansion. Campaign communications and outreach will include the use of both traditional and digital media tools and a campaign website to support a variety of targeted fundraising activities.</p> <p>We will continue to work with Conestoga Students Inc. on joint initiatives related to the Waterloo campus expansion as well as issues of common interest such as public transit.</p> <p>We will explore new opportunities to leverage additional government funding through strengthened industry partnerships.</p> <p>Through Conestoga’s Centre for Entrepreneurship, we will undertake fundraising activities, additional government grant applications and the development and support of additional programs and events in collaboration with School of Business.</p>

Objective	2017-18 Initiatives
<p><b><i>S3. Effectively manage resources to support the sustainable delivery of college programming and services.</i></b></p>	<p><i>We will implement new approaches to further improve space and resource utilization across the college that will support increased enrolment in existing facilities and create additional revenues. Our continued commitment to energy use reduction and waste diversion will lead to cost-savings and further reduce our carbon footprint.</i></p> <p>Conestoga will continue to enhance and integrate budget processes into overall college operations. We will work with the leadership team to obtain efficiencies in processes through improved integration with the overall college timelines.</p> <p>We will continue to produce and expand upon the creation of meaningful business intelligence data (using the Infosilem Enterprise solution) to support effective space utilization. We will work to implement additional scheduling solutions as required to produce a balanced and conflict-free final exam schedule.</p> <p>Enterprise planning software used by Conestoga for financial planning, forecasting and analysis, will be upgraded in 2017-18 to further enhance reporting and analysis tools available to management personnel. The Information Technology and Institutional Research areas will also work to expand the use of business intelligence applications and dashboards to support evidence-based decision making.</p> <p>Conestoga will continue to develop and enhance practices to reduce energy/greenhouse gas (GHG) emissions to align with the province’s net-zero initiative. We will prepare and submit applications for grant funding to support these initiatives. We will work to maintain or increase our current waste diversion rate and aim to reduce HVAC/electricity costs through improved planning and scheduling.</p> <p>We will build broader recognition of Conestoga’s current and future environmental initiatives in support of the college’s strategic priorities and to promote commitment across the college community. Successes in waste and GHG emission reductions will be promoted through a variety of communications tools as well as in partnership with Sustainable Waterloo Region.</p>
<p><b><i>S4. Explore and advance revenue generating opportunities.</i></b></p>	<p><i>We will continue to seek out new opportunities to increase revenues from ancillary operations and introduce new or enhanced services that will result in additional revenues to support the achievement of our goals.</i></p> <p>Various initiatives will be undertaken to introduce new or enhanced revenue-generating services. Examples of such initiatives to be undertaken in 2017-18 include:</p>

Objective	2017-18 Initiatives
	<p>We will explore opportunities to develop corporate training partnerships for English Language Studies and foreign languages and add new corporate clients.</p> <p>We will undertake a value stream mapping project as well as venue and fixed costs analyses and develop a marketing action plan for our continued activities related to International English Language Testing System (IELTS) testing.</p> <p>We will explore opportunities to expand or enhance Recreation Centre programming options for community groups, members and local or provincial sporting groups.</p>

### 3. SIGNIFICANT FACTORS AND CHALLENGES

Conestoga and Ontario's other colleges play a vital role in providing individuals with the skills they need to find jobs, and in providing employers with the resources they need to succeed in a changing and increasingly competitive global economy. According to a recent analysis conducted by Pricewaterhouse Coopers (PwC), however, chronic underfunding jeopardizes the long-term fiscal sustainability of the college sector.

The report highlights a number of factors that are contributing to the fiscal pressures on Ontario's colleges:

- The traditional pool of college applicants in Ontario continues to decline as the result of demographic factors. Conestoga has addressed this issue successfully to date through increases in international student enrolment in addition to enhanced marketing and recruitment efforts to maintain stability in domestic enrolments.
- Increases in revenue per student between 2008-9 and 2014-15 have been outpaced by general inflation and inflation in services over the same period. Grant revenue per student has declined by approximately 10 per cent over this period.
- Colleges have undertaken many measures to control costs and maintain balanced budgets; however, there are practical limitations to how much additional cost savings colleges can realize while maintaining their ability to fulfill their core mandate.
- A substantial backlog of deferred maintenance has resulted in increases in colleges' operating costs as they work to maintain aging infrastructure and undergo expensive emergency repairs when failures occur.

The PwC report calls for the provincial government to consider providing colleges with more stable funding and greater flexibility. Further investment is essential if Conestoga and the province's other colleges are to consistently deliver the high standard of programming and services required to fulfill their mandate and contribute to the prosperity of Ontario's communities.

In addition to the factors and challenges faced by all of Ontario's colleges, Conestoga is also influenced by the nature of the community we serve.

The college is located in one of Ontario's largest and fastest growing regions with a highly diversified economy. Strengths in advanced manufacturing, information technology, research & innovation, financial services, health care & life sciences, food and agriculture provide tremendous opportunities for students and graduates. Continued focus on a broad range of comprehensive programming is essential to Conestoga's ability to serve the diverse needs of our local economy and workforce.



#### 4. FINANCIAL BUDGET

Summary	Actual 2016-17 \$000's	Proposed Budget 2017-18 \$000's
Operations Related		
Operating Revenue	211,493	215,524
Operating Expenditures	(199,584)	(209,442)
Operating Change for Year <i>(see Note)</i>	11,909	6,082
Capital Related		
Amortization of Contributed Revenue	6,569	5,936
Amortization Expense	(12,332)	(11,440)
Net Capital Expense	(5,763)	(5,504)
<b>Total Change for Year</b>	<b>6,146</b>	<b>578</b>

The following financial detail shows comparison of the proposed budget for 2017-18 and the actuals for 2016-17. Section 5 provides notes in reference to this data.

**2017-18 BUDGET SUMMARY  
FINANCIAL POSITION**

	<b>2016/17 Actual March 31, 2017 \$ 000</b>	<b>2017/18 Budget Request \$ 000</b>	<b>Change \$ 000</b>	<b>Change %</b>	<b>Note Ref.</b>
<b>REVENUE</b>					
Grants					
Provincial Operating and Supplementary	63,120	63,324	204	0.3%	1,2,3
Apprenticeship	7,395	6,863	(532)	-7.2%	4
Employment Service	5,086	4,405	(681)	-13.4%	5
Literacy Basic Skills	2,295	2,323	28	1.2%	
Other	9,271	9,233	(38)	-0.4%	6
Tuition Revenue	75,473	81,257	5,784	7.7%	7,8,9
Contract Revenue	10,657	10,549	(108)	-1.0%	10
Other Student Fees	16,567	17,293	726	4.4%	11
Other Revenue	21,629	20,277	(1,352)	-6.3%	12-15
Amortization of Deferred Capital Contributions	6,569	5,936	(633)	-9.6%	16
<b>TOTAL OPERATING FUND REVENUE</b>	<b>218,062</b>	<b>221,460</b>	<b>3,398</b>	<b>1.6%</b>	
<b>EXPENDITURES</b>					
Full Time Academic Salaries and Benefits	55,158	58,535	3,377	6.1%	17
Full Time Support Staff Salaries and Benefits	36,164	39,248	3,084	8.5%	18
Management Salaries and Benefits	21,168	22,008	840	4.0%	19
Part Time Academic Salaries and Benefits	22,883	24,672	1,789	7.8%	20
Part Time Support Staff Salaries and Benefits	8,277	8,578	301	3.6%	
<b>Total Salaries &amp; Benefits</b>	<b>143,650</b>	<b>153,041</b>	<b>9,391</b>	<b>6.5%</b>	
Student Related Expenses	12,749	12,978	229	1.8%	21
Staff Related Expenses	4,610	4,950	340	7.4%	22
Plant Related Expenses	14,652	12,570	(2,082)	-14.2%	23-25
Professional and Contract Fees	9,906	10,582	676	6.8%	26
Other Expenses	7,313	8,101	788	10.8%	27-30
Specifically Reimbursed Expenses	6,704	7,219	515	7.7%	31
Amortization of Capital Assets	12,332	11,441	(891)	-7.2%	32
<b>Total Non Salary Expense</b>	<b>68,266</b>	<b>67,841</b>	<b>(425)</b>	<b>-0.6%</b>	
<b>TOTAL OPERATING FUND EXPENDITURES</b>	<b>211,916</b>	<b>220,882</b>	<b>8,966</b>	<b>4.2%</b>	
<b>NET CHANGE FOR YEAR</b>	<b>6,146</b>	<b>578</b>	<b>(5,568)</b>		

**2017-18 BUDGET SUMMARY  
REVENUE**

	<b>2016/17 Actual March 31, 2017 \$ 000</b>	<b>2017/18 Budget Request \$ 000</b>	<b>Change \$ 000</b>	<b>Change %</b>	<b>Note Ref.</b>
<b>GOVERNMENT GRANT AND REIMBURSEMENT REVENUE</b>					
Provincial Operating Grant - Basic	36,634	59,777	23,143	63.2%	1
Provincial Operating Grant - Enrolment Growth	21,407		(21,407)	-100.0%	
Provincial Operating Grant - Second Career	1,722	1,600	(122)	-7.1%	2
Provincial Operating Grant - Performance Funding	894		(894)	-100.0%	
Provincial Operating Grant - Supplementary	1,533	1,044	(489)	-31.9%	3
Provincial Operating Grant - Bldg Rental	216	209	(7)	-3.2%	
Prov. Operating Grant - Per Capita Tax	714	694	(20)	-2.8%	
<b>Provincial Operating and Supplementary</b>	<b>63,120</b>	<b>63,324</b>	<b>204</b>	<b>0.3%</b>	
Apprenticeship	7,395	6,863	(532)	-7.2%	4
Employment Services	5,086	4,405	(681)	-13.4%	5
Literacy Basic Skills	2,295	2,323	28	1.2%	
Disability Services Grant	1,627	1,541	(86)	-5.3%	
Special Student Bursaries	186	291	105	56.5%	
Other Ontario	2,942	3,048	106	3.6%	
Municipal Grants	487	435	(52)	-10.7%	
Federal Grants	4,029	3,918	(111)	-2.8%	6
<b>Other</b>	<b>9,271</b>	<b>9,233</b>	<b>(38)</b>	<b>-0.4%</b>	
<b>TUITION REVENUE</b>					
Full Time Post Secondary	63,786	68,847	5,061	7.9%	7
Part Time Courses and Seminars	7,030	7,209	179	2.5%	8
Full Fee Recovery Programs	548	322	(226)	-41.2%	
Apprentice	915	979	64	7.0%	
Student Assistance Program	3,194	3,900	706	22.1%	9
	<b>75,473</b>	<b>81,257</b>	<b>5,784</b>	<b>7.7%</b>	
<b>CONTRACT REVENUE</b>					
	<b>10,657</b>	<b>10,549</b>	<b>(108)</b>	<b>-1.0%</b>	10
<b>OTHER STUDENT FEES</b>					
	<b>16,567</b>	<b>17,293</b>	<b>726</b>	<b>4.4%</b>	11
<b>OTHER REVENUE</b>					
Ancillary	11,436	11,194	(242)	-2.1%	12
Residence	4,055	4,135	80	2.0%	
Day Care	1,414	1,322	(92)	-6.5%	13
Interest	385	375	(10)	-2.6%	
Property Rentals	124	78	(46)	-37.1%	
Donations to Operating Costs	300	296	(4)	-1.3%	14
Miscellaneous	3,495	2,504	(991)	-28.4%	15
Reimbursement of Expenses	420	373	(47)	-11.2%	
	<b>21,629</b>	<b>20,277</b>	<b>(1,352)</b>	<b>-6.3%</b>	
<b>Amortization of Deferred Capital Contributions</b>	<b>6,569</b>	<b>5,936</b>	<b>(633)</b>	<b>-9.6%</b>	16
<b>TOTAL OPERATING FUND REVENUE</b>	<b>218,062</b>	<b>221,460</b>	<b>3,398</b>	<b>1.6%</b>	

## 2017-18 BUDGET SUMMARY

### EXPENSES

	2016/17 Actual March 31, 2017 \$ 000	2017/18 Budget Request \$ 000	Change \$ 000	Change %	Note Ref.
Salaries - Full Time Academic Teaching	43,878	46,615	2,737	6.2%	
Salaries - F/T Academic Co-ordination	443	458	15	3.4%	
Employee Benefits - Full Time Academic	10,837	11,462	625	5.8%	
<b>Full Time Academic Salaries and Benefits</b>	<b>55,158</b>	<b>58,535</b>	<b>3,377</b>	<b>6.1%</b>	17
Salaries - Full Time Support	27,875	30,461	2,586	9.3%	
Employee Benefits - Full Time Support	8,289	8,787	498	6.0%	
<b>Full Time Support Staff Salaries and Benefits</b>	<b>36,164</b>	<b>39,248</b>	<b>3,084</b>	<b>8.5%</b>	18
Salaries - Management	16,390	17,277	887	5.4%	
Salaries - Part Time Management	674	569	(105)	-15.6%	
Employee Benefits - Management	3,990	4,065	75	1.9%	
Employee Benefits - Part Time Management	114	97	(17)	-14.9%	
<b>Management Salaries and Benefits</b>	<b>21,168</b>	<b>22,008</b>	<b>840</b>	<b>4.0%</b>	19
Salaries - Part Time Academic	18,195	19,653	1,458	8.0%	
Salaries - Part Time Co-ordinators	339	320	(19)	-5.6%	
Employee Benefits - Part Time Academic	2,618	2,979	361	13.8%	
Invoiced Teaching Services	1,731	1,720	(11)	-0.6%	
<b>Part Time Academic Salaries and Benefits</b>	<b>22,883</b>	<b>24,672</b>	<b>1,789</b>	<b>7.8%</b>	20
Salaries - Part Time Support	7,494	7,745	251	3.3%	
Employee Benefits - Part Time Support	783	833	50	6.4%	
<b>Part Time Support Salaries and Benefits</b>	<b>8,277</b>	<b>8,578</b>	<b>301</b>	<b>3.6%</b>	
<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>143,650</b>	<b>153,041</b>	<b>9,391</b>	<b>6.5%</b>	
Instructional Supplies	6,501	6,573	72	1.1%	
Field Work	566	646	80	14.1%	
Cost of Inventory Sold - Ancillary	5,375	5,417	42	0.8%	
Equipment Rentals	307	342	35	11.4%	
<b>Student Related Expenses</b>	<b>12,749</b>	<b>12,978</b>	<b>229</b>	<b>1.8%</b>	21
Office Supplies / Admin Software Licencing	1,402	1,520	118	8.4%	
Postage and Courier	412	384	(28)	-6.8%	
Staff Employment - Advertising	57	53	(4)	-7.0%	
Professional Development	272	346	74	27.2%	
Travel	1,462	1,549	87	6.0%	
Telecommunications	601	637	36	6.0%	
Memberships	404	461	57	14.1%	
<b>Staff Related Expenses</b>	<b>4,610</b>	<b>4,950</b>	<b>340</b>	<b>7.4%</b>	22
Vehicle Expense	104	114	10	9.6%	
Contract Security Services	1,205	1,349	144	12.0%	23
Contract Cleaning Services	2,729	2,724	(5)	-0.2%	
Grounds Maintenance	441	495	54	12.2%	
Utilities	3,649	3,760	111	3.0%	24
Rentals Other Premises - Short Term	392	381	(11)	-2.8%	
Municipal Taxes	(3)	3	3	-100.0%	
Renovation and Maintenance	6,135	3,747	(2,388)	-38.9%	25
<b>Plant Related Expenses</b>	<b>14,652</b>	<b>12,570</b>	<b>(2,082)</b>	<b>-14.2%</b>	
<b>Professional and Contract Fees</b>	<b>9,906</b>	<b>10,582</b>	<b>676</b>	<b>6.8%</b>	26
Advertising and Promotion	1,999	2,411	412	20.6%	27
Maintenance of Equipment	2,484	2,838	354	14.3%	28
Interest Expense / Bank Charges	1,039	1,024	(15)	-1.4%	
Long Term Debt Interest	681	841	160	23.5%	29
Internal Charges	(17)	(18)	(1)	5.9%	
Non-Capital Equipment Purchases	1,127	1,005	(122)	-10.8%	30
<b>Other Expenses</b>	<b>7,313</b>	<b>8,101</b>	<b>788</b>	<b>10.8%</b>	
<b>Specifically Reimbursed Expenses</b>	<b>6,704</b>	<b>7,219</b>	515	7.7%	31
<b>Amortization of Capital Assets</b>	<b>12,332</b>	<b>11,441</b>	(891)	-7.2%	32
<b>TOTAL NON SALARY EXPENSE</b>	<b>68,266</b>	<b>67,841</b>	<b>(425)</b>	<b>-0.6%</b>	
<b>TOTAL OPERATING FUND EXPENDITURES</b>	<b>211,916</b>	<b>220,882</b>	<b>8,966</b>	<b>4.2%</b>	

## 5. NOTES TO BUDGET SUMMARY

The following notes refer to the financial detail above showing a comparison of proposed 2017-18 budget and the actual results for 2016-17. The Note numbers relate to the numbers in the far right column of the financial detail.

### REVENUE

#### Government Grants and Reimbursement Income

1. We have firm information about the **operating grants** for 2017-18. The funding envelopes are being realigned for the new Strategic Mandate Agreements. The Enrolment growth, Performance and the Basic grant are being rolled together. Total growth of \$842K for 2017-18 results from increased student enrolment in 2014-15 and 2015-16.

Grant	2016-17 Actual \$000's	2017-18 Proposed Budget \$000's
Basic	36,634K	59,777K
Enrolment Growth	21,407K	
Performance	894K	
<b>Total</b>	<b>\$58,935K</b>	<b>\$59,777K</b>

2. We have estimated **Second Career** funding to continue to drop based on demand and Ministry estimates.
3. **Supplementary operating grants** are made up of the following:

Grant	2016-17 Actual \$000's	2017-18 Proposed Budget \$000's
Renovation and Maintenance	347K	13K
Capital Equipment Renewal	306K	306K
Clinical Education	389K	389K
Aboriginal Action Plan	246K	246K
Credit Transfer	141K	
Miscellaneous	104K	90K
<b>Total</b>	<b>\$1,533K</b>	<b>\$1,044</b>

For 2017-18, the bulk of the **renovation and maintenance grant** will be directed to the Strategic Infrastructure Funding project on the Waterloo campus, reducing funds available for basic work at the college. The credit transfer grant has not been announced for 2017-18 so we are unsure that it will exist.

4. For 2017-18, **Apprenticeship** grants show a reduction in budget resulting from a drop in Ministry Apprenticeship Enhancement Funding (AEF) for equipment in 2017-18, off set by small increase in training seat plan purchases.

5. The 2017-18 budget for **Employment Services** reflects reduction of \$681K resulting from province-wide reductions in the Ministry allocations. This reduction in revenue is offset by reduced expenses.
6. **Federal Grants** are going down by \$111K as the result of the combined effects of: a reduction in the LINC (Language Instruction for New Canadians) funding where 2016-17 included \$457K of leasehold improvement and IT equipment expense, completion of the ELT (English Language Training) and OLES Supply Chain programs in 2016-17 and an increase in research funding in 2017-18.

### **Tuition Income**

7. The budget for **Post-Secondary** tuition revenue is increasing 7.9% (\$5.1M) in 2017-18. Appendix A of this document speaks to planned changes in enrolment resulting in an increase in overall student numbers of 5.2% over 2016-17 experience. Growth is almost entirely the result of increased international student enrolments, contributing to the higher overall tuition revenue. Tuition fees paid by students will increase between 0 and 5% this year based on Ministry policies (average 3.0%).
8. **Part-time** tuition revenue is budgeted to increase \$179k over 2016-17 actual. This reflects continued increase in the uptake of Ontario Learn offerings and growth in students taking full-time programs in a part-time mode.
9. The **Student Assistance Program** is that portion of tuition funds that we are required to hold separate and use to help students in financial need. As a result of continued enrolment growth, the fund has grown faster than we can allocate it in the past few years causing a large amount to be available in 2017-18. There is no bottom-line impact from these funds as there are offsetting expenditures. Any unused funds are carried forward to future years.

### **Contract Revenue**

10. **Contract Revenue** varies year to year. The largest single component is the International English Language Testing Service (IELTS) which is \$5.3M of this category. Other large contracts include \$1.4M for online course creation from eCampus. The completed course products will be available to the whole Ontario Learn network. The remainder is **Contracted Instructional Services** which includes training for industry and Laurier Brantford. This has been conservatively budgeted for 2017-18.

### **Other Student Fees**

11. **Other Student Fees** are made up of the non-tuition fees charged to students. The increase here results from a 1.0% inflationary increase plus the continued growth in student numbers.

### **Other Revenue**

12. **Ancillary revenue** combines bookstore, parking, facilities rental and cafeteria sales. We have conservatively budget all of these.
13. The budget for **Day Care** revenue has been reduced 6.5% from 2016-17 actuals. Fees are based on

the number and type of spaces expected to be utilized. The budget for 2017-18 conservatively reflects the planned utilization of spaces.

14. **Donations to Operating Costs** are the donated funds used to purchase non-capital items. Included in 2017-18 are funding for the Hallman Mental Health Project and partial funding for a student advisor for the Women in Skilled Trades programs from Freshco.
15. **Miscellaneous Income** includes application fees, Boreal IT service contract income, handling fees, alumni affinity program earnings, specialized admissions testing, photocopy revenue, Radio Station advertising, union staff release time reimbursements and secondments etc. 2016-17 included \$665K of HST recoveries which will not repeat in 2017-18.
16. **Amortization of Deferred Capital Contributions** is the amortization of past specific grants or donations used to purchase depreciable capital assets. These contributions are drawn into income over the life of the asset matching the depreciation pattern. The large drop from 2016-17 to 2017-18 is caused by portions of the equipment related to the F wing, South Campus and IFPT labs becoming fully depreciated.

## EXPENDITURES

Total Expenditure Distribution	College System Actual	Conestoga Actual	Conestoga Actual	Conestoga Budget
	2015-16	2015-16	2016-17	2017-18
Salaries and Benefits	63.0%	68.7%	67.8%	69.3%
Non Salary Related	30.1%	25.4%	26.4%	25.5%
Amortization of Capital	6.9%	6.0%	5.8%	5.2%
	100.0%	100.0%	100.0%	100.0%

Salary Related Expense Distribution	College System Actual	Conestoga Actual	Conestoga Actual	Conestoga Budget
	2015-16	2015-16	2016-17	2017-18
Academic - Full Time	35.5%	38.4%	38.4%	38.2%
- Part Time	17.1%	15.9%	15.9%	16.1%
Support - Full Time	23.6%	25.2%	25.2%	25.6%
- Part Time	7.0%	5.8%	5.8%	5.6%
Administrative	16.8%	14.7%	14.7%	14.4%
	100.0%	100.0%	100.0%	100.0%

17. **Full time academic salary** expense is increasing 6.1%. This is the combined effect of collective agreement changes, the planned hiring of 21 new full-time professor positions during the 2017-18 year, full-year salaries for those hired in 2016-17 and normal movement through the salary grid.

The new positions are in response to new activity – particularly international students.

18. **Full time support salary** expense is increasing 8.5% with this budget year. Included are 9 new positions, full-year salaries for those hired during 2016-17, normal movements through salary ranges and collective agreement changes. The new positions are in response to College growth (particularly in IT).
19. **Management salary** expense is increasing by 4.0%. Increases include provision for movement through existing salary ranges for eligible employees and the annualization of previous year hires as well as the addition of 4 new positions in response to increased demands due to college growth.
20. **Part Time academic salary** expense is increasing by 7.8%. Increases are due to our growth and normal inflationary changes.

### Non-Salary

Many of the following cost types vary directly with the number of students and staff on campus as well as the number of square feet of building we maintain.

21. **Student-related expenses** will grow by 1.8% which stems from the increased number of students and types of programs offered.
22. **Staff-related expenses** will increase 7.4% or \$340K. Larger contributors to this include additional non-instructional software related to parking and security applications, more professional development costs (\$74K) as we increase staff numbers and higher travel costs (\$87K), mostly for international recruitment.
23. **Contract Security** will grow \$144K over 2016-17 actual. This provides for a contract price increase, an additional by-law officer for satellite campuses and a new position at a service hub desk.
24. **Utilities** expenses are budgeted to increase by \$111K due to anticipated electricity rate increases.
25. The **Renovation and Maintenance** budget is going down by \$2,388K in 2017-18. This reflects a return to a more typical conservative level of repairs and maintenance.
26. **Professional Fees** include insurance, legal, audit, payroll processing, international student recruitment costs and online course contractor costs. This year includes a \$630K increase in contracted work related to eCampus contracts for the creation of online courses.
27. **Advertising and Promotion** costs are increasing by \$412k (20.6%) related to International Student recruitment and in the Marketing office.
28. **Maintenance of Equipment** costs are increasing by 14.3% due to our size and the amount of equipment to be maintained. Most of the growth is in IT maintenance, as a result of the number of servers and the size of our IT infrastructure. This category also includes the annual maintenance costs of software which increases with student numbers.
29. **Long-term Debt interest** is increasing due to the \$21.5M of Ministry of Finance loans we took at the close of the Recreation Centre construction. Payments on this loan are covered by the student



capital development fee.

30. The **Non-Capital Equipment Purchases** is an estimate of the part of college capital spending (shown in Appendix B) which will not be capitalized for accounting purposes. Approximately \$500K of this spending is funded by specific government grants. Donations will be used to offset this cost where ever possible.
31. **Specifically Reimbursed Expenses** are flow-through expenses which are either reimbursed to the college by the Ministry subject to allocated maximums or funded by the student assistance funds set aside from tuition. Examples include support allowances, bursaries and work study.
32. **Amortization of Capital Assets** represents the depreciation of college capital assets at various rates. Computer equipment is depreciated over 3 years, equipment over 5 years and buildings over 40 years. The large drop from 2016-17 to 2017-18 is caused by portions of the equipment related to the F wing, South Campus and IFPT labs becoming fully depreciated.

**APPENDIX A**  
**2017-18 BUDGET**

**FULL TIME POST-SECONDARY ENROLMENT**  
**Student Numbers at Fall Count Date – November 1<sup>st</sup>**

	2014	2015	2016		2017		
	Actual	Actual	Increase	Actual	Increase	Budget	Increase
<b>Regular</b>	9,990	10,116	1.3%	9,875	(2.4%)	10,308	4.4%
<b>International</b>	1,127	1,461	29.6%	1,982	35.7%	2,114	6.7%
<b>Total</b>	11,117	11,577	4.1%	11,857	2.4%	12,422	4.8%

The above chart shows fall count date student numbers used for revenue calculations. The projected year-over-year growth of students in **all** terms is approximately 7.7%, with the rise in international being 10%. This growth is the product of new programs and flow through to upper years of prior intakes. The chart above reflects a provision of 2.5% and 2.0% on Regular and International volume respectively taken against forecasting error.

New cohorts planned for 17-18 by school are shown by an X in the following table.

New Activity	Year	Spring				Fall				Winter				
		1	2	3	4	1	2	3	4	1	2	3	4	
<b>BUSINESS</b>														
Business Finance						X					X			
Global Supply Chain Management											X			
Occupational Health, Safety and Wellness						X					X			
<b>MEDIA STUDIES</b>														
Bachelor of Design									X					X
Animation						X					X			
Interactive Media Mgmt. (Interaction Design)						X					X			
<b>ENGINEERING TECHNOLOGY</b>														
Applied Manufacturing Management		X				X	X					X		
Construction Management		X					X					X		
Power Engineering Techniques 3 <sup>rd</sup> Class						X					X			
Structural Packaging Design and Management						X					X			
Structural Steel Management and Detailing											X			
<b>HEALTH &amp; COMMUNITY SERVICES</b>														
Nutrition and Food Service Management						X					X			
Bachelor Environmental Public Health							X		X		X		X	
Biotechnology Technician (fast track)						X					X			
<b>INFORMATION TECHNOLOGY</b>														
Computer Application Security		X												
Computer Applications Development		X				X					X			
IT Support Services		X												
<b>TRADES</b>														
Heavy Construction Equipment Operation						X					X			
Mechanical Techniques – Industrial Millwright						X					X			
Motive Power Fundamentals – Automotive Repair						X					X			
Motive Power Fundamentals – Motorcycle & Sport						X					X			
MP Techniques – Heavy Duty Equipment Repair						X					X			
MP Techniques – Truck and Coach Repair						X					X			

## APPENDIX B

### 2017-2018 BUDGET FACILITIES AND EQUIPMENT PURCHASES (\$000's)

	Expensed	Capitalized	Total	Funding Source				Funding to Capitalize
				Specific Grant	Donations	Std Fee	Conestoga	
<b>FACILITIES</b>								
Basic Facility Renewal/ Accessibility Upgrades	2,787		2,787	55			2,732	2,787
Parking Lot Maintenance/Repair	200		200				200	200
Residence Hallway Upgrade	100		100				100	100
<b>TOTAL FACILITIES</b>	<b>3,087</b>		<b>3,087</b>	<b>55</b>			<b>3,032</b>	<b>3,087</b>
<b>EQUIPMENT</b>								
Instructional								
Instructional Capital Equipment Renewal	585	2,024	2,609	894	5		1,710	2,609
Student Related Information Technology	104	1,553	1,657			1,657		1,657
Research Centres for Smart Engineering and Tech for Food		1,242	1,242	900			342	900
Administrative								
IT related - Disaster Recovery, Network, switching and UPS upgrades, servers, video conferencing , software	54	432	486				486	486
Vehicles, signage, kiosks, furniture, cafeteria equip, partitions, etc.	261	299	560	28		100	432	560
<b>TOTAL EQUIPMENT</b>	<b>1,005</b>	<b>5,550</b>	<b>6,555</b>	<b>1,822</b>	<b>5</b>	<b>1,757</b>	<b>2,970</b>	<b>6,555</b>
<b>TOTAL</b>	<b>4,092</b>	<b>5,550</b>	<b>9,642</b>	<b>1,877</b>	<b>5</b>	<b>1,757</b>	<b>6,002</b>	<b>9,642</b>

NOTE: In Process projects such as Waterloo SIF are in addition to items shown here