

BUSINESS PLAN

2017-2018



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DURHAM
COLLEGE
SUCCESS MATTERS



50

AMAZING YEARS

1967 TO 2017

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Mission

The student experience comes first.

Vision

Durham College is the premier post-secondary destination for students to succeed in a dynamic and supportive learning environment. Our graduates develop the professional and personal skills needed to realize meaningful careers and make a difference in the world.

Values

INTEGRITY AND TRANSPARENCY

We behave and communicate sincerely and honestly.

RESPECT

We treat everyone with dignity, deliver superior service and offer a safe environment.

EQUAL ACCESS AND DIVERSITY

We embrace uniqueness, ensure accessibility and champion all learners.

PERSONAL AND TEAM ACCOUNTABILITY

We do what we say we will do and are creative and innovative in how we conduct our business.

COLLABORATION

We create opportunities to work together to foster learning and achieve success.

Introduction

The Start of Something Amazing. What started as the theme of our 50th anniversary celebrations in 2017 continues to take on greater meaning for members of the Durham College (DC) family. With the recent launch of our new Strategic Plan and construction started on the Centre for Collaborative Education (CFCE) at our Oshawa campus, the amazing start to our next 50 years is well underway.

This 2017-2018 Business Plan is the first to be articulated under our new Strategic Plan, which launched in May and will guide DC through 2020. With a focus on 20 objectives divided among DC's four pillars – Our Students, Our People, Our Business and Our Community – this plan will guide us for the next 12 months as we work to achieve our goals.

In addition to wrapping up 50th anniversary celebrations with a rousing Homecoming Weekend in September and skating party in December, and seeing the CFCE completed on time and on budget in April 2018, highlights of the college's year ahead will include:

- Five new programs launched in 2017 as part of our five-year Program Development Plan.
- Development and launch of degree programs, including Health Care Technology Management.
- Research and design of a professional development program for middle management.
- Enhancement of the Whitby campus through DC's 50th Anniversary Commemoration Fund.
- Advancement of DC's efforts in environmental sustainability strategies.
- Growing applied research opportunities across the four themes of DC's strategic research agenda.
- Continued advancement of entrepreneurship with academic and community partners.

Work in these areas will continue to build on DC's significant, recent successes, which include national and international accolades for our sustainability initiatives (being named one of Canada's Greenest Employers in 2017, winning Gold in the Green College category at the World Federation of Colleges and Polytechnics Awards of Excellence in 2016, and Bistro '67, the college's full-service teaching restaurant located inside the W. Galen Weston Centre for Food earning 3 Star Green Certified restaurant designation) and inclusion among Canada's top 50 research colleges for the sixth year in a row.

Well beyond a business plan, this document will also serve as a vital touchpoint for DC's people. It allows us to recognize our everyday efforts – no matter how small they may seem – as a contribution to the college's success, its quality and reputation, and the realization of our mission that the student experience comes first.

The 2017-2018 Business Plan and budget were approved by the Board of Governors in May 2017.



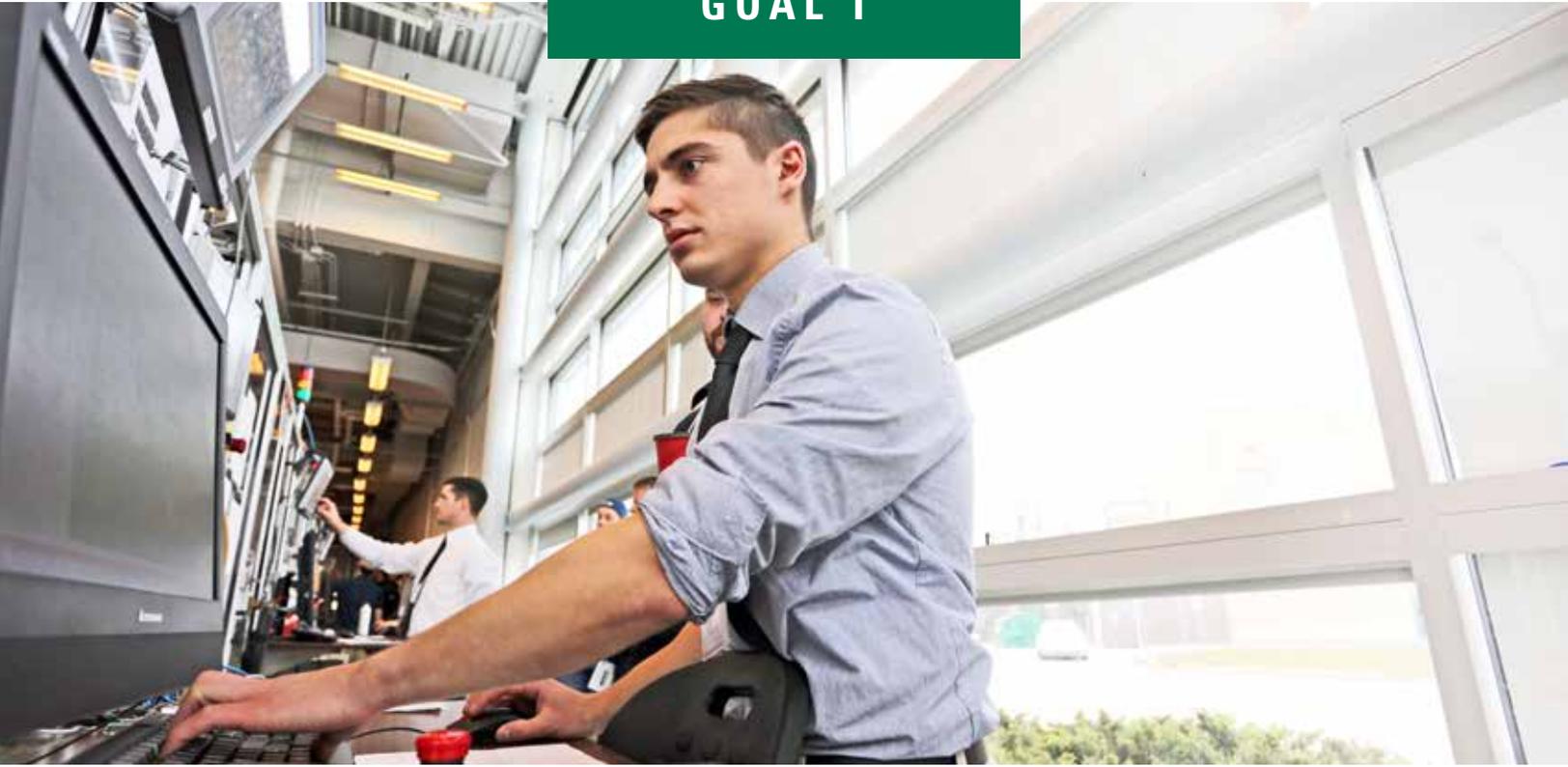


 DURHAM COLLEGE
SUCCESS MATTERS

GORDON WILLEY BUILDING

100 AMAZING YEARS

GOAL 1



OUR STUDENTS

TO PROVIDE STUDENTS WITH THE BEST POSSIBLE LEARNING EXPERIENCE.

WE WILL:

- Deliver high-quality programs to help students develop a wide range of career-ready skills.
- Expand flexible, experiential and global learning opportunities.
- Support students' well-being with a focus on adaptability and resilience.
- Build lifelong relationships with students.

Objective 1 Implement recruitment and enrolment strategies that achieve DC established targets.

ACTION	MEASUREMENT
<ul style="list-style-type: none"> Increase domestic enrolment target. 	<ul style="list-style-type: none"> Post-secondary student domestic enrolment will increase in select areas, by approximately 210-415 students over the three semesters in 2017-2018 from an average headcount of 20,770 students to 20,975 – an overall increase of 2 per cent.
<ul style="list-style-type: none"> Increase international enrolment target. 	<ul style="list-style-type: none"> Post-secondary student international enrolment will increase in selective areas by approximately 405 students over three semesters in 2017-2018 from an average headcount of 1524 to 1935 – an overall increase of 27 per cent.
<ul style="list-style-type: none"> Diversify international student recruitment by strengthening recruitment activities in the following countries and areas: Russia, Brazil, East Africa, Central America, Indonesia, Philippines and Vietnam. 	<ul style="list-style-type: none"> The number of countries represented on campus by international students will grow by 5 per cent (from 54 countries).
<ul style="list-style-type: none"> Implement system functionality to support the school of Continuing Education (CE) students in declaring their post-secondary program of choice at the time of registration. 	<ul style="list-style-type: none"> Project scope, time, budget and milestones will achieve 100 per cent system functionality.
<ul style="list-style-type: none"> Implement system functionality to support Corporate Training Services (CTS) customers with the ability to register for core services and programs. 	<ul style="list-style-type: none"> Project scope, time, budget and milestones will achieve 100 per cent system functionality.
<ul style="list-style-type: none"> Develop and implement program-specific marketing strategies to help build awareness and reputation of DC's program quality, ultimately driving an increase in applications for the 2018 and 2019 intakes. 	<ul style="list-style-type: none"> Launch program-specific online strategy for signature and priority programs. Increase applications by 5-7 per cent to each identified program (based on funding and program performance). Increase traffic to identified program pages by 200,000 visits.
<ul style="list-style-type: none"> Implement a program-specific media relations strategy to improve program reputation. 	<ul style="list-style-type: none"> Develop editorial calendar and faculty expert's guide to proactively seek media relations opportunities in signature and priority programs. Increase media engagements by 10 per cent in these areas.
<ul style="list-style-type: none"> Complete the website redesign, including the integration of the social ambassador program to drive traffic to program pages to impact applications for each intake. 	<ul style="list-style-type: none"> Launch website by August 2017. Launch social ambassador program, with 20 employees in August 2017.



Objective 2 Support program development and excellence.

ACTION	MEASUREMENT
<ul style="list-style-type: none"> Embed indigenous studies and knowledge in program curricula in alignment with Truth and Reconciliation Commission (TRC) report with the support of the aboriginal education circle. 	<ul style="list-style-type: none"> Establish faculty training materials and programs on how to integrate indigenous content within all academic programs identified in the TRC report. Incorporate indigenous health issues education in nursing courses, and cultural awareness into Journalism and Media courses, as identified in the TRC report.
<ul style="list-style-type: none"> Continue launching market-driven programs. 	<ul style="list-style-type: none"> Implement five new post-secondary programs.
<ul style="list-style-type: none"> Launch of fully online programs supported by eCampusOntario round four. 	<ul style="list-style-type: none"> Lead the development of two fully online programs: eLearning Developer and Data Analytics for Business Decision Making. Partner in the online development of Nephrology and a computer Engineering Technician bridging program.
<ul style="list-style-type: none"> Launch co-op education programs and continue to explore additional co-op programs to be launched in 2018-2019. 	<ul style="list-style-type: none"> Launch two co-op programs: Fire and Life Safety Technician diploma (School of Justice and Emergency Services), and Supply Chain and Operations Management – Business Administration (School of Business, IT & Management). Continue the development of eight additional co-op programs for the 2018-2019 academic year.
<ul style="list-style-type: none"> Develop and launch degree programs. 	<ul style="list-style-type: none"> Achieve ministry consent to launch the Health Care Technology Management Degree. Continue five-year plan for development of six degrees: <ul style="list-style-type: none"> Bachelor of Behavioural Science, submitted to the ministry in spring 2017. Begin development of third degree Paralegal Studies for submission, 2018-2019 fiscal year.
<ul style="list-style-type: none"> Continue advancing entrepreneurship including social entrepreneurship with academic and community partners, e.g. FastStart, Enactus in an effort to provide DC students with a supportive entrepreneurship learning environment. 	<ul style="list-style-type: none"> To support entrepreneurship, engage 60 students in formal extracurricular entrepreneurship learning, support 20 students to develop, launch and grow their own businesses, and support teams of students in local and cross-jurisdictional events.
<ul style="list-style-type: none"> Build education abroad partnerships and procedures to encourage student and employee exchange, and work integrated learning opportunities in targeted regions. 	<ul style="list-style-type: none"> Launch three new international partnerships and support 20 to 30 students to participate in education abroad activities. Develop and implement a new process for International work integrated learning.
<ul style="list-style-type: none"> Continue to grow DC's involvement in Education for Employment (EFE) proposals. 	<ul style="list-style-type: none"> Succeed in two international EFE bids.
<ul style="list-style-type: none"> Develop and launch a refreshed Academic Plan. 	<ul style="list-style-type: none"> Launch a refreshed academic plan that integrates with the college's strategic planning documents and that provides direction to academic matters and initiatives.

Objective 3 Expand access to quality student services.

ACTION	MEASUREMENT
<ul style="list-style-type: none"> Establish a new Campus Health Centre (CHC) strategic plan. 	<ul style="list-style-type: none"> CHC strategic plan aligns with DC strategic plan. CHC strategic plan is implemented.
<ul style="list-style-type: none"> Develop strategic response to student mental health / resilience. 	<ul style="list-style-type: none"> Revitalize coaching program to focus on strength building and proactive measures through increase in student meetings with coaches during summer Start Strong. Increase numbers from 900 to 1500 participants. Increase direct staff to student contact through addition of health educator (July) and full-time mental health nurse (August).
<ul style="list-style-type: none"> Increase access to SALS online for weekend flex students. 	<ul style="list-style-type: none"> Produce three videos for “how to access on line supports for health sciences” that will be emailed out to students in the flex programs. The same will be used for Continuing Education students. Enhance 10 key interactive resources (quizzes used +1700 times a semester).
<ul style="list-style-type: none"> Create an inclusive campus environment through the implementation of comprehensive organizational strategies in support of the diverse campus population. 	<ul style="list-style-type: none"> Policies and procedures implemented and updated according to established protocols (e.g. Sexual Violence, Harassment and Discrimination, All Gender Washroom). Increased diversity and inclusion initiatives in the form of education awareness campaigns; classroom sessions; online training modules. Offer social events, conferences, and activities supporting diversity. Implementation of programs in support of TRC report.
<ul style="list-style-type: none"> Explore the development and implementation of a restorative justice program on campus. 	<ul style="list-style-type: none"> Conduct restorative justice survey, focus group sessions, pilot-case studies and develop a feasibility report.
<ul style="list-style-type: none"> Develop academic support resources for new programs including degree programs. Identify student needs for academic support for successful degree completion. Research to align timing and content with launch of individual degrees. 	<ul style="list-style-type: none"> Complete development ready for implementation at start of approved programs. Degree students access supports in numbers that indicate value. Student Satisfaction surveys indicate satisfaction with services provided for degree level programs.

Objective 4 Deepen alumni engagement and recognition to strengthen the lifelong relationship with DC.

ACTION	MEASUREMENT
<ul style="list-style-type: none"> Increase accuracy of alumni database and maintain contact with new graduates for the purpose of fostering relationships. 	<ul style="list-style-type: none"> Increase the accuracy of the alumni database by 3 per cent, representing 2,280 records. Develop and implement communication plan for new graduates.
<ul style="list-style-type: none"> Measurably elevate the perceived value of the Durham College Alumni Association (DCAA) with students, alumni, employees and the DC leadership team. 	<ul style="list-style-type: none"> Review and refresh Memorandum of Understanding between DC and DCAA. Increase participation in Backpack to Briefcase by 10 per cent. Determine new opportunities to grow member satisfaction and develop strategy to grow membership.

GOAL 2



OUR PEOPLE

**TO OPTIMIZE THE EXPERIENCE AND EXPERTISE OF
OUR PEOPLE AND HELP THEM MAKE THE BEST
POSSIBLE CONTRIBUTION TOWARD THE STUDENT EXPERIENCE.**

WE WILL:

- Improve communication across all levels of the college to better facilitate co-operation, collaboration and a culture of service.
- Continue to grow diversity in our workforce to reflect our student body and community.
- Cultivate and reward employee engagement, creativity and innovation.
- Invest in the professional development and personal well-being of our employees.

Objective 1 Support employee development.

ACTION	MEASUREMENT
<ul style="list-style-type: none"> Revitalize new employee orientation, develop and implement sessions for new managers. 	<ul style="list-style-type: none"> Conduct monthly orientation for new hires, emphasizing collaboration, customer service, support for the student experience.
<ul style="list-style-type: none"> Implement professional development advisory communications team to promote professional development and wellness events, solicit input and receive feedback on offerings. 	<ul style="list-style-type: none"> PD advisory committee meeting to be held bi-monthly, sharing information on upcoming events, providing input for new offerings, resulting in increased employee participation in PD and wellness events.
<ul style="list-style-type: none"> Align college professional development to employee engagement, personal and professional development, enhancing teaching and learning and succession-planning. Support full-time employees in completion of degrees that enhance their workplan deliverables. 	<ul style="list-style-type: none"> Ensure four to six employees are participating in leadership development specific to their individual needs/goals.
<ul style="list-style-type: none"> Research and design a professional development program for middle management. 	<ul style="list-style-type: none"> Conduct a needs analysis. Research best practices. Determine appropriate delivery models. Source and price delivery agents.
<ul style="list-style-type: none"> Expand professional development sessions and activities offered by the Centre for Academic and Faculty Enrichment (CAFE). 	<ul style="list-style-type: none"> Increase the number of faculty professional development sessions offered by the CAFE by 10 per cent.
<ul style="list-style-type: none"> Expand mental health first aid for employees. Celebrate our employees' successes and acknowledge significant milestones and achievements. 	<ul style="list-style-type: none"> Mental health first aid delivered to all full-time faculty and available to part-time faculty. Recognize and celebrate employee successes, milestones and achievements through annual employee recognition, retirement receptions, acknowledgements at town halls and dialogue session.



GOAL 3



OUR BUSINESS

TO MANAGE RESOURCES RESPONSIBLY AND ENSURE THAT WE ARE FINANCIALLY AND ENVIRONMENTALLY SUSTAINABLE, DEMONSTRATE GOOD GOVERNANCE, AND ARE LEADERS IN THE SUPPORT OF OUTSTANDING TEACHING AND LEARNING.

WE WILL:

- Offer quality programs, services and systems that modernize, support and grow our business.
- Maximize resources and processes in all aspects of our business oversight and leadership to achieve financial sustainability.
- Connect our objectives with economic, social and environmental policy perspectives that support the well-being of our local, provincial, national and international community.
- Expand our reputation among the local and global community.

Objective 1 Renew Strategic Mandate Agreement (SMA).

ACTION	MEASUREMENT
<ul style="list-style-type: none"> • Renew SMA, align with DC strategic plan. 	<ul style="list-style-type: none"> • Negotiate SMA reflecting DC's areas of strength and growth and a college-driven definition of experiential learning.

Objective 2 Provide college system leadership.

ACTION	MEASUREMENT
<ul style="list-style-type: none"> • Provide college system leadership through participation in college and community-related committees and initiatives. 	<ul style="list-style-type: none"> • Number and quality of memberships in key college-related committees and initiatives. • Contribute to meaningful public policy debate and decisions that strengthen the formation of partnerships and greater DC visibility in communities, such as the Ideas Summit.

Objective 3 Implement system changes for OSAP and Net Tuition.

ACTION	MEASUREMENT
<ul style="list-style-type: none"> • Implement OSAP changes with supports to students while accessing financial support that is available to them. • As a pilot institution, implement the Ministry's "Net Tuition" initiative within required timelines. 	<ul style="list-style-type: none"> • Achieve Ministry mandate – OSAP and Net Tuition within timelines.



Objective 4 Capital projects.

ACTION	MEASUREMENT
<ul style="list-style-type: none"> Continue Centre For Collaborative Education (CFCE) build. 	<ul style="list-style-type: none"> CFCE built on time and budget.
<ul style="list-style-type: none"> Implement Simcoe Residence Redevelopment Plan with Funding / Financing from Province: develop redevelopment plan, business plan, financing plan, approvals to Finance and Audit Committee and Board, and commence construction. 	<ul style="list-style-type: none"> Simcoe Residence Redevelopment Plan approved and implemented with budget.
<ul style="list-style-type: none"> Implement next iteration of the W. Galen Centre For Food (CFF) vision at Whitby Campus. 	<ul style="list-style-type: none"> CFF plan completed on time and budget.
<ul style="list-style-type: none"> Enhance Whitby Campus through College's 50th Anniversary Commemoration Fund. 	<ul style="list-style-type: none"> Whitby Campus capital enhancement completed on time and budget.
<ul style="list-style-type: none"> Continue to renovate and enhance Oshawa campus to support continuity in program and services. 	<ul style="list-style-type: none"> Squash Courts renovation is completed.

Objective 5 Information technology.

ACTION	MEASUREMENT
<ul style="list-style-type: none"> Upgrade Banner. 	<ul style="list-style-type: none"> Initial delivery of upgrade test system for Banner Student and Finance. Delivery of test system for Banner HR and other self-service systems. Complete user testing. Go live.



Objective 6 Support Effective College Governance.

ACTION	MEASUREMENT
<ul style="list-style-type: none"> • Review operational policies and procedures due for renewal to ensure they are consistent and compliant with the college's by-laws and ministry binding policy directives. • Implement an enhanced communication strategy to support employee awareness, adoption and compliance with operational policies and procedures. • Implement DC-wide Records Management best practices: <ul style="list-style-type: none"> • The Records Management Office will conduct a Records Compliance Audit to establish the current level of compliance for each department in the College. • The Records Management Office will work with each department to develop a Records Management Project Plan in order to transition each department's Records Compliance to a minimum of a Level 3 Essential Compliance. • The Records Management Office will work with the Office of Strategic Enrolment Services and IT Services to develop a Project Plan to implement the Banner Document Management Software for Student Records in all relevant college departments. 	<ul style="list-style-type: none"> • All operational policies due for renewal in 2017-2018 are renewed as scheduled, and reviewed for consistency and compliance with the college's by-laws and ministry binding policy directives. • One third of DC will be brought to Level 3 Essential compliance with records management best practices. • Banner Document Management Software will be implemented in at least one third of the departments involved in maintaining Student Records.

Objective 7 Support Effective Board Governance.

ACTION	MEASUREMENT
<ul style="list-style-type: none"> • Facilitate support for the Board: <ul style="list-style-type: none"> • Transition of new members including Board Chair with orientation supports (material, orientation session). • Facilitate timely and comprehensive reporting through committees and Board. • Facilitate board member recruitment in support of desired board composition. • Facilitate supportive, focused board culture, such as advising on effective and appropriate meeting procedures through to meaningful board member engagements that contribute to respectful and meaningful dialogue and decision-making. • Support the Board in achieving its goals. 	<ul style="list-style-type: none"> • Board operations supported by relevant, timely information.

Objective 8 Financial sustainability.

ACTION	MEASUREMENT
<ul style="list-style-type: none"> • Deliver a small surplus budget. 	<ul style="list-style-type: none"> • Net profit reported on year-end financial statements.

Objective 9 Contribute to the sustainability of communities.

ACTION	MEASUREMENT
<ul style="list-style-type: none">• Contribute to local food strategies.• Advance DC efforts in environmental sustainability strategies.	<ul style="list-style-type: none">• DC's efforts advance local food community and agri-food industry strategies.• Incorporate a Canadian sustainability framework for DC projects, e.g., Sustainability Tracking, Assessment and Rating System (STARS).





GOAL 4



OUR COMMUNITY

TO CONTRIBUTE AND RESPOND TO THE ECONOMIC, SOCIAL AND ENVIRONMENTAL WELL-BEING OF OUR COMMUNITY.

WE WILL:

- Develop new programs and services to meet the evolving demands of the job market and our students.
- Celebrate and support advances in entrepreneurship, innovation and sustainability.
- Advance our role as a community hub in Durham.
- Demonstrate leadership in volunteerism and giving back to our community.
- Strengthen our industry and community partnerships, including our campus partner the University of Ontario Institute of Technology.

Objective 1 Support partners in reaching their community goals.

ACTION	MEASUREMENT
<ul style="list-style-type: none"> • Provide range of supports, e.g. in-kind support, as well as time and resources of students and employees to achieve community impact. 	<ul style="list-style-type: none"> • DC supports enable organizations and the college's partners to reach their shared goals, e.g. Chambers of Commerce, St. Vincent's Kitchen, non-profit community partners.

Objective 2 Advance applied research partnerships.

ACTION	MEASUREMENT
<ul style="list-style-type: none"> • Advance applied research project opportunities across four themes of DC's strategic research agenda – advancing agriculture and agri-business, enabling technologies of the future, cultivating healthy lives and resilient communities, and enhancing scholarly teaching and learning. • DC-UOIT Strategic Fund is supported through to its second year. 	<ul style="list-style-type: none"> • Secure 5 per cent increase from previous year in project funding representing at least 25 projects and 15 partnerships. Submit for multi-year funding. • DC-UOIT Strategic Fund projects for the inaugural year are successfully completed with summary report completed. • Second year of projects are funded in alignment with the four pillars of DC's applied research agenda.

Objective 3 Complete 50th anniversary celebrations.

ACTION	MEASUREMENT
<ul style="list-style-type: none"> • Ensure all stakeholders are aware DC is celebrating its 50th anniversary this year and encourage participation. • Host Speaker Series event. • Close the 50th anniversary year with a final celebration. • Complete a final report summarizing all activities and promotion related to the 50th anniversary. • Align activities with College's Ontario 50th anniversary initiatives including, William G. Davis Innovation fund, bus tour, social media activity. 	<ul style="list-style-type: none"> • Prepare and execute communications and marketing plans promoting 50th anniversary activities that reach stakeholders through all available channels. • Speaker Series event is well-attended. • 1000 in attendance for the 50th anniversary homecoming celebration weekend event. • Report prepared and submitted to leadership team, board and government. • One to two Durham College students submitted for the William G. Davis Innovation Fund.



Objective 4 Grow, retain and engage our donor base.

ACTION	MEASUREMENT
<ul style="list-style-type: none"> • Implement plans that cultivate deep, lasting relationships between DC community groups and individuals: <ul style="list-style-type: none"> • annual fundraising campaign • donor stewardship plan • foundation operating plan • alumni plan / alumni association MOU 	<ul style="list-style-type: none"> • Reach 100 per cent of fundraising goal. • Increase participation in PayDay Lottery by 20 per cent. • Implement meaningful stewardship reports for scholarship and bursary donors. • Engage Foundation Board in campaign solicitation. • Develop annual Donor Report. • Plan CFCE donor wall and develop complementary donor wall solutions.

Objective 5 Enhance DC's community profile through the Corporate Council.

ACTION	MEASUREMENT
<ul style="list-style-type: none"> • Expand DC engagement across communities in the region, promoting DC programs, training, applied research and entrepreneurship, and experiential learning. 	<ul style="list-style-type: none"> • Corporate Council Terms of Reference formalized. • Increase advocacy for the greater utilization of DC services, e.g. Career services, Co-op, etc.

Objective 6 Support DC student advocacy.

ACTION	MEASUREMENT
<ul style="list-style-type: none"> • Support DC students in achieving a new DC student association. 	<ul style="list-style-type: none"> • Establish new agreement with DC student association to define relationship with the college, and align related agreements and services.





DURHAM COLLEGE
FOODS MATTERS

From field to fork

BUDGET



Durham College presents a small surplus operating budget for 2017-18.

The 2017-18 budget targets a total of 11,076 full-time enrolments. The total student population for full-time domestic, second career, international, and collaborative nursing program students is expected to increase by 357 from 10,719 in fall 2016 to 11,076 in fall 2017, an increase of 3.3%. The budget includes funding for the employment of eight new faculty and nineteen additional staff, including nine full-time, seven part-time and three unallocated positions for in-year field placement pressures. These additional resources are required to address the increase in enrolled students and recruitment efforts.

Balancing the 2017-18 budget has been particularly challenging for the college due to the following factors:

- Decrease in the core operating grant: Government funding per weighted funding unit remained stagnant between 2009-10 and 2013-14 at \$4,358, then decreased to \$4,317 for 2013-14, and further decreased to \$4,275 in 2014-15, 2015-16 and 2016-17. With the new college funding formula in effect in 2017-18, the grant per weighted funding unit will decrease further to \$4,149. The Ministry has committed to providing transition funding for 2017-18 and 2018-19 in implementing the new formula.
- Assuming an increase of 3 per cent in line with the increase in inflationary expenses and salaries and benefits each year, the gap created by the operating grants since 2009-10 reaches to \$11.9 million in 2017-18. Colleges have been asked by the Ministry to offset this reduction through efficiency improvements.
- Introduction of new programs: The introduction of five new programs in fiscal 2017-18 is forecasted to realize a net negative contribution of \$0.182 million (-98 per cent) opposed to a positive 35 per cent overall contribution expected from all recurring programs at minimum. Only full tuition and student related fee revenues will be realized in 2017-18, a portion of the Core Operating Grant funding will be received in 2019-20 and the full funding will be realized by year five for these five programs.
- The budget gap was closed with the collaborative efforts from the academic schools and service departments of the college through a thorough process of examining all revenues and expenses, and increased revenues from the international enrolment growth.

The budget includes funding that supports the college's business plan, meets the college's requirements of maintaining and improving the quality of academic programs and supporting curriculum renewal and new program development. The 2017-18 budget targets to;

- Grow full-time post-secondary enrolment to 11,076 students in Fall 2017, a 3.3 per cent increase over 2016-17;
- Add five new post-secondary programs;
- Hire eight additional full-time faculty, nine full-time and seven part-time administrative and support positions, and three field placement coordinators to address the increasing needs stemming from enrolment growth, addition of new programs, and recruitment; and
- Invest \$1.7 million in one-time strategic initiatives.

Enrolment

The following table shows the breakdown of the estimated number of 2017-18 post-secondary and apprenticeship enrolment for fall semester in comparison to 2015-16 actual and 2016-17 actual and budget figures.

ENROLMENT	ACTUAL 2015-16	BUDGET 2016-17	ACTUAL 2016-17	BUDGET 2017-18	CHANGE OVER 2016-17 ACTUAL
Domestic Students	9,417	9,386	9,399	9,561	1.7%
Second Career Program	96	95	109	111	1.8%
International Students	497	557	598	794	32.8%
Collaborative Nursing	609	610	613	610	-0.5%
Total	10,619	10,648	10,719	11,076	3.3%
Apprenticeship	1,300	1,350	1,350	1,237	-8.4%

Durham College's full-time post-secondary domestic enrolment is targeted to reach 9,561 students in fall 2017, an increase of 162, or 1.7 per cent from the previous year.

The following five programs will be introduced in 2017-18:

PROGRAM NAME	DURATION	CREDENTIAL
Massage Therapy	Three years	Ontario College Advanced Diploma
Mechanical Technician – Elevating Devices	Two years	Ontario College Diploma
Office Administration – Real Estate	Two years	Ontario College Diploma
Pre-Health Sciences Pathway to Certificates and Diplomas	One year	Ontario College Certificate
Pre-Health Sciences Pathway to Advanced Diplomas and Degrees	One year	Ontario College Certificate

These new programs are expected to contribute 89 students to the fall 2017 enrolment and 77 students to the winter 2018 enrolment. Two of the five new programs will not effect the budgeted enrolment because they are replacing old programs. This change was driven by the Ministry to ensure that the program standards across College sector remained aligned.

The following table presents the fall semester post-secondary domestic full-time enrolment by academic schools:

SCHOOL	ACTUAL 2016-17	BUDGET 2017-18	CHANGE OVER 2016-17 ACTUAL
Business, IT & Management	2,063	2,083	1.0%
Health & Community Services	1,852	1,967	6.2%
Interdisciplinary Studies	590	567	-3.9%
Justice & Emergency Services	1,434	1,407	-1.9%
Media, Art & Design	1,238	1,208	-2.4%
Science & Engineering Technology	967	990	2.4%
Centre For Food	302	315	4.3%
Skilled Trades, Apprenticeship & Renewable Technology	953	1,024	7.5%
Total	9,399	9,561	1.7%

- The second career program is forecasting an enrolment of 111 students compared to 109 students in the previous year. This represents an increase of 2 students over fall 2016 or 1.8 per cent.
- The college's international education strategy is based on the recruitment of students to the campuses in Canada through a network of agents in the targeted countries. Continuing on this strategy, international enrolment in fall 2017 is targeted to reach to 794 students as compared to 598 students the previous year, an increase of 196 students or 32.8 per cent.
- Enrolment in the Collaborative Nursing Program between Durham College and UOIT is expected to remain stable at 610 headcounts in the fall 2017 due to the capacity limitation in this program.
- Post-secondary full-time students including second career, international, and collaborative nursing students in fall 2017 is targeted to be 11,076 which is 357 or 3.3 per cent higher than fall 2016.
- A total of 1,237 apprenticeship training students are expected to attend programs at the Whitby campus. This figure is 113 students or 8.4 per cent lower than 2016-17.
- In addition, 750 Academic Upgrading, 12,150 Continuing Education registrants, and 2,201 secondary school students through the School/Work initiative are expected for 2017-18.

The projected enrolments for Domestic and International for each of the academic semesters are as follows:

ENROLMENT	ACTUAL 2015-16	BUDGET 2016-17	ACTUAL 2016-17 ¹	BUDGET 2017-18	CHANGE OVER 2016-17 ACTUAL
Domestic Students					
Summer	1,535	1,556	1,874	1,911	2.0%
Fall	9,417	9,386	9,399	9,561	1.7%
Winter	9,381	9,346	9,288	9,517	2.5%
International Students					
Summer	105	124	111	253	127.9%
Fall	497	557	598	794	32.8%
Winter	557	588	821	888	8.2%

¹ Winter 2017 is a forecast based on Day 10 count

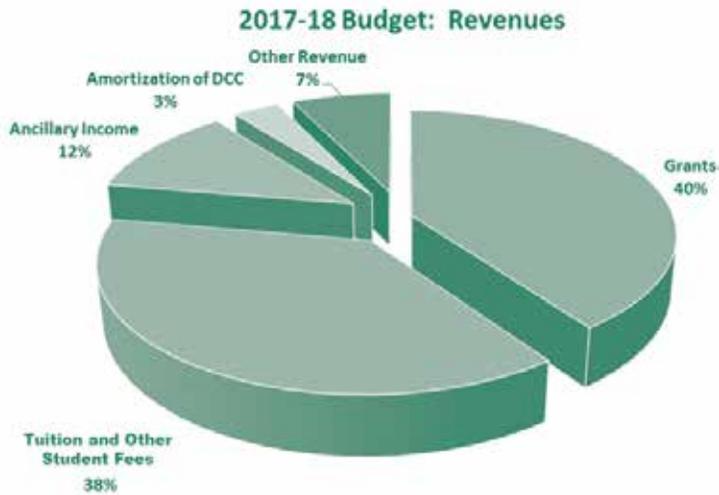
The overall projected increase of full-time post-secondary domestic students over the three semesters is 2.1 per cent and 26.5 per cent for full-time International students.



Operating Budget

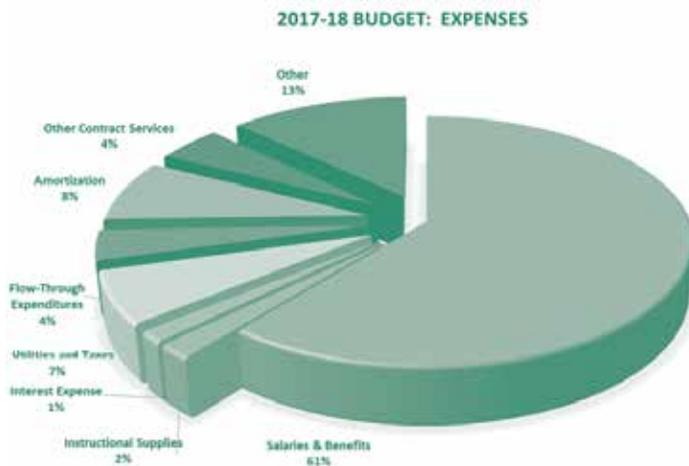
The total revenue budget for fiscal 2017-2018 is \$185 million, an increase of 6.2 per cent over 2016-17 (\$174.4 million). Institutional revenues include: Grants, Tuition, Ancillary Operations, Amortization of Deferred Capital Contributions (DCC) and Miscellaneous Income.

Revenues are allocated as follows:



The total expense budget for fiscal 2017-2018 is \$185 million, of which \$112 million is allocated to salaries and benefits and \$73 million to operational expenditures including instructional supplies, utilities and taxes, flow-through, contract services, interest, amortization and other miscellaneous expenditures.

Expenses are allocated as follows:



Operating Budget Assumptions

Operating grants	Funding for base and growth funding units according to the revised College Funding Formula with Transition Funding for the decrease in the weighted funding unit for the Core Operating Grant.
Tuition fees	3 per cent average increase as approved by Board of Governors on January 16, 2017.
Salaries and benefits – full-time faculty	Estimated adjustment for collective agreement negotiations and step increases (if applicable). The current collective agreement expires on September 30, 2017.
Salaries and benefits – support staff	Adjustment for collective agreement of 0.5 per cent effective September 1, 2017, 1 per cent lump sum payment based on annual salary on December 1, 2017 and step increases (if applicable). The current collective agreement expires on August 31, 2018.
Salaries and benefits – administration	Estimated adjustment for progress within pay bands based on performance and the draft executive compensation guidelines.



Schedule of Revenues and Expenses

In-year revenues and expenses of the College for the 2016-17 (forecast) and 2017-18 (budget) are presented below.

\$000's	ACTUAL 2015-16	FORECAST ¹ 2016-17	BUDGET 2017-18	VARIANCE BUDGET TO FORECAST ²
Operating Grants	55,932	59,160	60,118	958
Tuition Fee Revenue - Domestic	36,359	37,272	38,659	1,386
Apprenticeship Training Revenue	2,781	2,928	2,884	(44)
International Education Revenue	6,688	9,281	11,148	1,867
Corporate Training Revenue	7,928	8,991	10,251	1,260
Other Academic Revenue	9,368	9,368	9,426	(212)
Total Academic Revenues	119,056	127,270	132,486	5,216
Academic Salaries and Benefits	66,549	70,037	73,135	(3,098)
Academic Operating Expenses	10,393	11,882	11,955	(73)
Total Academic Expenses	76,942	81,919	85,090	(3,171)
Academic Contribution	42,114	45,351	47,396	2,044
Academic Contribution Margin	35.4%	35.6%	35.8%	N/A
Net Funds Allocated for Services	(32,979)	(35,979)	(37,939)	(1,960)
Ancillary Operations	7,848	8,022	8,073	51
Other Corporate Revenues (Expenses)	(946)	(2,861)	(6,483)	(3,622)
Net Amortization Expense	(7,849)	(8,562)	(8,532)	30
Interest Expense	(2,397)	(2,085)	(2,015)	70
Central Revenues (Expenses)	(3,344)	(5,486)	(8,957)	(3,471)
Surplus (Deficit)	5,791	3,887	500	(3,387)

¹ Based on year-to-date activity and projections at January 31, 2017

² Figures in brackets represent unfavourable variances

Analysis of variances between the 2016-2017 Forecast and 2017-2018 Budget

OPERATING GRANTS:

The Core Operating Grant funding received from MAESD has decreased from \$4,277 per Weighted Funding Unit (WFU) to \$4,149. The decrease of \$128 per WFU is included in the Differentiation Grant funding envelope. This re-allocation of WFU grant will have zero impact on the College's funding for 2017-18. The increase in grant of \$958K (1.6%) is a result of an increase in the WFU's from 2013-14, 2014-15 and 2015-16 and the Transition funding committed by the Ministry to ensure the college receives the same amount of funding as it would have under the historical methodology.

TUITION FEES:

The \$1,386K (3.7%) increase in full time domestic tuition fee revenues is due to the combined effect of the tuition fee increase of 3% and the enrolment increases, partially offset by the relatively flat part-time student tuition fees.

APPRENTICESHIP REVENUE:

A small decrease of \$44K (-1.5%) is estimated in apprenticeship grant revenue due to the assumption that the projected seat plan set out by Ministry may be slightly lower than previous year.

INTERNATIONAL EDUCATION REVENUE:

The \$1,867K (20.1%) increase is the result of projected additional students for each semester, offset by the international student recovery fee, a tuition set-aside reserve for scholarships and bursaries, and an increase in agent commissions.

CORPORATE TRAINING REVENUE:

The \$1,260K (14%) increase is primarily attributable to the securing of various new contracts in 2016-17 that will continue through to 2017-18. The increased business is attributed to the team's effort to diversify the current clientele portfolio.

OTHER ACADEMIC REVENUE:

The \$212K (-2.2%) decrease is attributable to a decrease of revenues from one-time external academic activity in the previous fiscal year that is not projected for 2017-18 and a decrease in flow-through revenues from the International Education tuition set-aside that are offset by corresponding expenses.

ACADEMIC SALARIES AND BENEFITS:

The \$3,098K (4.4%) increase in academic salaries and benefits is the result of estimated increases for the new collective bargaining agreement for faculty, fulfilling the current collective agreement contracts for support staff and new staff hires to support the academic mandate for 2017-18. In addition an inflationary adjustment has been provisioned for part-time faculty.

ACADEMIC OPERATING EXPENSES:

The \$73K (0.6%) increase in academic operating expenses is due to is due to an increase in new program offerings and is offset by decreased costs for International Education flow-through expenses.

NET FUNDS ALLOCATED FOR SERVICES:

The \$1,960K (5.4%) increase is primarily due to the investment of an additional five full-time and four part-time positions to support growth on campus as well as the annualization of previous year's positions. Cost increases are also due to the inflationary salary adjustments for support staff and administrative employees and contractual obligations.



A listing of net funds for services by service area is provided below.

\$000's	ACTUAL 2015-16	FORECAST ¹ 2016-17	BUDGET 2017-18	VARIANCE BUDGET TO FORECAST ²
Academic Support	(3,509)	(3,858)	(4,494)	(636)
Library	(1,137)	(1,239)	(1,316)	(77)
Student Affairs	(6,491)	(7,353)	(8,598)	(1,245)
Finance	(2,625)	(2,942)	(3,039)	(97)
Communications & Marketing	(2,216)	(2,342)	(2,363)	(20)
IT services	(3,966)	(4,514)	(4,837)	(324)
Facilities	(8,308)	(8,801)	(8,173)	627
Human Resources	(2,147)	(2,121)	(2,174)	(52)
Campus Safety	(997)	(1,118)	(1,157)	(39)
President's Office, BOG & Office of Development	(1,583)	(1,690)	(1,787)	96
Total	(32,979)	(35,979)	(37,939)	(1,960)

¹ Based on year-to-date activity and projections at January 31, 2017

² Figures in brackets represent unfavourable variances

ANCILLARY OPERATIONS:

The \$51K (0.6%) increase is primarily attributed to additional parking operations revenues and an improvement in the contribution from food services.

OTHER CORPORATE REVENUES AND EXPENSES:

The \$3,622K (126.6%) increase in other corporate revenues and expenses is primarily due to the following:

- Increase in vacation accrual (\$100K unfavourable)
- Increase in one-time strategic expenses (\$693K unfavourable)
- Increase in unallocated salary reserves (\$1,591K unfavourable)
- Decrease in revenues from shared service overhead agreement (\$418K unfavourable)
- Increase in municipal taxes (\$85K unfavourable)
- Decrease in fringe benefit recovery (\$750K unfavourable)

NET AMORTIZATION EXPENSE:

The \$30K (-0.3%) decrease is related to legacy assets reaching full amortization, reducing the in-year amortization expense.

INTEREST EXPENSE:

The \$70K (-3.3%) decrease in interest expense is the result of lower interest rates obtained on recent mortgage renewals.

RISK AND OPPORTUNITY ASSESSMENT

Post-secondary domestic and international enrolment: The achievement of the domestic and international post-secondary enrolment targets is dependent on certain factors that are beyond the control of the college including, demographic trends, state of the regional economy, and competitive factors. A 5 per cent change in domestic enrolment is calculated to have an impact of approximately \$1.56 million on the budget. A 10 per cent change in international revenues would have a \$1.12 million impact on the budget.

ACADEMIC COLLECTIVE AGREEMENT:

A provision has been made for wage increases related to the faculty negotiations consistent with prior negotiated settlements. If increases from the 2017 settlement are greater than the provision provided, it will cause some budget pressures that will be addressed through expense reductions for the remainder of the fiscal.

Operating Projection for Fiscal Year 2018-19

In line with the assumptions presented below, the College projects a balanced budget for the 2018-19 fiscal year, indicating a viable college operation provided that the conditions created by the 2017-18 budget can be sustained in 2018-19.

Post-secondary domestic enrolment growth	0.5% increase
Operating grants	0.68% increase
Tuition fees	3.0% increase

Schedule of Operating Revenues and Expenses

\$000's	FORECAST ¹ 2016-17	BUDGET 2017-18	PROJECTION 2018-19
Total Academic Revenues	126,992	132,486	135,616
Total Academic Expenses	81,919	84,985	87,830
Academic Contribution	45,073	47,501	47,786
<i>Academic Contribution Margin</i>	<i>35.5%</i>	<i>35.9%</i>	<i>35.2%</i>
Net Funds Allocated for Services	(35,979)	(37,939)	(39,907)
Central Revenues (Expenses)	(5,486)	(9,063)	(7,867)
Surplus (Deficit)	3,609	499	12

¹ Based on year-to-date activity and projections at January 31, 2017

² Figures in brackets represent unfavourable variances

Capital Expenditures Budget

Total approved capital expenditures for fiscal 2017-2018 is \$15.1 million for annual renovations and infrastructure investments with \$3.4 million financed through external funding. The balance is funded through non-cash adjustments from operations and \$3 million from the internally restricted capital reserve.

The following table shows the allocation of capital expenditure projects excluding those related to the new Centre for Collaborative Education (CFCE).

\$'000	Forecast 2016-17 ¹	Budget 2016-17	Budget 2017-18
Capital Funding			
College Equipment Renewal Fund	312	312	312
Facilities Renewal Fund (flow through)	1,238	604	604
Apprenticeship Enhancement Fund (flow-through)	862	862	284
OPG Donation (in-year)	266	266	266
OPG Carry-forward donation	422	422	400
Other Capital Donations	177	570	1,000
Capital Reserve – Internally Restricted	-	-	3,000
CRWC Reserve (flow-through)	621	247	168
Residence Reserve (flow-through)	143	125	403
Total Available Funding	4,041	3,408	6,436
Capital Expenditures			
Academic	1,070	1,094	1,071
Academic – Funded through donations	100	570	1,295
Apprenticeship projects (AEF)	985	862	284
Power Engineering Technician (PETC) – Steam Project	862	862	400
Total Academic	3,017	3,388	3,050
Campus Tennis Centre Retrofit	-	350	-
Other Services	80	107	379
Total Services	80	457	379
Total IT	1,594	1,626	2,005
Renovations	1,905	1,628	4,929
Road upgrade, parking and signage	88	98	304
Deferred Maintenance	1,452	1,321	2,668
Classroom and lab refresh	159	247	810
CFF landscaping and greenhouse	20	20	-
Total Facilities	3,624	3,314	8,711
CRWC renovations	621	247	168
Residence renovations	143	125	403
Total Flow-Through	764	372	571
Accessibility Pool	100	100	100
Contingency	73	250	250
Unbudgeted Projects	775	-	-
Total Capital Expenditures	10,027	9,507	15,065
Funded from College Resources	(5,986)	(6,099)	(8,629)

¹ Based on year-to-date activity and encumbrances at February 22, 2017

Planned capital expenditures for 2017-18 include the following:

School of Skilled Trades, Apprenticeship & Renewable Technology	Completion of the boiler installation for the PETC program, kit car, welders, plumbing lab equipment, hydraulic simulator, training furnaces, electrical upgrades to shop for millwright and elevating devices, and shop equipment for the carpentry program.
School of Media, Art & Design	Electrical upgrades for studios, storage racks for studios, and media loans inventory.
School of Business, IT & Management	Air conditioning units for server closets, computer lab equipment upgrades, conversion of two desktop classrooms to laptop classrooms, and the conversion of classroom to a new networking lab.
School of Justice & Emergency Services	Simulation equipment, fitness equipment, portable suction units, and two way radios.
School of Health & Community Services	Cabinetry for dental clinic, mini flex centre, assessment lab, and a dental radiographic mannequin.
School of Science & Engineering Technology	Lab floor trench, microscopes and processing laboratory equipment.
Centre for Food	Arboretum and air conditioning for head house, projects funded through the Weston donation.
Student services and general administration	Enhancements to the recruitment booth, CCTV infrastructure renewals, donor wall for Centre for Collaborative Education, building wrap and digital signage.
Information Technology	Continuation of the Banner Revitalization initiative, Cognos reporting and banner upgrade project, server upgrades, phase 4 of Revitalize ITSM, Wi-Fi upgrades, PCI remediation and computer equipment and lab refresh.
General renovation projects	Renovations to G wing, L wing facelift, fitness and health labs.
Facilities Renewal projects	Replace roof deck 2.0 and 2.1, HVAC repairs on the Student Centre building, lighting and control systems upgrade, upgrade exhaust systems, campus energy metering, repairs to main electrical boards, parking lot lighting retrofit to LED, replace chiller in main building, fire monitoring system modernization, replace cooling tower at Whitby, and emergency power for parking.
Ancillary projects	Kitchen equipment replacement, Whitby cafeteria refresh, parking lot paving, kiss and ride at Whitby, and security cameras for the Campus Field House and Campus Ice Centre.

Capital Expenditure Projection for Fiscal Year 2018-19

The capital expenditures currently planned for fiscal year 2018-19 include the planning and design for continued renovations at the Oshawa and Whitby campuses for \$2.0 million, \$0.6 million for ongoing deferred maintenance, and \$0.5 million for the IT lab and faculty laptop refresh. The balance of the 2018-19 capital expenditures will be planned during the preparation of the 2018-19 budget.

CASH FLOW PROJECTION

Cash flow from operations is estimated to be sufficient to pay for continuing operations and the planned capital expenditures. However some funding may be required in-year for working capital and some of the externally funded projects due to the differences between the time that funds are received and spent. The College has a total \$11.0 million line of credit and may have to use a portion of this facility to fund cash outflows due to the seasonality of receiving Ministry funding and student revenues.

The following table shows the budgeted cash flow change for 2017-18 fiscal year.

	2017-18	Comments
Cash flow from operations	500	Surplus from operating net contribution
Cash flow from operations	9,283	Impact of adding back non-cash amortization expense and vacation accrual
Cash flow from working capital	2,323	Change in current assets over current liabilities
Investing activities	(15,065)	Capital expenditures
Deferred contributions	6,436	Deferred capital contributions and restricted contributions for capital
Re-payment of long-term debt	(3,732)	Outflow for principal payment on long-term loans
Net In-Year Cash Flow	(255)	

Conclusion

Durham College is presenting a small surplus budget for 2017-18 despite funding reductions and enrolment challenges. Durham is committed to maintaining financial sustainability as is evident through its third consecutive budgeted surplus. The primary factor behind this achievement is the continuing collaboration among the academic and service areas to create efficiencies to increase revenues and reduce expenses.

The budget targets are tight but achievable. The principal objective of the budget is to expand operating activities of the college and enhance the academic quality and occupational relevance of the academic programs where possible. The budget allows for the continuation of all existing academic programs and the introduction of five new programs. The budget also supports the college's business plan priorities for 2017-18.

The college's budget was constructed to support the operating needs and key strategic priorities that deliver results for improved student learning and success. The 2017-18 budget targets a total of 11,076 full-time enrolments, an increase of 3.3 per cent over 2016-17. The biggest risk associated with the budget is the achievement of domestic and international enrolment targets. As such, funding has been allocated for strategic and leadership initiatives, recruitment and new program development.

The proposed capital budget provides \$15.1 million for capital expenditures in fiscal 2017-18 including an investment in academic resources, IT, and ongoing infrastructure improvements. Of this amount \$6.4 million will be funded from external sources and the remaining \$8.6 million will be funded from the operational cash flow of the college.

The projected cash flow indicates that the College will be able to sustain its operations without requiring additional external financing. As well, the college will be able to further reduce its previous long-term borrowing by \$3.7 million in 2017-18.





