

## Accountability Plan & Report 2017/2018



Where thought meets action







# Accountability Statement

Honourable Melanie Mark  
Minister of Advanced Education, Skills & Training  
Government of British Columbia

July 14<sup>th</sup>, 2018

Dear Minister,

We are pleased to submit KPU's institutional Accountability Plan and Report for 2017/18.

This has been an active year at KPU as we reached the end of our 2013-18 strategic plan, VISION 2018, and our 2014-18 Academic Plan and developed new plans to take us to 2023. Through data, stories about our students, and 77 performance measures, we highlight the progress we have made on VISION 2018.

KPU has met, or exceeded, all targets set by the Ministry of Advanced Education for 2016/17, with the exception of the developmental FTE target. KPU has complied with the provincial government's Job Skills Blueprint, achieving 100% of our Skills Gap Plan targets.

Some of the highlights from this year include advancing Indigenous participation at KPU, enhancing our involvement in the #BCTECH strategy, and expanding our commitment to Open Education resources. More information is provided in the *KPU's Strategic Priorities* section of Chapter 1.

KPU continues to meet its financial targets, achieving a surplus for 2017/18, and developing a balanced budget for 2018/19. Our 2016/17 audited financial statements are included in this report for your reference. KPU also remains committed to the Administrative Service Delivery Transformation Initiative, actively participating in BCNET IT and joint procurement services.

We affirm that, in accordance with KPU's governance structure, the Board Chair and the President/Vice Chancellor are accountable for achieving its objectives.

Sincerely,

A handwritten signature in black ink, appearing to read 'Hanne Madsen'.

Hanne Madsen  
Board Chair

A handwritten signature in black ink, appearing to read 'Alan Davis'.

Alan Davis  
President and Vice Chancellor

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# 1. Strategic Direction

## KPU's Strategic Direction: VISION 2018

VISION 2018, KPU's Strategic Plan for 2013 – 2018, was approved in 2013. The plan's goals and strategies are grouped in three themes: Quality, Reputation, and Relevance.

### KPU Mission, Vision and Values

**Mission**

KPU offers all learners opportunities to achieve success in a diverse range of programs that blend theory and practice, critical understanding, and social and ethical awareness necessary for good citizenship and rewarding careers.

**Vision**

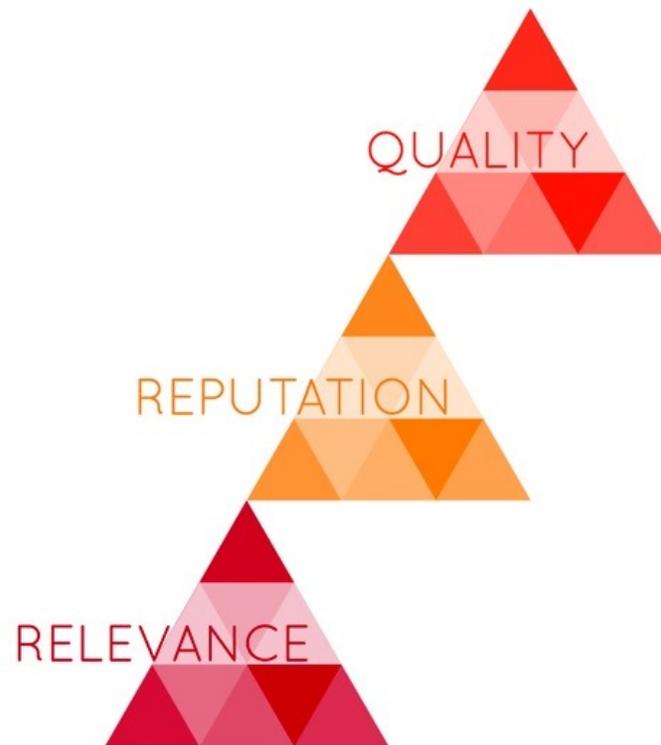
In 2018, KPU is Canada's leading polytechnic university, with

- Inspiring educators
- All learners engaging in campus and community life
- Open and creative learning environments
- Relevant scholarship and research
- Authentic external and internal relationships

**Values**

- Synergistic community relationships
- Supportive and collaborative learning and working environments
- Scholarship of discovery, creativity, integration, application, and teaching
- Rich learner experiences and a vibrant campus life
- Responsible stewardship of resources
- Multiple ways of knowing
- Excellence and innovation
- Diversity and inclusion
- Continuous personal and professional enrichment
- Access and flexibility
- Academic freedom

## KPU Goals



➤ **QUALITY:**

- All KPU graduates are prepared for global citizenship and rewarding careers.
- Learner engagement and retention at KPU show continuous improvement.
- KPU is a well-managed, integrated, and transparent organization that supports learning.

➤ **REPUTATION:**

- KPU is widely recognized for its teaching and its scholarship.
- KPU's unique identity is clearly articulated and well understood across the University and beyond.
- KPU is the foremost provider of continuing and professional education in its region.

➤ **RELEVANCE:**

- The impact of KPU's community engagement has doubled by 2018.
- KPU's operations support purposeful learner FTE growth of at least 5% annually to meet the educational needs of its region's diverse population.
- Experiential learning is integrated into every KPU program, connecting theory to application and the classroom to the community.

## KPU's Strategic Priorities

As the final year of KPU's strategic plan, VISION 2018, as well as the 2018 Academic Plan, the 2017/18 academic year has been a transition year for KPU. Throughout the year, we have focused on assessing our progress, finalizing our efforts to complete each plan, and consulting extensively with the university community to develop plans for the next five years.

Some of the highlights from 2017/18 follow, together with key priorities for 2018/19.

### New Strategic Plan: VISION 2023

KPU's new strategic plan, VISION 2023, was approved by the Board of Governors in June 2018. Consultation about the new vision for KPU began in the fall of 2017, by asking students and employees for input on direction for KPU's future through an online platform called *ThoughtExchange* – 1,400 people participated. From this input the first draft was developed, which was widely circulated for feedback at governance meetings, Faculty Councils, and administrative committee meetings. VISION 2023 was refined by inviting feedback on subsequent drafts, using the same processes used for the first draft, as well as inviting students and employees to provide feedback on an online blog created for this purpose, and through hallway conversations held on each campus.

VISION 2023 includes an updated mission and vision for KPU, and 12 goals organized into four interconnected themes of *Experience, Sustainability, Creativity* and *Quality*. KPU's 12 goals are:

- Experience:*
  - Enhance the experience of our students
  - Enrich the experience of our employees
  - Delight our friends in their KPU experience
- Sustainability:*
  - Embrace all cultures and promote a renewed, authentic approach to Indigenization
  - Foster environmental sustainability through our offerings, research and operations
  - Integrate planning to ensure KPU operations are aligned with our resources, thus sustaining quality and institutional health
- Creativity:*
  - Increase the levels of activity, funding and intensity of research and scholarship
  - Increase innovation in teaching, learning and curriculum
  - Embolden creative problem solving across KPU's operations
- Quality:*
  - Ensure continuous improvement of all KPU programs and services
  - Hold each other responsible for our promises and our expectations
  - Be accountable to our partners, governments and communities

## New Academic Plan

In May 2018, KPU's Senate approved the new Academic Plan 2018-2023. This plan, assembled through extensive consultation with an engaged KPU community, reflects a collective vision for academic development over the next five years. It represents the voices of hundreds of passionate educators dedicated to student success and the transmission of knowledge for a collective good.

As an institution of higher learning, KPU is compelled to leverage its program base and intellectual capital to address the major issues of our day. In a world where the rate of change demands we continually review, renew and improve our programs, we must embrace innovation and the digital transformation of our society. We will innovate by promoting a curriculum that is adaptive and responsive. We will support innovation through enriched delivery modes and increase flexible, online and hybrid learning environments. We propose multi-dimensional approaches and policy shifts while ensuring we maintain our focus on innovation as a tool for the betterment of life itself.

KPU proposes to become an exemplar of an inclusive institution where learners can find a welcoming, inspiring place within which to unleash their potential and carve out their special place in our collective environment. For us, accessibility really means everyone, learners of all types. The new Academic Plan lays out a path to address the needs of domestic and international students, Indigenous students, students with disabilities, and adult learners, recognizing the multiple obstacles that must be attenuated, and the social exclusion the university must mitigate. Accessibility embraces inclusion at KPU but furthermore extends its reach to incorporate Universal Design for Learning (UDL) principles that set a level playing field for all to aspire, attain, and seize their chosen path. Our vision of inclusion also encompasses a demographic, social, gender, economic, and ability arena. We redefine our mandated regional focus to reflect the global reach of our educational delivery and the diversity of our campus life. We cultivate flexibility in programs, up-to-date policies and systems to increase choice and to serve a wide variety of learners in a greater number of ways. In a world where variability is the real norm, we strive to reflect the central and the marginal and to reach the many through focused and progressive practices.

The plan will implement strategies centered on the following goals:

- Student Success
- Teaching Excellence
- Research at KPU
- Internationalization
- Indigenous Participation at KPU
- Open Education
- Bridging Trades and the Academy
- Preparing for the BC K-12 Transformation
- Graduate Studies at KPU

## **Student Success**

KPU will be constructing a strategy for enhancing the student experience and expanding the range of teaching options for its instructors by building on the synergies between diverse units such as the Teaching and Learning Commons, experiential learning, accessibility services, open education, and Indigenous studies. Plans are underway to adopt and implement Universal Design for Learning (UDL) principles to eliminate barriers to educational success, reimagining and renewing University Libraries to become sites of engagement for the exchange of ideas, open dialog, and diversity. KPU also plans to renew its approach to adult learners to reflect their unique challenges and promote programs and services designed specifically for them.

## **Teaching Excellence**

KPU will effectively and efficiently resource and establish appropriate learning environments for its students' experience by continuously monitoring and measuring student success, and by developing institution-wide strategic planning, standards, and corresponding infrastructure. Intentional connections will be sought to provide students with more learning opportunities, enrich teaching excellence, promote research and scholarship, strengthen partnerships at home and abroad, and to enhance KPU's reputation.

## **Research at KPU**

The former Office of Research and Scholarship will become the newly restructured Office of Research and Research Services (ORRS). The office will provide enhanced orientation, mentoring and other research services that will raise KPU's profile and capacity in the areas of applied research, basic research, as well as the scholarship of teaching and learning. The ORRS will serve as a place for researchers to reinforce and enhance their research capacity and secure support from diverse funders. The ORRS will also connect them to national and international private, institutional, and governmental research networks, and postsecondary institutions and research foundations. Secondly, the office will support researchers to strengthen the accountability of research work by providing access to knowledgeable staff to assist with financial reporting, compliance matters, and communication.

## **International Education**

KPU will approach international enrolment with a special focus on identifying an ideal mix of domestic and international students that will ensure all learners enjoy the benefits of cross-cultural exchange, peer-support, have access to courses and to the valuable mentorship of instructors and support staff. KPU International will work with academic leaders to increase the awareness of global perspectives in all current and new curriculum through enhanced teaching and learning methodologies.

KPU has recently embarked on an expansion of its field school offerings. Over the past few years, students have enjoyed the opportunity to partake in international experiences through our

Amazon field school, our Art and Design field school in Paris and Geneva, our Interior Design field school in Barcelona, and our Venice and New York Biennale field schools. As we continue to explore other subject fields and seek to integrate diverse study disciplines we are now launching our Rome field school (integrating sustainable business, design, sustainable agriculture and food systems) and our Cuba field school (integrating cultural studies and music).

KPU is working on an agreement with two Swiss Universities of Applied Science in Olten and Basel that will potentially see an exchange of both students and faculty. We have instructors guest lecturing and doing research in Asia, Africa, the Caribbean and Europe, who continually nourish our flow of new concepts and pedagogical approaches and infuse those ideas into our ever evolving curriculum.

We are making major efforts to diversify our considerable international student body by investing in emerging markets in the Middle East, South America, and Africa.

## **Indigenous Participation at KPU**

Over the past four years, KPU has expanded both the scope and the depth of its involvement with local and regional Indigenous communities. KPU supports and embraces the Calls to Action from the Truth and Reconciliation Commission. Through genuine consultation and rigorous development, KPU will provide a culturally-safe and welcoming destination for Indigenous learners in our region. The University prioritizes being a supportive and comfortable place, connecting with and learning from Indigenous peoples and their respective ways of knowing. As a start, KPU produced online modules to promote an understanding of Indigenous cultures to enhance our faculty, staff and administration's capacity to work with Indigenous students and their diverse communities, and to enhance our capacity to provide appropriate support to Indigenous students. This training is being rolled out in the latter half of 2018.

To support Indigenous students, KPU'S Elder-in-Residence, Lekeyten of the Kwantlen First Nation, plays an active role in University events, is regularly available at the Aboriginal Gathering Place, and has been active on the Surrey campus. In addition, we are re-establishing the Indigenous (Aboriginal) Admissions Committee to expedite and support the admission of Indigenous students and renewing the Indigenous (Aboriginal) Advisory Committee to provide guidance to KPU and act as a communications link between the University and the Indigenous community. Plans for 2018/19 include hiring a manager of Indigenous services, and further strengthening the relationships with local First Nations and Indigenous peoples and organizations.

With more than 100 Indigenous high school students registered, the Open Doors - Open Minds event, supported by the KPU Foundation, encouraged Science, Technology, Engineering and Math (STEM) as potential career pathways for Indigenous students. This year was the second such event and featured an opening protocol ceremony, workshops and mock classrooms, a visit to the Aboriginal Gathering Place and keynote presentations by Jane Koepke and Shane Wally from the Carcross/Tagish First Nation in the Yukon, Brad Baker, a member of the Squamish Nation

and the District Principal of Indigenous Education in North Vancouver, and hip-hop artist Dakota Bear (Dakk'One) with jingle dancer Casey Desjarlais.

We are expanding Indigenous content in program curriculum in a variety of ways. A new interdisciplinary minor in *Indigenous Community Justice* in the Faculty of Arts provides further opportunities for learning about Indigenous culture, histories and worldviews. All Journalism students taking a Bachelor of Arts degree must take the Introduction to Indigenous Studies course. Curriculum in other KPU courses is under development to instill an understanding of Indigenous culture, history and world views.

We also deliver programming specifically for Indigenous learners, including:

- The Trades and Technology Faculty offers courses for Indigenous students through Youth Train-in-Trades funding in Squamish, Pemberton and Cloverdale.
- Continuing and Professional Studies (CPS) has been delivering highly successful trades training programs at the Squamish Reserve in North Vancouver. KPU has received a Ministry grant to support this Aboriginal Community-Based Delivery Partnership Program with Squamish First Nation.
- KPU has partnered with the Native Education Centre and Fraser Region Aboriginal Friendship Centre to deliver Computer Aided Design and Drafting programs.
- The Linking Paths Project with *Kwikwetlem*, *Musqueam*, *Squamish*, and *Tsleil-Waututh* First Nations is a new Training and Employment Strategy framework for Trades and CPS programs.

## Open Education Resources

The development of Open Education and Open Textbooks at KPU continues unabated. With the rapid growth of the Zed Cred initiative over the past few months, we are well beyond our initial targets for this initiative. Through the innovative participation of 105 instructors across 30 departments, the first year of this initiative (January-December 2018) is projected to save 10,000 KPU students over \$1,000,000 in textbook costs. KPU has become a leader in both the research and the practice of Open Education and is actively working to develop an Open Education Resources universitas (OERu) credential in collaboration with global partners.

Our commitment to Open Education resources is also reflected in the research efforts of our faculty. KPU instructors investigated the impact of open textbooks in Canada and found that students using the print format of the open textbook perceive its quality to be superior to the commercial textbook. Moreover, students assigned an open textbook in either format perform either no differently from or better than those assigned a commercial textbook. These results support the conclusion that the cost savings to students associated with the adoption of open textbooks do not come at the expense of resource quality or student performance. (Source: Jhangiani, R. S., Dastur, F. N., Le Grand, R., & Penner, K. (2018). *As Good or Better than Commercial Textbooks: Students' Perceptions and Outcomes from Using Open Digital and Open*

Print Textbooks. *The Canadian Journal for the Scholarship of Teaching and Learning*, 9 (1). <https://doi.org/10.5206/cjsotl-rcacea.2018.1.5>

Dr. Diane Purvey, the Dean of the Faculty of Arts at KPU, was the 2018 recipient of the BC Campus Award for Excellence in Open Education. Dean Purvey has been a dedicated champion for students, for Open Education and for finding affordable alternatives for the completion of a learner's path through post-secondary studies.

## **Bridging Trades and the Academy**

KPU Tech will expand its trades and technology offerings to meet future labour market needs. It will move forward from the specific competencies of any given trade to an even more overarching set of skills that can be deployed across various occupations. It will continue to build a solid core of Red Seal trades while also enhancing the employability of learners through bridging programs that recognize vocational credit within an academic credit framework. Industry leaders have signaled a desire to engage with post-secondary institutions in the development of emerging curriculum content and currency; therefore, KPU Tech will continue to promote a direct connection to industry through Professional Advisory Committees and professional/trades associations. KPU Tech will train a well-prepared workforce with enhanced technical skills to match an equally dynamic industry innovation agenda.

## **Align Institutional Processes with K-12 Curriculum Changes**

KPU has partnered with the Surrey School District to prepare for the coming changes in the K-12 curriculum. The partnership is led by KPU instructor, Dr. David P. Burns, who specializes in educational policy. The goal is to develop a framework for accepting high school portfolios for post-secondary admission. The portfolios would be used to either replace or augment traditional grade-based applications for admission.

Under the umbrella of the "Surrey Portfolio Pathway Partnership," KPU and the Surrey School District spent many months examining portfolios from a small sample of high school students to determine how to accommodate portfolios in the university's admissions system. The philosophical underpinnings of the Surrey Portfolio Pathways Partnership align with the direction of the Ministry of Education's new Grade 11-12 curriculum, which is also moving away from conventional grading toward broader measures of student achievement. The new curriculum will be implemented in September 2019.

To pilot the findings, the university and the district worked with six high school students to develop exemplary portfolios that were used for actual admission to KPU in September 2018. Ultimately, the university and the Surrey School District are excited about the potential to establish a permanent pathway for students from Surrey Schools to gain admission to KPU with only their portfolios.

## Graduate Studies at KPU

Building on the successful and solid foundation of undergraduate programs, KPU will develop and launch new unique graduate programs – including Master’s degrees and Graduate Diplomas – that will further differentiate KPU’s unique offerings and expand the level of higher education learning available in the KPU region. In 2018, KPU will establish an administrative unit to manage graduate education at KPU and launch the new program development governance process for new graduate studies. In 2021, KPU will establish a Graduate Commons as an extension of the Office of Graduate Studies and launch its first Master’s program. The Graduate Commons unit will house a variety of academic service areas that will provide instruction and support around the specific academic needs of graduate students including citation management; in-depth literature reviews; the Learning Centre; thesis writing strategy; and grant writing. Simultaneously, KPU will provide for the further professional development of faculty and staff to address their specialized roles as graduate advisors and support and design and establish unique learning spaces and services targeted to meet the needs of graduate students.

## The #BCTECH Strategy

KPU substantially increased its participation in the May 2018 #BCTECH summit. This accelerated activity was focused around four key areas:

- Connecting programs to employers.
- Connecting youth to programs.
- Connecting applied research to funders, industry, and innovation agencies.
- Connecting KPU solutions, research and innovators with emerging businesses, incubators, and accelerators.

Going forward, KPU will sharpen its focus on an innovation agenda as outlined in our Academic Plan 2023, and the VISION 2023 Strategic Plan. This will encompass the continuing digital transformation of our delivery models, the expansion of IT programming and cybersecurity, and new programs in advanced manufacturing, design, and sustainable health/food technologies.

## EducationPlannerBC (EPBC)

Since 2015, KPU has been involved in the provincial initiative to create a common online application for BC’s public post-secondary sector. Dr. Jane Fee, KPU’s Vice Provost Students, serves on EPBC’s Steering Committee, chaired the Policy Working Group and now co-chairs the Transition Committee along with Dr. Pam Ratner of UBC. Dr. Sal Ferreras, KPU’s Provost, has served on the Governance Working Group since 2016.

Through their roles with EPBC, Drs. Fee and Ferreras have been directly involved with the activities of EPBC, as follows:

- Final consultations regarding the proposed governance model for the new entity.

- Work of the transition committee in developing detailed plans for transitioning to the proposed governance model.
- Onboarding the remaining institutions to the common application system.
- Planning to onboard institutions to the K-12 Transcript Exchange.
- Establishing a transitional board of directors to oversee the creation of a new legal entity.
- Creating a permanent board of directors and holding the first Annual General meeting by the end of 2019.

## Action on Sexual Violence and Misconduct

KPU's Sexual Violence and Misconduct Policy, SR14, was approved by the Board of Governors on April 22, 2017. Since approval of the policy, implementation activities have been undertaken, focused on the following areas:

- Communication – a website with information on resources available to all members of the university community has been developed and the community has been apprised of the new policy with a focus on ways and means to report incidents of sexual violence and misconduct.
- Policy alignment and review – a formal process to investigate appropriate alignment between SR14 and existing university policies and collective agreements was undertaken with a positive outcome.
- Strengthening process and practice – we are regularly testing our processes relating to security protocols, communication, reporting, and support through tabletop scenarios and incident debriefs, with an eye to developing strong, collaborative systems.
- Infrastructure – recruitment for the position of Student Rights and Responsibilities Liaison is underway. The Liaison will work in collaboration with other units across KPU to provide education and awareness programming on sexualized violence, and serve as a conduit to community resources and organizations with expertise in sexual and domestic violence, health, and community supports.
- Education and awareness training – three training modules that can be custom-designed for specific audiences are being developed for all members of the university. Training will be embedded into new student and employee orientations and delivered in both face-to-face and online formats, beginning Fall 2018.

In keeping with BC's *Sexual Violence and Misconduct Policy Act* the inaugural annual report to the Board of Governors on implementation of the policy was submitted to the Board in April 2018.

## Safe Campuses

KPU's Closed Circuit Video Equipment (CCVE) system has been commissioned and is operational at the Surrey campus. CCVE and access controls are planned for the Langley campus this year.

Progress has been made on the operational control centre at the Surrey campus, which intends to provide a single, safety and security point of contact that will be available 24 hours a day, 7 days a week. This centre will provide university-wide response to security, first aid and after-hours facilities.

## Healthy University Initiative

A key priority for KPU is to create a campus culture that fosters health and well-being by embedding health promotion into programs, practices, and policies across our interconnected community of students, staff, and faculty. The *Healthy University Initiative (HUI)* embodies a comprehensive health strategy focusing on the following 3 key goals:

- Increase awareness of health and wellness throughout the KPU community;
- Foster individual and organizational resilience (the ability of the organization to bounce back from difficult experiences); and
- Encourage the development of a supportive, inclusive campus environment.

Six dimensions of wellness are incorporated into our strategy: emotional, financial, mental, physical, social, and spiritual.

A new HUI website was launched that promotes Health and Wellness to employees and students. The new website has a portal for both employees and students that provide specific resources for both groups, identifies the HUI champions, explains the Healthy University Initiative and the six dimensions of wellness, and provides contact information so that employees and students can provide feedback, suggestions, or pose questions. A key message came from Dr. Alan Davis with his video message that is posted on the HUI website where he talks about the importance of health and wellness for KPU's community. To raise awareness, several forms of communication occurred across the University throughout the year.

New initiatives undertaken in the past year under the Healthy University umbrella that focus on students are:

- Redeveloping KPU's Student Health 101 magazine as a blog in order to enhance student access.
- Expansion of our Peer Support Program, developed in partnership with the Kwantlen Student Association.
- Expansion of the Early Alert program to serve a broader array of students.

- Redesigning business practices in disability services and renaming the department to *Accessibility Services* to better reflect the nature of the services students expect.
- Moving to a comprehensive health and dental insurer for international students.
- Expanding on-campus work programs.
- Expansion of spiritual programming and prayer rooms through the Multi-Faith Centres.
- Continued expansion and diversification of sport, recreation and fitness programming.
- Working across the university to support increased international student numbers.
- Creating *Wellness in Action*, a referral program to provide students with mental health challenges enhanced access to fitness programs.
- Creating a Student Rights and Responsibilities Office, where students can get accurate, consistent and balanced information on University policy and procedures; where students can go to disclose or report incidents of sexual violence and misconduct; where student conduct complaints are investigated and housed; and where all “students of concern” situations are overseen.

In addition to the student initiatives, the following activities focus on employees and faculty:

- A survey was conducted that provided employees the opportunity to express their attitudes towards well-being, and identify issues and areas of interest that are meaningful to them. The information gathered will support the development of a campus culture that fosters health and well-being and will be used to guide planning of future health and wellness activities and events for KPU employees.
- A SharePoint site has been created that provides employees with resources on weekly inspirations, KPU health related events, links to the Employee & Family Assistance Program, and the KPU employee newsletter.
- Presentations were conducted to Faculties and various departments introducing HUI and promoting the benefits of health and wellness.
- The following workshops were offered to employees through Homewood Health:
  - Stress Busters (1/2 day session)
  - Healthy Sleep Habits
  - Establish Work/Life Harmony
  - Building Emotional Intelligence
  - Managing your Money

## University Sustainability Initiative

Early in 2018 we embarked on an initiative to enhance integrated planning to ensure that academic offerings and services are aligned with our resources so that quality, financial and institutional stability are sustained. This will improve the student experience, by ensuring

students have access to the courses they need to achieve their educational goal in a timely manner. Being more efficient in our delivery will free-up resources to allow us to better address the needs of the KPU region.

The initiative will include creating an integrated planning culture whereby:

- Institutional priorities to guide planning and decision-making are established annually and reviewed and adjusted quarterly.
- Divisions create operations plans that address institutional priorities, given available resources, and are accountable for the results.
- The need to make difficult decisions to ensure quality and institutional health is recognized.
- Decisions are fully-informed and transparent.

The initiative includes:

- Developing institutional mechanisms to align all planning and approval processes with available resources and institutional priorities.
- Employing a budget model that ensures the strategic allocation of available resources to address institutional priorities.
- Providing planners and decision-makers with the tools and training required to align operations with priorities and resources.
- Strategic enrolment management (SEM) planning to align recruitment, admission and retention processes with our capacity to meet demand and support student success.

## **Participation in the ADST initiative**

KPU continues to actively participate in Administrative Service Delivery Transformation (ADST) and BCNET initiatives, including participation on BCNET working groups. KPU has signed on to several BCNET agreements in the recent fiscal year, including Uniglobe Travel and Customs Brokerage jointly procured arrangements. In the coming fiscal year, KPU will expand its review of current operational contracts and leverage ADST and BCNET to continue to support the Ministry's efficiency initiatives.

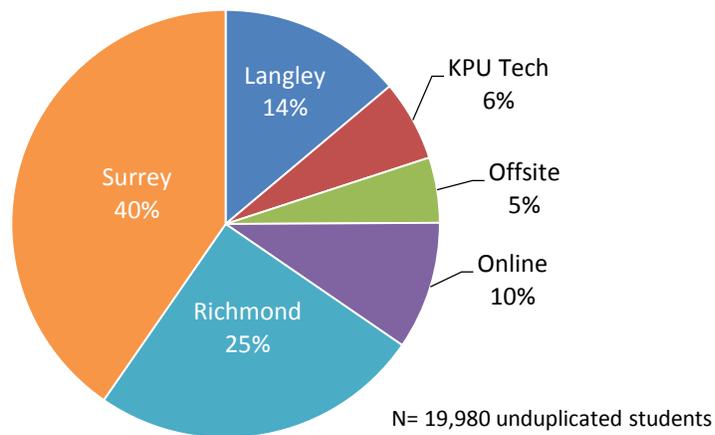
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## 2. KPU Profile



KPU is a regional polytechnic university with a focus on teaching and learning. Serving a large and densely populated region in the Lower Mainland of BC, KPU has four campuses—Richmond, Surrey, Langley, and KPU Tech in Cloverdale—spread across 42km. Figure 2.1<sup>1</sup> shows the distribution of student course registration by campus, as well as online and off-site delivery, for the 2016/17 academic year.

**Figure 2.1: Distribution of Headcounts by Campus**  
Academic Year 2016/17



<sup>1</sup> Unless otherwise noted, all data in this report are drawn from internal KPU datasets.

KPU offers a wide range of programs from arts to trades, as well as academic upgrading and continuing and professional studies. Over 19,000 students annually take courses from a range of programs, including certificates, diplomas, associate degrees, bachelor's degrees, and post-baccalaureate credentials.

As a polytechnic university, we combine academic excellence with hands-on, applied learning with a focus on producing job-ready graduates who have the skills required to excel in the 21<sup>st</sup> century workplace, and are prepared to make valuable contributions to BC's workforce. We offer the only brewing diploma of its kind in BC and the first brewing program in Canada to be recognized by the Master Brewers Association. We are also the first public post-secondary institution in BC to offer studies in traditional Chinese medicine and acupuncture. Our Bachelor of Horticulture Science Urban Ecosystems Major is the only undergraduate degree in North America dedicated to the study of urban ecosystems. We continue to expand our program offerings to include future-focused programs, such as the Mechatronics and Advanced Manufacturing Technology diploma that will be launched in September 2018 and post-baccalaureate programs, such as the Post-Baccalaureate Diploma in Technical Management and Services and the Post-Baccalaureate Diploma in Operations and Supply Chain Management that were launched in September 2017.

## KPU Programs

### Faculty of Academic and Career Advancement

The Faculty of Academic and Career Advancement is the front door of KPU for many students. We warmly welcome learners of all ages and backgrounds into our developmental offerings.

In English Language Studies (ELS) students are provided academic English preparation at six levels, which increases their chance of success in undergraduate studies.

The Academic and Career Preparation department offers qualifying courses to meet KPU's English proficiency requirement as well as math and science prerequisites for university-level programs and trades training.

The Access Programs for People with Disabilities (APPD) department offers job preparation and work exploration opportunities for adults with disabilities through a combination of classroom instruction and work experience.

In all cases, our aim is to help learners move from where they are to where they want to be—by developing language skills; picking up a needed high school credit; completing qualifying studies courses for entrance into



undergraduate, trades or other programs at KPU and elsewhere; or developing great workplace skills and hands-on work experience.

## Faculty of Arts

Almost all KPU students will have contact with the Faculty of Arts over the duration of their time at KPU. The Faculty features a wide array of courses and programs aimed at fostering critical awareness and engagement with a diverse range of social and cultural issues and realities. Our aim is to equip students with the analytical acumen, intellectual insight, and communicative capacity to translate thought into action. Principles of social justice, community service, equity, sustainability, and inclusion are bedrock values in the Arts and these underlie and inform much of the teaching with the faculty. In this context, the faculty has played a leading role in the development of Indigenous education initiatives and projects at KPU, and our new Bachelor of Arts, Minor in Indigenous Community Justice has received broad interest.

In the last few years, our faculty members have been a wellspring for a variety of experientially-orientated education initiatives and undertakings. Indeed, the Faculty itself now boasts a diverse range of service learning courses, practica, field schools, and other community-engaged projects wherein thought meets action. The Faculty has also been intent to move the needle on the research front. We believe that a robust program of undergraduate student research is vital and we have been striving to expand the range of student research opportunities through course and community initiatives.



In the Faculty of Arts the focus is on developing well-rounded, creative and critically minded thinkers: graduates who can write persuasively, who can formulate compelling arguments, and who are equally at ease defending them in the context of critical discourse or casual conversation. We aim to conjoin a sense of social engagement and responsibility among our students with a wider awareness of intricately interconnected human issues. These job-ready skills are needed by every graduate to be successful in their future.

## School of Business

KPU's School of Business, one of the largest business schools in Western Canada, continues to experience high demand for its diplomas and Bachelor degrees in Accounting, Business, Entrepreneurial Leadership, Human Resources Management, Information Technology and Marketing Management. The School's focus on continuous quality improvement is evidenced by the development of a Business Education Framework, and increasingly robust systems of learning outcomes for all credentials. This is supported by external advisory committees, KPU's program

review processes and the accreditation infrastructure of the internationally recognized Accreditation Council for Business Schools and Programs.

The School of Business established a faculty committee for education quality that is working to establish the metrics and the consistency of practice that are the essential foundation of a continuous quality improvement culture.

The BC economy is becoming increasingly global and the School of Business is responding in several important areas. There is strong international student participation in the School of Business, and a commitment for increased support for students and faculty to support and capitalize on the diverse class composition.



The School of Business continues to have strong relationships with the provincial professional bodies including the Chartered Professional Accountants of BC (CPABC), the Chartered Professionals in Human Resources – British Columbia and Yukon (CPHR–BC Yukon) and the Canadian Institute of Management. These affiliations provide many opportunities for students to interact with working professionals in their chosen field and they ensure continued currency of faculty-industry relations.

The past year has shown a marked increase in interest in information technology-related programs. We have added significant new faculty capacity in high interest areas such as cyber security, block chain and machine learning and Internet of Things (IoT).

The School of Business launched three new post baccalaureate diplomas in September 2017 in Accounting, Operations and Supply Chain Management and in Technical Management and Services. There has been strong interest in all three and each has had two intakes.

The School of Business has two new graduate diplomas scheduled to start in January 2019. Global Business Management is designed for individuals who want to actively and constructively participate in global business opportunities and challenges. The Green Business Management and Sustainability graduate diploma is ideally suited to professionals who are venturing into management at companies that embody or are embracing sustainability.

## **Chip and Shannon Wilson School of Design**

The Wilson School of Design offers programs and activities that reflect the polytechnic nature of KPU. The School offers certificate, diploma, degree, and post-baccalaureate programs in foundations in design, fashion marketing, fashion design & technology, graphic design, product design, interior design, and technical apparel design. Students are engaged with industry on an ongoing basis through practica and work experience placements, paid internships, collaborative industry projects, and research and development. These connections enrich student learning and

benefit industry through the development of highly prepared graduates and future employees. They truly provide opportunities for students to put thought into action.



As the only four-year degree program of its kind in Western Canada, KPU's Bachelor of Design, Fashion and Technology provides students with the opportunity to develop design concepts using practice-led research along with creative and technical skills to work within the apparel industry. The Diploma in Fashion Marketing prepares students to work across the apparel industry. Students may choose to ladder into KPU's Bachelor of Business Administration and find work as entrepreneurs, leaders, and innovators.

The Bachelor of Product Design focuses on the growing demand for the design of a broad range of products including technical soft goods, medical devices/equipment, and sustainable and ethical design solutions. Students in the Post-Baccalaureate Diploma in Technical Apparel Design program pursue advanced studies in new construction methodologies, technical textiles, human factors and testing, production, and global business strategies.

The Bachelor of Graphic Design for Marketing program offers a balanced education in graphic design, marketing, business, technology, and liberal education, reflecting the important social and cultural impact of design on society. The Bachelor of Interior Design program provides a four-year intensive education in the built environment where students learn the practical design and technical knowledge needed to for a professional career as an interior designer. The Interior Design degree program is the *first and longest-running* accredited interior design program in BC, recognized as a leader in this field across the industry.

For students interested in a design career but not yet ready or decided on what direction they will take, the Foundations in Design certificate provides them with a broad based introduction to design concepts, practices, and the industry.

## Faculty of Health

The Faculty of Health makes significant contributions to health and community related programming, provincially, nationally, and internationally, serving both traditional and non-traditional learners.

We use curricula that combine a foundation in theory, with innovative practical *hands-on* experience, to ensure our students' knowledge can be put into action. Our degree programs have achieved mandatory provincial recognition and all of our Nursing programs hold national

accreditation, to ensure quality curriculum and experiences for our learners, as well as, broad acceptance by employers.

In keeping with the KPU's mission and mandate, we are particularly proud of the diversity of our faculty and learners who are engaged in a variety of research and scholarship. The Faculty of Health continually explores opportunities for new programs, such as our Acupuncture Program that was launched in September 2016. We also strive to enhance our partnerships with employers to better meet their needs and those of the clients they serve through our educational programs and professional studies options.



Our programs offer field placements for our students to exhibit existing skills and to learn advanced skills. These placements involve a preceptor where a current practicing clinician leads the student through real world applications, expanding the student's knowledge. We also offer faculty-led field experience, where our faculty not only teach in the class but also work directly with the students in the field. For our nursing programs, our faculty work twelve-hour shifts in a hospital right next to our students, connecting what the students have learned in the classroom into the work environment with their patients.

By innovating through theory and practice, we transform our learners into leaders who will ultimately change the face of their communities.

## Faculty of Science and Horticulture

The Faculty of Science and Horticulture offers a unique mix of traditional and applied undergraduate programs representing the polytechnic mission of KPU, with programs offered on the Cloverdale, Langley, Richmond, and Surrey campuses.

KPU's tagline – Where thought meets action – accurately describes the approach to our curriculum.

We have several recently launched degree programs, including a Bachelor of Science (B.Sc.) in Biology and a B.Sc. in Health Sciences. The upper level courses will be taught in our Surrey campus science labs – presently undergoing a \$22 million renovation that will increase the capacity for innovation as well as enhance applied research and experiential learning opportunities. Students also now have the option to minor in Medicinal Chemistry, which is primarily geared towards drug discovery and development.

Our B.Sc. in Applications of Mathematics allows students to choose from focus streams in biomathematics, education, or computational mathematics, and the B.Sc. in Physics for Modern Technology provides students with an applied program designed with the needs of local industry in mind and includes a work placement component.

New to our faculty is the Computer-Aided Design & Drafting Technologies Program. Students learn to produce drawings from concept sketches, create 3D models, and transform them into objects while building a portfolio of their work. Our Diploma in Brewing and Brewery Operations (the first of its kind in BC) provides training in the science, business, and practical aspects of the brewing industry, with hands-on experience in our new 4,000 square foot Brewing Instructional Laboratory.

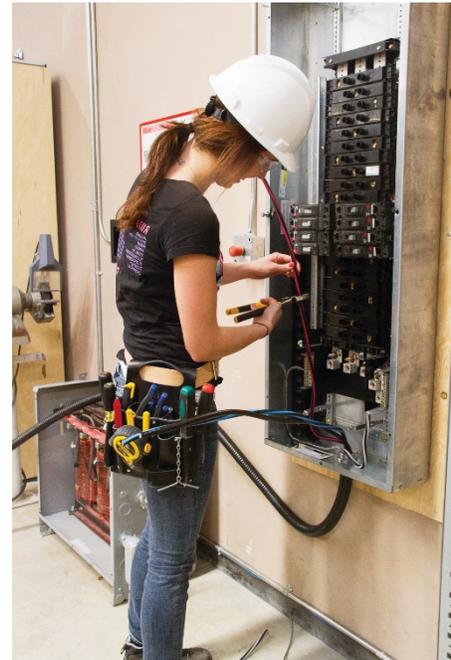


Students who are interested in the environment or sustainability and want a hands-on program are directed towards our two-year Horticulture Science Diploma programs that feed into our Bachelor of Horticulture Science in Plant Health or Urban Ecosystems programs. The School of Horticulture's field lab, greenhouses, technical training shops, and a three-hole demonstration golf course provide students with opportunities for hands-on learning. We also offer a two-year Diploma in Environmental Protection Technology and our highly innovative Bachelor of Applied Science in Sustainable Agriculture. KPU's Sustainable Agriculture Department recently partnered with the City of Richmond to develop a 20 acre organic research and teaching farm within a 140 acre agriculture and conservation site – the Garden City Lands – located 500 meters from our Richmond campus, in the heart of the city.

Undergraduate student research opportunities at home or abroad are available in many of our programs. Our close relationship with two highly recognized research groups, the Institute for Sustainable Horticulture (KPU Langley) and the Institute for Sustainable Food Systems (KPU Richmond), provides students the opportunity to work side-by-side with top researchers on projects that will benefit people in Canada and around the world.

## Faculty of Trades and Technology

KPU Faculty of Trades and Technology programs and courses are situated at our Cloverdale campus. We also run courses at industry facilities and in partnership with several school districts. Our programs focus on experiential learning, where we couple technical academic studies with practical applied skills. We have extensive meaningful relationships with the industries and disciplines we support. Our campus is over 180,000 square feet, situated on 70 acres of land boasting some of the best-equipped trades facilities in Canada, including computer and simulation labs and 13 shops dedicated to trades and technology skill development. We also offer the only Farrier Training program in BC's public post-secondary sector, and other unique programs such as Appliance Servicing, and Parts, Warehousing, Logistics and Distribution.



The Faculty provides programming in skilled trades and applied technology programs. This includes skilled trades foundation and apprenticeship training as well as service training to meet the needs of industry and their employees. Our programs support industry and people in many sectors including the construction, forestry, heavy equipment, metal, electrical, recreational, manufacturing, mining, transportation, and utilities fields.

The Faculty of Trades and Technology will be launching the Mechatronics and Advanced Manufacturing Technology program in September 2018. This program supports applied research, product development, and commercialization solutions. Graduates of this diploma program will be employable across a wide range of industries such as manufacturing, green technology, biotechnology, medical, energy, transportation, telecommunications, autonomous vehicles, building technology, agriculture, aerospace, national security, and defense.

## Continuing and Professional Studies Division

KPU's Continuing and Professional Studies (CPS) division has achieved great national profile due to the popular and unique offerings in the field of medical marijuana. With the imminent legalization of medical and recreational marijuana in 2018, CPS is poised to assume a position of leadership and innovation by expanding the present range of programs and courses offered in this area. KPU is working with internal staff and external consultants to devise a broad range of offerings to capitalize on our unique post-secondary advantage and to widen the scope of activities in anticipation of a rapidly expanding market for research, expertise, regulatory standards, training and production management.



CPS is now entering into a new three year agreement with the Squamish First Nations Trades Centre in North Vancouver. Programs offered so far include low-voltage, carpentry, piping, scaffolding, environmental monitoring, and construction craft worker. These programs are aimed at learners from the First Nations communities in the Lower Mainland.

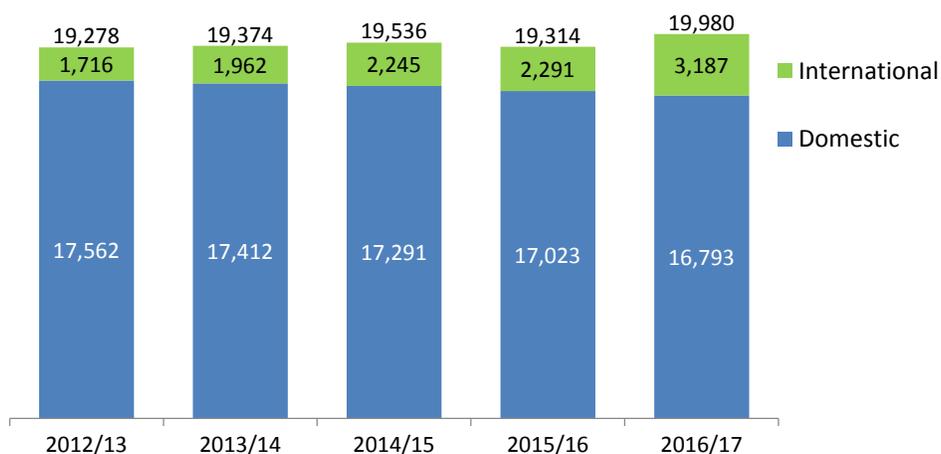
CPS has recently been restructured and is reviewing the range of offerings, exploring new methods of delivery and working closer with industry to identify daytime and evening/weekend training programs to support BC's highly diversified and evolving labour market.

In addition to our present unique offerings in Commercial Beekeeping Training, corporate training and Water Remediation, CPS offers a Hotel Asset Management program and various business skills certificates.

## KPU Students

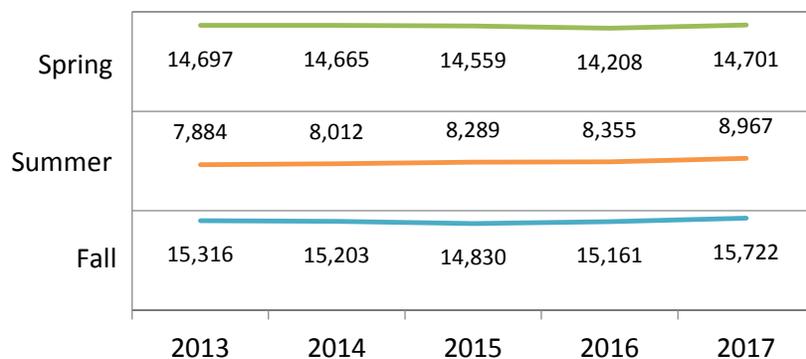
For the first four of the last five academic years, headcount enrolments were steady at just over 19,000 students a year, but increased to almost 20,000 in 2016/17 (Figure 2.2). Over this period, KPU's domestic enrolments decreased, whereas the number of International students grew from 1,716 in 2012/13 to 3,187 in 2016/17. In 2016/17, 68% of KPU's International students were enrolled in the School of Business, 14% were enrolled in the Faculty of Arts, 14% in the Faculty of Science and Horticulture, and 5% in the Faculty of Academic and Career Advancement.

**Figure 2.2: Unduplicated Domestic and International Headcount by Academic Year**



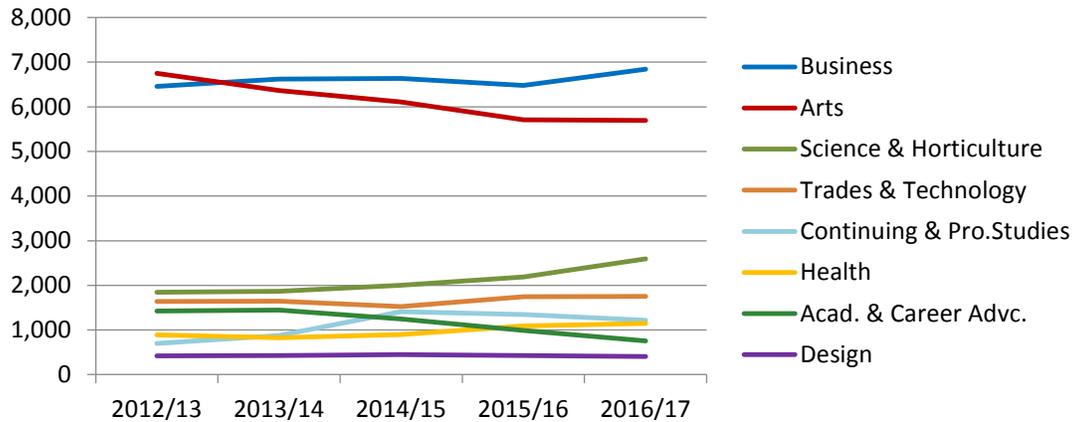
KPU offers a wide array of courses in all three terms each year. Although enrolment is highest in the fall term, enrolment growth has been greatest in the summer term, increasing by 14% from 2013 to 2017. This is compared to a 3% increase for the fall and no change for the spring over the same time period (see Figure 2.3).

**Figure 2.3: Unduplicated Headcount by Term Spring 2013 – Fall 2017**



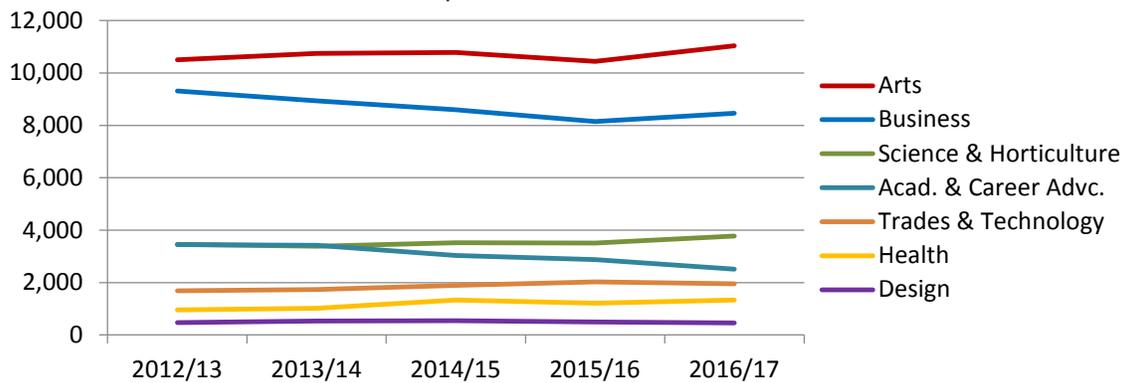
In 2016/17, almost two-thirds of all KPU students were enrolled in programs in either the Faculty of Business or the Faculty of Arts. Over the past five academic years, the growth in headcount enrolment was greatest in the Faculties of Health (29%), Science & Horticulture (41%), and Continuing and Professional Studies (74%) (see Figure 2.4).

**Figure 2.4: Distribution of Student Headcount by Program Faculty per Academic Year**



Since students may take courses in Faculties other than the one in which they are enrolled, the distribution displayed in Figure 2.4 does not reflect the proportion of educational activity delivered by each Faculty. Figure 2.5 displays headcount enrolments based on the Faculty delivering the courses to capture all educational activity delivered by each Faculty. The Faculty of Arts serves more than half of all students at KPU, more than any other Faculty. Although only 4% of all students were registered in ACA programs, ACA delivered courses to 13% of all KPU students in the 2016/17 academic year.

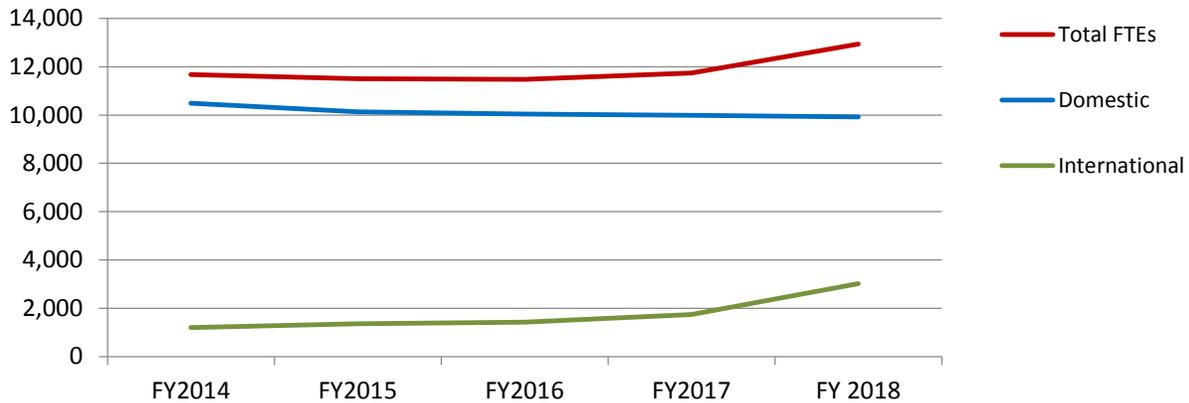
**Figure 2.5: Distribution of Student Headcount by Course Faculty per Academic Year**



Although 65% of KPU students are full-time, the majority take less than a full load of 5 courses per term. FTE enrolments, which convert student headcounts into the equivalent number of students studying with a full-course load, are depicted in Figure 2.6, on the following page. Over

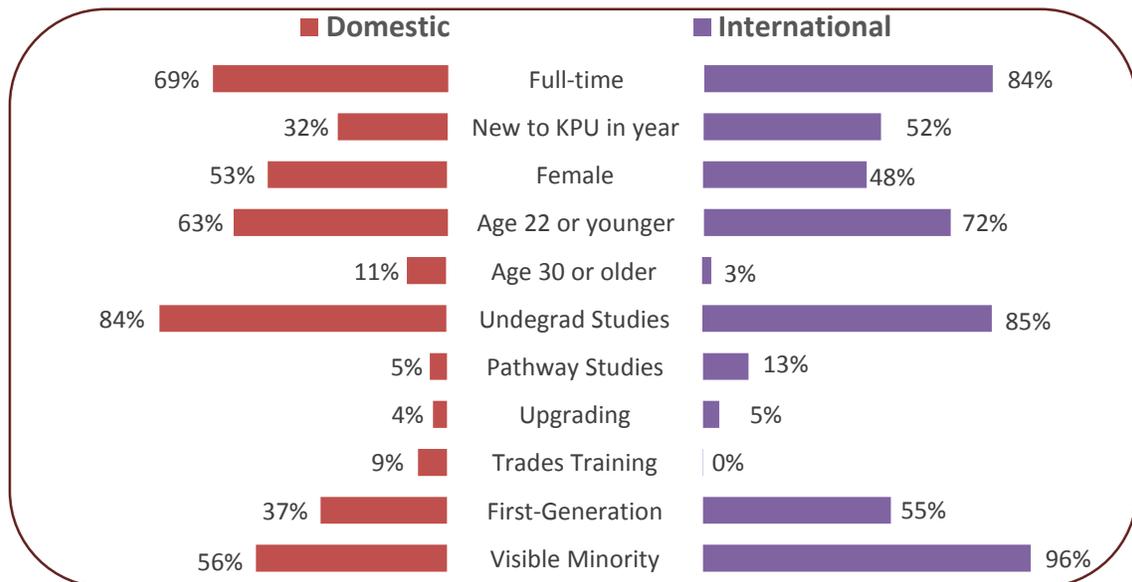
the past five fiscal years, total FTEs are up by 11%, which is due to the fact that international FTEs are up by 152%.

**Figure 2.6: FTEs: Total, Domestic and International per Fiscal Year**



The profile of KPU’s student body is portrayed in Figure 2.7, comparing the characteristics of Domestic and International students. Compared to Domestic students, International students were more likely to study full-time, be new to KPU in 2016/17, be younger, be a first-generation student, and be a member of a visible minority.

**Figure 2.7: Profile of KPU Student Body Academic Year 2016/17**



Notes: Pathway pairs upgrading and undergraduate studies with guided support. Students taking CPS courses are excluded.

In the Fall of 2017, over 3,500 KPU students responded to the biennial Student Satisfaction Survey. This was an opportunity to learn more about the KPU student body. The following charts compare Domestic and International students on key characteristics using the data obtained from this survey.

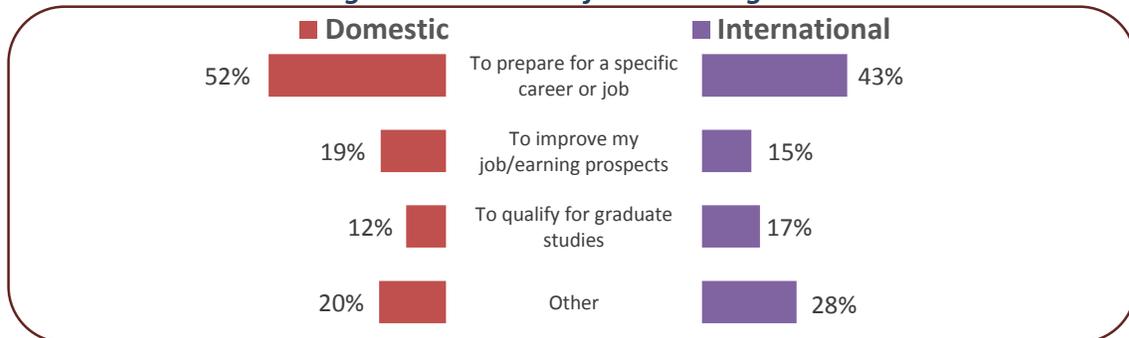
While Domestic students were more likely to be pursuing a degree at KPU, International students were more likely to be pursuing a diploma and were more likely to expect to complete their educational goal at KPU.

**Figure 2.8: Educational Expectations at KPU**



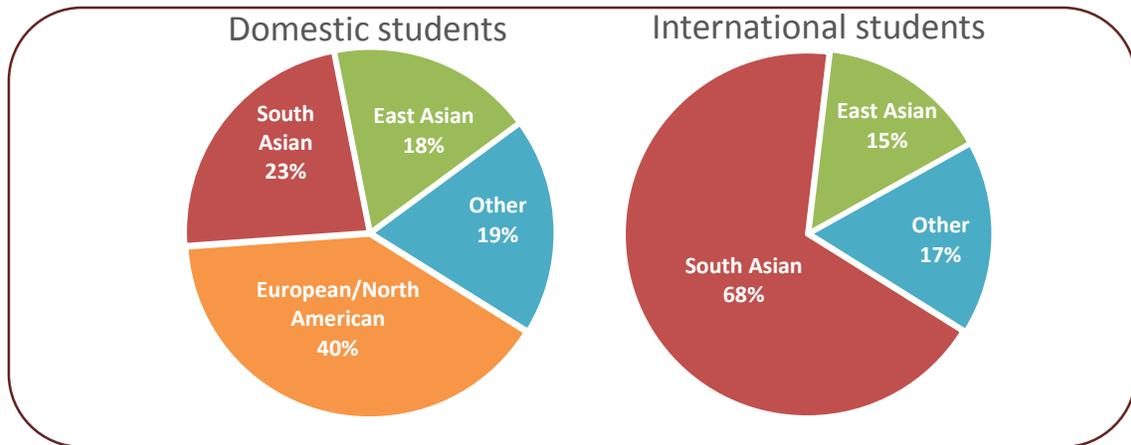
For both Domestic and International students, training for a specific career or job was the most popular reason for attending KPU.

**Figure 2.9: Reasons for Attending KPU**



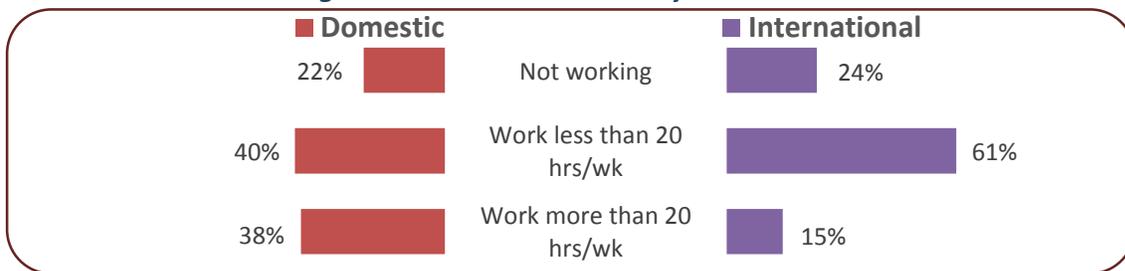
While most Domestic students said their ethnicity was European/North American, almost one quarter reported South Asian as their ethnicity and almost one fifth of reported East Asian. Almost 70% of International students were South Asian and less than one fifth of International students reported an ethnicity other than South or East Asian (see figure 2.10 on the following page).

**Figure 2.10: Most Common Ethnicities of KPU Students**



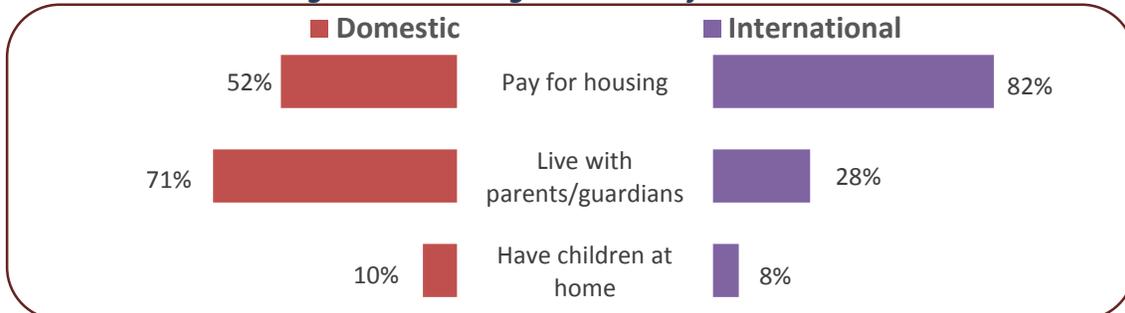
While similar percentages of Domestic and International students were working, a greater percentage of Domestic students worked more than 20 hours per week.

**Figure 2.11: Hours Worked by KPU Students**



About half of Domestic students said they were paying for housing, while over 80% of International students were paying for housing. Although most Domestic students lived with parents or guardians, just under 30% of International students lived with parents or guardians. Few Domestic or International students said they had children living with them most of the time.

**Figure 2.12: Living Situations of KPU Students**



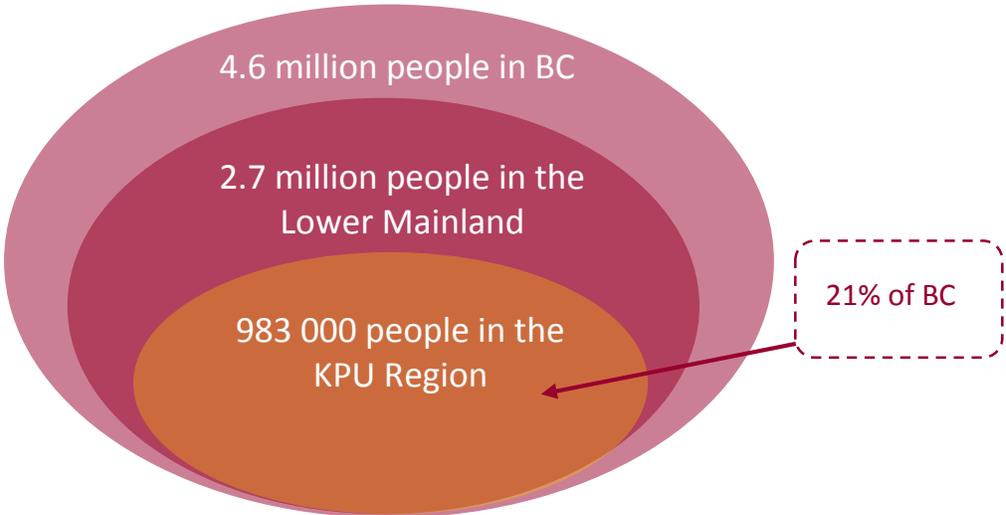
# 3. Strategic Context

## The KPU Region

The region served by KPU consists of the cities of Richmond, Delta, Surrey, White Rock, and the City and Township of Langley. Also included in the KPU region are the territories of the Tsawwassen First Nation and Semiahmoo First Nations, and parts of the Kwantlen, Matsqui, and Katzie First Nations. This entire area covers the school districts of Richmond, Delta, Surrey and Langley.

In 2016, just over one fifth of the entire BC population lived in the KPU region. In addition to comprising a significant portion of the BC population, the KPU region is younger than BC as a whole. In 2016, almost one quarter (24%) of BC’s high school-aged population (13-18) lived in the KPU region.

**Figure 3.1: Population Share of KPU Region Relative to Lower Mainland<sup>2</sup> and all BC (2016)**

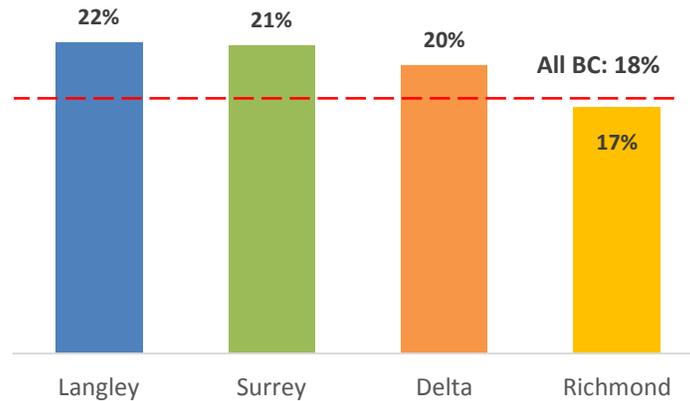


Source: Statistics Canada 2016 Census

Within the KPU region, the school districts of Langley, Surrey, and Delta all had 20% or more of their total populations under the age of 18 (see Figure 3.2 on the following page). For Richmond, this percentage was 17%, lower than the percentage for all of BC (18%). The average for the entire KPU region was 20%.

<sup>2</sup> Lower Mainland includes the Greater Vancouver Regional District and the Fraser Valley Regional District.

**Figure 3.2: Percentage of Population Under 18 (2016)**



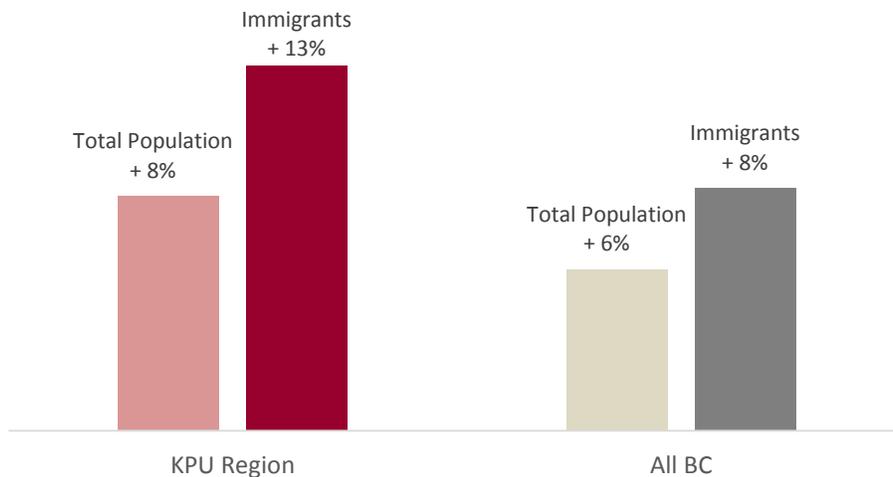
Source: Statistics Canada 2016 Census

### Population Growth in the KPU Region

Between 2011 and 2016, the population in the KPU region grew by 8%, compared to 6% in all of BC. The KPU region accounted for 30% of the province’s overall population growth in this five-year period. Growth varied across the KPU region, ranging from 11% in the Langley School District to only 2% in the Delta School District.

The immigrant population in the KPU region has also grown. From 2011 to 2016, the number of immigrants in the KPU region grew by 13%, while the immigrant population in BC as a whole grew by only 8%. Figure 3.3 below shows the total and immigrant population growth in both the KPU region and all of BC.

**Figure 3.3: Population Growth (2011 to 2016)**

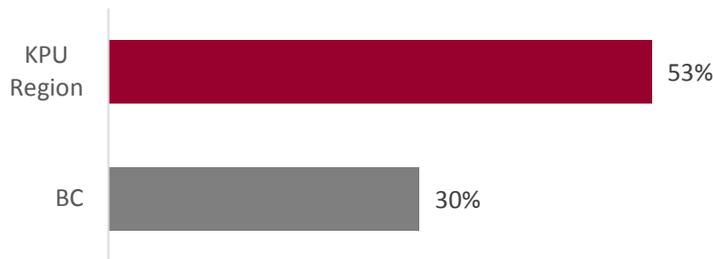


Source: Statistics Canada 2016 Census

## Diversity of the KPU Region

In 2016, 41% of residents in the KPU region were immigrants, compared to 28% in all of BC. Almost one third (31%) of BC's immigrants lived in the KPU region in 2016. Also, in 2016, over half of the people living in the KPU region were a visible minority (53%), compared to 30% for all of BC.

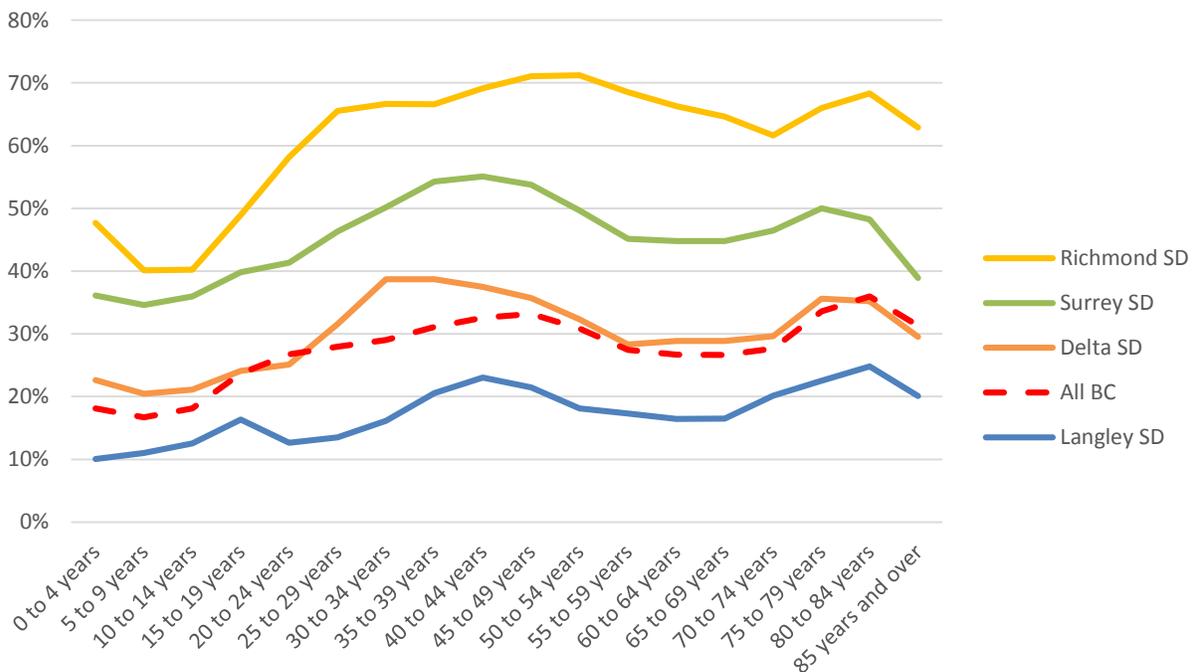
**Figure 3.4: Percentage of Population that is a Visible Minority (2016)**



Source: Statistics Canada 2016 Census

Another measure of diversity is the percentage of the population having a non-official mother tongue (a language other than English or French). Across all age groups, Richmond had the greatest proportions of its population with a non-official mother tongue. Langley was the only KPU school district that, compared to all of BC, had a smaller proportion of its population with a non-official mother tongue.

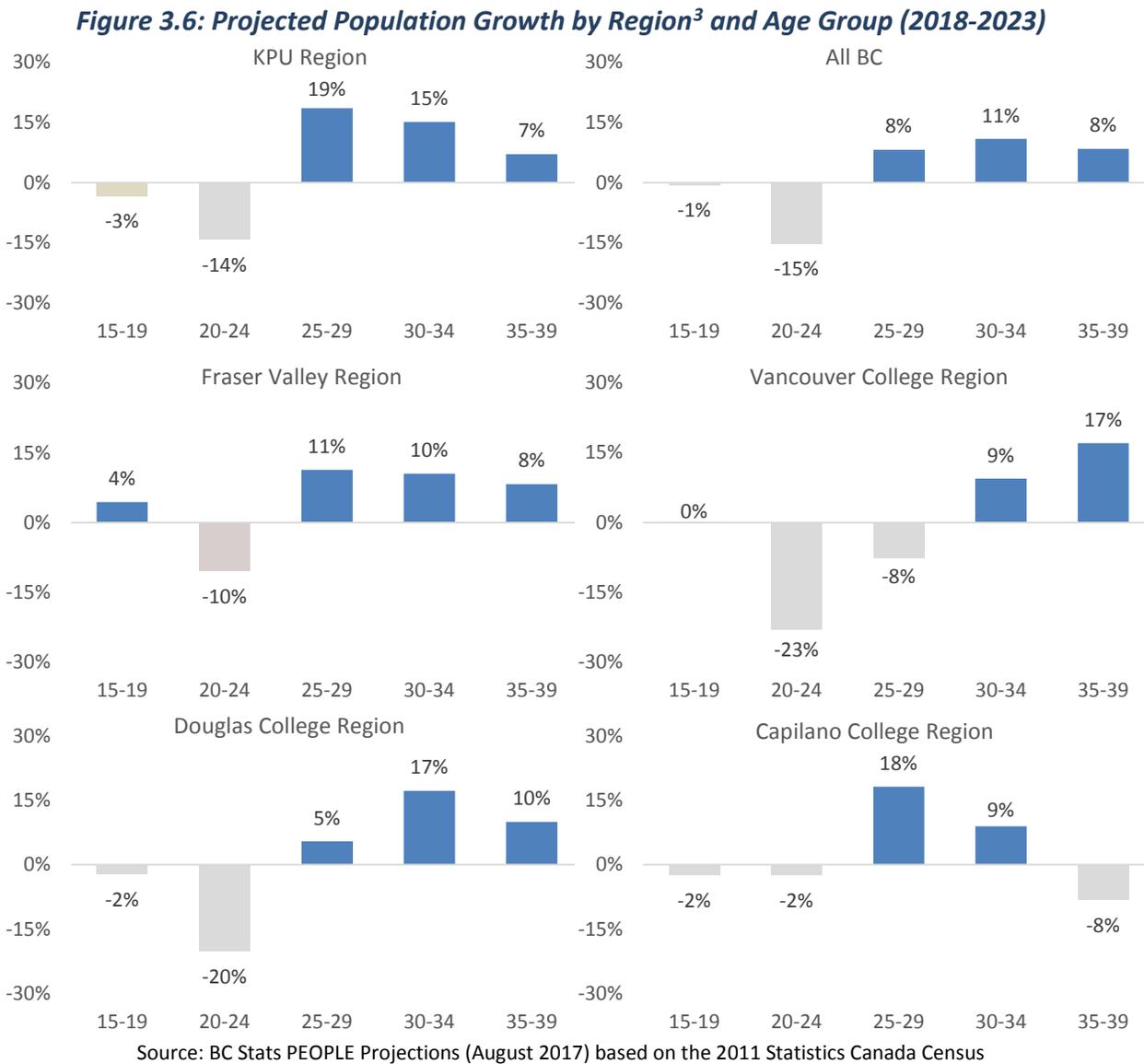
**Figure 3.5: Percentage with Non-Official Mother Tongue by Age Group and Region**



Source: Statistics Canada 2016 Census

## Projected Population Changes of Key Age Groups: 2018-23

Figure 3.6 shows the projected population growth in key age groups for BC as a whole, and the five post-secondary regions in the Lower Mainland. From 2018 to 2023, the number of 20-24 year-olds is expected to decrease in all five local post-secondary regions. The largest of these decreases are expected to occur in the Douglas and Vancouver regions. Those 15 to 19 are expected to remain similar to current numbers. However, all regions, including KPU, are generally expected to see increases in people between the ages of 25 and 39. These trends suggest there will be increased competition among post-secondary institutions for students under 25. It also points to the growth in the potential adult learner population.



<sup>3</sup> Fraser Valley Region = Abbotsford, Mission, Chilliwack; Vancouver Region = City of Vancouver; Capilano Region = City and District of North Vancouver, West Vancouver, Squamish, Whistler, Pemberton; Douglas Region = New Westminister, Burnaby, Coquitlam, Port Coquitlam, Port Moody, Pitt Meadows, Maple Ridge.

## Financial Context

The Financial Context is intended to provide an explanatory overview of the fiscal 2018 Audited Financial Statements and a discussion of key issues and future opportunities. It should be read in conjunction with the Audited Financial Statements (see Appendix B).

### Accounting Framework

KPU's Audited Financial Statements present the financial results of the University, for the fiscal year ended March 31, 2018, in accordance with required accounting standards, legislation, and guidance. For publicly funded BC universities, this includes: Public Sector Accounting Standards<sup>4</sup> ("PSAS") supplemented by Section 23.1 of BC's *Budget Transparency and Accountability Act* ("BTAA"); and, regulations and guidance as directed by the Ministry of Finance Treasury Board and the Ministry of Advanced Education.

Of particular importance is the government requirement for all post-secondary institutions to be in a surplus position (i.e. have greater revenues than expenses) at the end of each fiscal year. This requirement, which is in line with the BC Taxpayer Accountability Principle of cost consciousness, creates an operational challenge which impacts an institution's ability to undertake capital projects:<sup>5</sup>

- Capital funding not spent in the year it is received becomes accumulated operating surplus.
- Accumulated operating surplus can only be used when an institution is in a deficit position, which is not allowed by government.

The Ministry of Finance Treasury Board regulation 198/2011 allows institutions to address this challenge by deferring revenue for capital projects. The revenue is subsequently recognized at the same rate as the capital project's amortization. Under this treatment, there is no net impact to an organization's revenues and expenses (as they are offsetting), avoiding the accumulated operating surplus issue and making it easier for the government and organizations to develop budgets and monitor cash flows.

The regulation, however, does not strictly meet the requirements of public sector accounting and consequently this issue is highlighted in the Audited Financial Statements by an *Emphasis of Matter* note in the audit opinion (refer to the Independent Auditors' Report and note 2a in the Audited Financial Statements).

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<sup>4</sup> There are a number of unusual elements in Public Sector financial statements and the Office of the Auditor General has produced a useful resource which helps explain some of the nuances of public sector accounting:

<http://www.bcauditor.com/pubs/2014/special/understanding-canadian-public-sector-financial-statements>

<sup>5</sup> Capital projects are usually multi-year for two main reasons: Major capital projects often take more than one year to complete; and, accounting for capital assets requires them to be amortized (expensed equally over their useful lives).

In fiscal 2018, KPU had total revenues of over \$188 million (see Figure 3.7), representing an increase of approximately \$25 million over the prior year due largely to growth in international student enrollment. Total expenses for the year were approximately \$175 million, with a year-end operating surplus of approximately \$13 million, and in line with the Board approved 2017/18 budget. While the surplus may seem large, it is actually representative of a prudent operating contingency (targeted at 3% of operating expenses) and anticipates large future year increases to amortization expense due to the completion of major capital projects such as the Wilson School of Design and Civic Plaza projects.

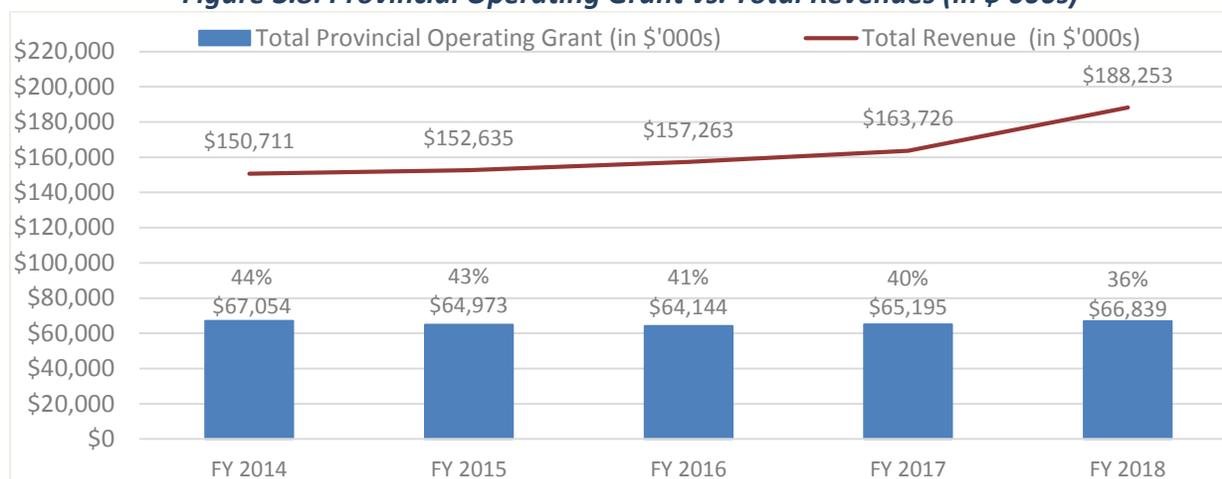
**Figure 3.7: Overview of 2018 Financial Results**  
2018 and 2017 Financial Highlights (in \$'000s)

Statement of Operations	FY2018	FY2017	Change
Provincial Grants	75,599	73,223	2,376
Tuition and Student Fees	92,996	70,926	22,070
Other Revenue	19,658	19,577	81
<b>Total Revenue</b>	<b>188,253</b>	<b>163,726</b>	<b>24,527</b>
Total Expenses	174,969	161,911	13,058
Accumulated Operating Surplus	95,804	82,520	13,284
<b>Statement of Financial Position</b>			
Financial Assets	83,310	66,720	16,590
Deferred Capital Contributions	159,104	139,894	19,210
Net Debt	(137,879)	(113,473)	(24,406)
Tangible Capital Assets	225,933	188,268	37,665

## Revenues

As illustrated in Figure 3.8, the amount of funding received from the government in relation to total revenues decreased by approximately 2% per year, from 44% in fiscal 2014 to 36% for fiscal 2018. To continue to meet the KPU's growing operational needs, increased revenue must come from other sources.

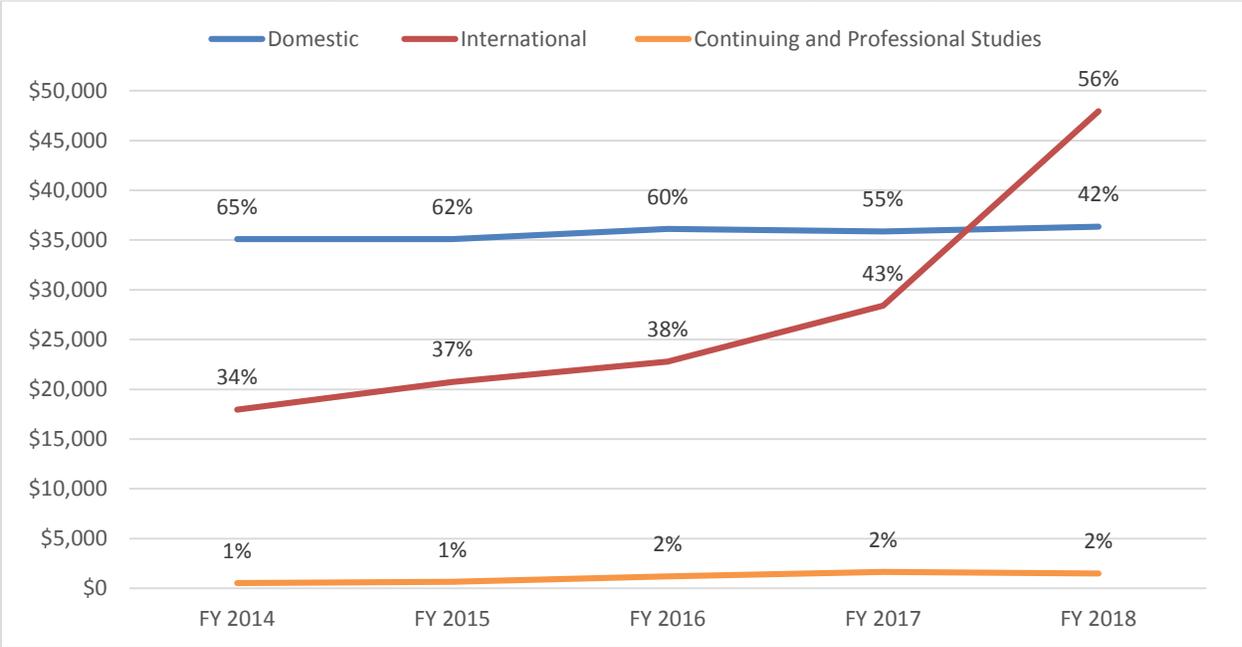
**Figure 3.8: Provincial Operating Grant vs. Total Revenues (in \$'000s)**



Note: Percentages are the proportion of total revenues from provincial operating grant for that year.

Revenues increased by approximately \$25 million over the prior year, due primarily to increases in international student enrolment. This trend of increasing reliance on international students for revenue generation is illustrated in Figure 3.9. Continuing and Professional Studies, which provides training to markets not served by traditional KPU activities and not subject to base funding, is still in a growth phase and revenue generation is expected to increase over time.

**Figure 3.9: Tuition Revenue by Source (in \$'000s)**



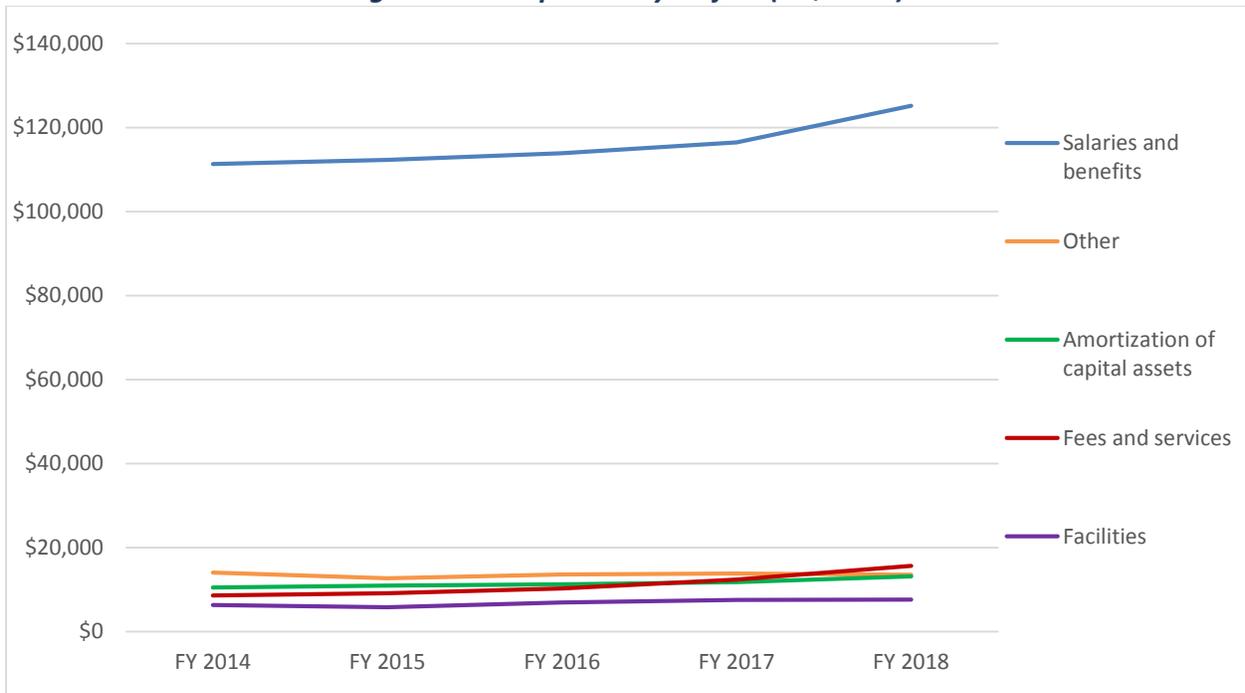
Note: Percentages give the distribution by source for that year.

### Expenses

Total expenses for fiscal 2018 increased by approximately 8% over the previous year. The key drivers to expenditure increases include: Collective agreement obligations, a reduction in staffing vacancies, and inflationary pressures on consumables and operational contracts, fees, and services.

As Figure 3.10 illustrates (see the following page), the largest organizational expense is salaries and benefits, which represents approximately 72% of total expenditures. This is typical of post-secondary institutions, as they are driven by faculty and administrative support staff.

**Figure 3.10: Expenses by Object (in \$'000s)**



### Accumulated Operating Surplus

The accumulated operating surplus, \$95.8 million for fiscal 2018, represents the accumulated balance of KPU’s annual operating surpluses and deficits. As identified in the Accounting Framework discussion above, post-secondary institutions are required to have a surplus at the end of each fiscal year. Since running a deficit is the only mechanism to access historical operating surplus balances, these funds cannot be used for operating or capital purposes and are represented by the asset positions<sup>6</sup> on the Statement of Financial Position.

### Net Debt

Net debt, an accounting term representing the excess of liabilities over financial assets, was \$137.9 million in fiscal 2018, representing an increase of \$24.4 million over the prior year and was largely due to an increase in the acquisition of tangible capital assets and related deferred capital contributions (DCCs). DCCs increased by \$19.2 million to \$159.1 million and represent funds received from the government for the construction or acquisition of capital assets for which amortization is required in future years. As noted in the Accounting Framework section above, this mechanism is provisioned for by a government regulation and minimizes the increase in the accumulated operating surplus.

<sup>6</sup> Accumulated operating surplus is represented on the Statement of Financial Position as financial and non-financial assets.

## 4. When Thought Meets Action

### April Holland, Psychiatric Nursing Alumna

*“KPU really helped me develop that strength of flexibility and adaptability by giving me real world experiences.”*

“I have always had an interest in health promotion and helping others, and psychiatric nursing at KPU was the perfect fit. A year into my program at KPU I had to take time away from my studies. It was a challenge, but it helped me learn how to balance my priorities and it sparked a personal interest in student health, which is actually tied to my master’s thesis. Now, I’m a Registered Psychiatric Nurse, and back at KPU as a faculty member. The university has always been extremely supportive of me, even after I finished paying tuition.”



For a video of Holland go to: <http://www.kpu.ca/april-holland>

### Alisa Yao, Product Design Student

*“In high school, aside from the academic courses, I also did a lot of hands on courses. When I came to [the] KPU Product Design [program], it made perfect sense.”*



“I started my post-secondary education at another school, pursuing engineering, but I wasn’t enjoying being in large lectures with so many other students and only learning theories. I wanted something more hands-on. That’s how I came to KPU. I’ve always liked to create and build things which made product design interesting and appealing to me. The classes are small and I’ve connected with people in the industry at KPU, and learned how to turn my interests into a meaningful career. Now I have established relationships with my peers and instructors and I’m using what I’ve learned here outside of the classroom in my own business.”

For a video of Yao go to: <http://www.kpu.ca/alisa-yao>

## Stuart Chase, Journalism & Public Relations Alumnus

*“When I first got to KPU, I felt like I wasn’t just sitting with classmates, but with colleagues. There was a replication of a work environment in every classroom setting.”*

“I wanted a more focused, one-on-one type learning environment which is exactly what I got here. KPU gave me confidence and shaped my critical thinking abilities. I ask “why” and “how” far more post-KPU than I did pre-KPU. Every university may offer what you want but KPU is going to give you the quality experience you need to be successful in the world beyond your education.”

For a video of Stuart go to: <http://www.kpu.ca/stuart-chase>



## Kristina Obodovskiy, Marketing Student

*“Because of the small class sizes, you really get to know your instructors.”*



“In business you need to be able to interact with clients and customers in the real world. KPU has really helped me to develop my public speaking and presentation skills, and to feel confident in what I’m doing. The classes here are small and you form real relationships as a result. The instructors are great, hands-on, and willing to help. I would describe myself as organized but creative and those two traits mesh well in marketing. Marketers need to be familiar with all aspects of a business—from accounting and operations to customer acquisition—and it’s a lot of pressure but it’s really exciting.”

For a video of Obodovskiy go to: <http://www.kpu.ca/kristinaobodovskiy>

## Aaron Sask, Carpentry Alumnus

*"I never thought my career would advance this far and [now] it has, thanks to the education I received from KPU."*



"When I graduated high school, I wasn't sure what I wanted to do. My natural abilities became apparent when I started carpentry at KPU. It's an ideal place to learn and develop your skills. There's huge workshops, all the tools you need, ample space to work, and the instructors are highly knowledgeable. Completing your certification makes you an extremely valuable employee and enables you to take on a leadership role on the job site. I now have my Red Seal, the national standard of excellence in the skilled trades. The knowledge I gained during my time at KPU is now given back as I mentor others, including the apprentices working under me."

For a video of Sask go to: <http://www.kpu.ca/aaron-sask>

## Sarah Pucek, Urban Ecosystems Student and Landscape Horticulture Alumna

*"What I like most about the program is that it's applied. I can take what I learn in school to work, to create a successful landscape."*

"I finished high school and started boxing. I did amateur competitions for a few years before turning professional and I'm currently the North American Boxing Federation Women's super-featherweight champion. When I started boxing, I was working as a gardener at an equestrian facility and I fell in love with plants and horticulture. I met someone from KPU which led me to the Faculty of Science and Horticulture. Going to university is one of the things I am most proud of. I never had plans for pursuing higher education. Studying at KPU has given me confidence in life and gifted me with amazing relationships with both students and teachers. Many of my instructors are like friends, but better because they like to talk about plants."



To see a video of Pucek go to: <http://www.kpu.ca/sarah-pucek>

## Emad Alrefai, English Language Studies Alumnus and Accounting Student

*“When I first came to KPU, I started in the English Language Studies program. There was a lot of support from instructors and students, everything from writing papers, socializing, and getting used to the new culture.”*



“My first intention was to become an engineer and I spent a year in university in Saudi Arabia. I wanted something that combined business and math—my brother recommended KPU. Coming to Canada pushed me out of my comfort zone. I was in a new environment, with a different language, in a society with different customs. But if you want to overcome your fears forever, face them. The instructors at KPU are incredibly knowledgeable. You learn what to expect in the real world and develop real connections here.”

For a video of Alrefai go to: <http://www.kpu.ca/emad-alrefai>

## 5. Performance Plan

BC Post-secondary System Objectives: Capacity, Access, Efficiency, Quality and Relevance		
KPU's Strategic Plan Goals	KPU's Performance Measures	Alignment with BC Post-secondary System Objectives
<b>QUALITY</b>		
1. All KPU graduates are prepared for global citizenship and rewarding careers.	Graduate success	Quality, Capacity, Relevance
	Citizenship and internationalization	Relevance
2. Learner engagement and retention at KPU show continuous improvement.	Retention and completion	Quality
	Learner engagement	Quality
3. KPU is a well-managed, integrated, and transparent organization that supports learning.	Management effectiveness and quality assurance	Quality, Efficiency, Capacity
	Efficiency	Efficiency, Capacity
	Sustainability	Efficiency
	Financial health	Capacity, Access
	Employee engagement	Capacity
<b>REPUTATION</b>		
4. KPU is widely recognized for its teaching and its scholarship.	Teaching quality	Quality, Capacity
	Scholarly activity	Quality, Capacity
5. KPU's unique identity is clearly articulated and well understood across the University and beyond.	Unique identity	Relevance
6. KPU is the foremost provider of continuing and professional education in its region.	Continuing education	Relevance
<b>RELEVANCE</b>		
7. The impact of KPU's community engagement has doubled by 2018.	Awareness	Relevance, Access
	Reputation	Relevance, Access
	Community engagement	Relevance
8. KPU's operations support purposeful learner FTE growth of at least 5% annually to meet the educational needs of its region's diverse population.	Learner growth	Access
9. Experiential learning is integrated into every KPU program, connecting theory to application and the classroom to the community.	Experiential learning	Relevance

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## 6. KPU's Performance Measures

The following pages present KPU's performance measures for assessing progress toward the goals in KPU's strategic plan, *VISION 2018*. The 77 measures include the ten performance measures required by the Ministry of Advanced Education (AEST).

Each measure has a performance target against which actual performance is assessed. For the AEST measures, the targets were set by AEST and assessed using the method outlined in the *Accountability Framework Standards Manual and Guidelines*. For other measures, the targets were developed in consultation with the KPU Board of Governors. Where comparable data on other institutions is available, these are used. Other targets are based on KPU past performance, standards in the field or policy requirements, or as dictated by the goal. The assessment method for these measures is described next.

### Assessment of AEST's Performance Measures

For AEST measures, performance is assessed using the following scale:

Exceeded	110% or more of target
Achieved	100% of target
Substantially achieved	90% to 99% of target
Not achieved	Less than 90% of target
Not assessed	Not assessed because no target, descriptive measure, too few respondents or margin of error too high

The table below provides a summary of the assessment on the ten AEST performance measures. Also included is discussion for the measures where the target was not achieved. Each measure is numbered as it appears in KPU's Performance Report that follows, showing the actual results.

AEST Performance Measures	2017/2018 Assessment
1. Unemployment rate of KPU's graduates	BGS: Exceeded DACSO: Exceeded APPSO: Exceeded
4. [Former] student assessment of their skill development at KPU (see skill breakdown)	BGS: Achieved DACSO: Achieved APPSO: Achieved
5. Proportion of former students who reported satisfaction in the usefulness of their knowledge and skills in performing their jobs	BGS: Achieved DACSO: Substantially Achieved APPSO: Achieved
14. Number of credentials awarded by KPU each year	Achieved
37. Proportion of former students who reported satisfaction with their education	BGS: Achieved DACSO: Achieved APPSO: Achieved

AEST Performance Measures	2017/2018 Assessment
38. Proportion of former students who assessed their quality of instruction positively	BGS: Achieved DACSO: Achieved APPSO: Achieved
69. Number of domestic student spaces (FTE)	Substantially achieved
73. Number of Nursing and other Allied Health student spaces (FTE)	Exceeded
74. Number of student spaces (FTE) in ABE, ESL, and ASE developmental programs	Not achieved
Developmental FTEs have been declining since the introduction of tuition for Domestic students taking ESL or Academic Upgrading.	
75. Number of Aboriginal student spaces (FTE)	Achieved

## Tracking Progress towards KPU's Goals

KPU's assessment method is aligned with AEST's, as depicted below. The difference is that KPU's method allows for the assessment of progress toward achieving the target, not just whether the target has been achieved.

KPU	AEST
 Target achieved	Exceeded or Achieved
 Within 90% of target	Substantially achieved
 Between 50% and 90% of target	Not achieved
 Less than 50% of target	Not achieved
 No progress	Not achieved

In the performance measures table on the pages that follow, the assessment is indicated with an arrow, as follows:

-  Indicates current rating
-  Indicates previous rating, if different from current rating
-  Indicates no assessment available

Items that are not assessed include those under development and those where no target has been established. The appendix provides definitions of terms and sources used for the performance measures. The following summarizes performance, showing the number of measures that achieved each level.

 Target achieved	47
 Within 90% of target	9
 Between 50% and 90% of target	14
 Less than 50% of target	5
 No progress	0
Not assessed	2

## Quality: Successful Global Citizens

Measures of Graduate Success	Performance	Target	Progress																																
<b>AEST</b> 1. Unemployment rate of KPU's graduates (Source: BCSOS)	<table border="1"> <caption>Unemployment Rate Data (2013-2017)</caption> <thead> <tr> <th>Year Cohort</th> <th>BGS</th> <th>DACSO</th> <th>APPSO</th> <th>Average</th> </tr> </thead> <tbody> <tr> <td>2013 (11/12)</td> <td>5%</td> <td>11%</td> <td>7%</td> <td>9%</td> </tr> <tr> <td>2014 (12/13)</td> <td>5%</td> <td>8%</td> <td>7%</td> <td>7%</td> </tr> <tr> <td>2015 (13/14)</td> <td>5%</td> <td>11%</td> <td>6%</td> <td>8%</td> </tr> <tr> <td>2016 (14/15)</td> <td>5%</td> <td>8%</td> <td>7%</td> <td>7%</td> </tr> <tr> <td>2017 (15/16)</td> <td>5%</td> <td>9%</td> <td>4%</td> <td>7%</td> </tr> </tbody> </table>	Year Cohort	BGS	DACSO	APPSO	Average	2013 (11/12)	5%	11%	7%	9%	2014 (12/13)	5%	8%	7%	7%	2015 (13/14)	5%	11%	6%	8%	2016 (14/15)	5%	8%	7%	7%	2017 (15/16)	5%	9%	4%	7%	AEST Target: employment rate for individuals with high school credentials or less. 17/18 target: ≤ 9.4% 18/19 target: ≤ 6.6%  AEST: BGS: Exceeded DACSO: Exceeded APPSO: Exceeded			
Year Cohort	BGS	DACSO	APPSO	Average																															
2013 (11/12)	5%	11%	7%	9%																															
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2. Proportion of former students who are employed (Source: BCSOS)	<table border="1"> <caption>Proportion of Former Students Employed (2013-2017)</caption> <thead> <tr> <th>Year Cohort</th> <th>Proportion</th> </tr> </thead> <tbody> <tr> <td>2013 (11/12)</td> <td>83%</td> </tr> <tr> <td>2014 (12/13)</td> <td>87%</td> </tr> <tr> <td>2015 (13/14)</td> <td>86%</td> </tr> <tr> <td>2016 (14/15)</td> <td>88%</td> </tr> <tr> <td>2017 (15/16)</td> <td>88%</td> </tr> </tbody> </table>	Year Cohort	Proportion	2013 (11/12)	83%	2014 (12/13)	87%	2015 (13/14)	86%	2016 (14/15)	88%	2017 (15/16)	88%	≥ TIU 3-year average 86%																					
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3. Proportion of former students employed in a related field of study (Source: BCSOS)	<table border="1"> <caption>Proportion of Former Students Employed in Related Field (2013-2017)</caption> <thead> <tr> <th>Year Cohort</th> <th>Proportion</th> </tr> </thead> <tbody> <tr> <td>2013 (11/12)</td> <td>75%</td> </tr> <tr> <td>2014 (12/13)</td> <td>75%</td> </tr> <tr> <td>2015 (13/14)</td> <td>77%</td> </tr> <tr> <td>2016 (14/15)</td> <td>77%</td> </tr> <tr> <td>2017 (15/16)</td> <td>80%</td> </tr> </tbody> </table>	Year Cohort	Proportion	2013 (11/12)	75%	2014 (12/13)	75%	2015 (13/14)	77%	2016 (14/15)	77%	2017 (15/16)	80%	≥ TIU 3-year average 78%																					
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<b>AEST</b> 4. [Former] student assessment of their skill development* at KPU (see skill breakdown) (Source: BCSOS)	<table border="1"> <caption>Student Assessment of Skill Development (2013-2017)</caption> <thead> <tr> <th>Year Cohort</th> <th>BGS</th> <th>DACSO</th> <th>APPSO</th> <th>Average</th> </tr> </thead> <tbody> <tr> <td>2013 (11/12)</td> <td>89%</td> <td>76%</td> <td>80%</td> <td>78%</td> </tr> <tr> <td>2014 (12/13)</td> <td>91%</td> <td>74%</td> <td>67%</td> <td>77%</td> </tr> <tr> <td>2015 (13/14)</td> <td>92%</td> <td>88%</td> <td>86%</td> <td>88%</td> </tr> <tr> <td>2016 (14/15)</td> <td>92%</td> <td>88%</td> <td>82%</td> <td>88%</td> </tr> <tr> <td>2017 (15/16)</td> <td>89%</td> <td>87%</td> <td>85%</td> <td>87%</td> </tr> </tbody> </table>	Year Cohort	BGS	DACSO	APPSO	Average	2013 (11/12)	89%	76%	80%	78%	2014 (12/13)	91%	74%	67%	77%	2015 (13/14)	92%	88%	86%	88%	2016 (14/15)	92%	88%	82%	88%	2017 (15/16)	89%	87%	85%	87%	AEST 17/18 target: ≥ 85% AEST 18/19 target: ≥ 85%  AEST: BGS: Achieved DACSO: Achieved APPSO: Achieved			
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* In 2015, the DACSO and APPSO question wording changed and rating scale changed from 5- to 4-points.	<table border="1"> <thead> <tr> <th>2017 Skill Breakdown</th> <th>BGS</th> <th>DACSO</th> <th>APPSO</th> </tr> </thead> <tbody> <tr> <td>Written communication</td> <td>87%</td> <td>86%</td> <td>74%</td> </tr> <tr> <td>Oral communication</td> <td>89%</td> <td>87%</td> <td>74%</td> </tr> <tr> <td>Group collaboration</td> <td>89%</td> <td>87%</td> <td>89%</td> </tr> <tr> <td>Critical analysis</td> <td>95%</td> <td>91%</td> <td>89%</td> </tr> <tr> <td>Problem resolution</td> <td>86%</td> <td>88%</td> <td>86%</td> </tr> <tr> <td>Learn on your own</td> <td>92%</td> <td>89%</td> <td>87%</td> </tr> <tr> <td>Reading and comprehension</td> <td>90%</td> <td>92%</td> <td>86%</td> </tr> </tbody> </table>	2017 Skill Breakdown	BGS	DACSO	APPSO	Written communication	87%	86%	74%	Oral communication	89%	87%	74%	Group collaboration	89%	87%	89%	Critical analysis	95%	91%	89%	Problem resolution	86%	88%	86%	Learn on your own	92%	89%	87%	Reading and comprehension	90%	92%	86%		
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Measures of Graduate Success	Performance	Target	Progress
<p><b>AEST</b></p> <p>5. Proportion of former students who reported satisfaction with the usefulness of the knowledge and skills acquired at KPU in performing their jobs (Source: BCSOS)</p>	<p>Year Cohort: 2013 (11/12), 2014 (12/13), 2015 (13/14), 2016 (14/15), 2017 (15/16)</p>	<p>AEST 17/18 target: <math>\geq 90\%</math>  AEST 18/19 target: <math>\geq 90\%</math></p> <p>AEST:  BGS: Achieved  DACSO: Substantially Achieved  APPSO: Achieved</p>	
Measures of Citizenship & Internationalization	Performance	Target	Progress
<p>6. Proportion of students who reported having discussions with diverse others during their educational experiences at KPU (Source: NSSE)</p>	<p>2014: 66% (1st year), 79% (4th year)  2016: 67% (1st year), 78% (4th year)</p>	<p><math>\geq</math> Average for Canadian Teaching Institutions (69% for 1st year students; 69% for 4th year students)</p>	
<p>7. Proportion of students who reported exposure to societal problems during their educational experiences at KPU (Source: NSSE)</p>	<p>2014: 49% (1st year), 65% (4th year)  2016: 52% (1st year), 67% (4th year)</p>	<p><math>\geq</math> Average for Canadian Teaching Institutions' (55% for 1st years; 66% for 4th years)</p>	
<p>8. Number of students taking part in formal exchanges and international learning experiences</p>	<p>AY12/13: 89 (Inbound), 110 (Outbound)  AY13/14: 87 (Inbound), 148 (Outbound)  AY14/15: 62 (Inbound), 113 (Outbound)  AY15/16: 34 (Inbound), 59 (Outbound)  AY16/17: 55 (Inbound), 103 (Outbound)</p>	<p><math>&gt;</math> growth over previous year</p>	
<p>9. Internationalization Plan Implementation</p>	<p>Implementation of the Internationalization Plan has included development of field school guidelines, field school surveys, international co-op opportunities, new international experiential learning opportunities for students and faculty members. Implementation will be ongoing, but the last major milestone to achieve is the development of the Global Competencies Recognition (see #10).</p>	<p>Implementation complete by end of June 2017</p>	
<p>10. Proportion of students eligible for the Global Competencies Recognition</p>	<p>KPU's Global Competencies initiative will launch in Fall 2018 with the following four one-credit courses: Global Awareness, Global Perspectives, Global Engagement, and Global Language and Culture. Students will document their coursework with an e-portfolio and will receive credit on their transcript for each course they complete. Once all four courses have been completed, the student will receive a certificate of recognition for Global Competency.</p>	<p>Growth year over year</p>	

## Quality: Engaged Learners

Measures of Retention and Completion	Performance	Target	Progress												
11. Percent retained or graduated from year 1 to year 2 for baccalaureate programs  *After 2014, most students admitted as undeclared - cannot assess by credential.	<table border="1" style="margin-top: 10px; font-size: small;"> <tr><th>Cohort</th><th>2010</th><th>2011</th><th>2012</th><th>2013</th><th>2014</th></tr> <tr><td>Rate (%)</td><td>75%</td><td>73%</td><td>78%</td><td>78%</td><td>78%</td></tr> </table>	Cohort	2010	2011	2012	2013	2014	Rate (%)	75%	73%	78%	78%	78%	> average previous 2 years (78%)	
Cohort	2010	2011	2012	2013	2014										
Rate (%)	75%	73%	78%	78%	78%										
12. Percent retained or graduated from year 1 to year 2 for associate degree programs  *After 2014, most students admitted as undeclared - cannot assess by credential.	<table border="1" style="margin-top: 10px; font-size: small;"> <tr><th>Cohort</th><th>2010</th><th>2011</th><th>2012</th><th>2013</th><th>2014</th></tr> <tr><td>Rate (%)</td><td>65%</td><td>63%</td><td>68%</td><td>67%</td><td>67%</td></tr> </table>	Cohort	2010	2011	2012	2013	2014	Rate (%)	65%	63%	68%	67%	67%	> average previous 2 years (67%)	
Cohort	2010	2011	2012	2013	2014										
Rate (%)	65%	63%	68%	67%	67%										
13. Percent retained or graduated from year 1 to year 2 for diploma programs  *After 2014, most students admitted as undeclared - cannot assess by credential.	<table border="1" style="margin-top: 10px; font-size: small;"> <tr><th>Cohort</th><th>2010</th><th>2011</th><th>2012</th><th>2013</th><th>2014</th></tr> <tr><td>Rate (%)</td><td>68%</td><td>69%</td><td>70%</td><td>77%</td><td>75%</td></tr> </table>	Cohort	2010	2011	2012	2013	2014	Rate (%)	68%	69%	70%	77%	75%	> average previous 2 years (74%)	
Cohort	2010	2011	2012	2013	2014										
Rate (%)	68%	69%	70%	77%	75%										
<b>AEST</b> 14. Number of credentials awarded by KPU each year*  *Average of most recent 3 fiscal years	<table border="1" style="margin-top: 10px; font-size: small;"> <tr><th>Fiscal Year</th><th>FY13/14</th><th>FY14/15</th><th>FY15/16</th><th>FY16/17</th><th>FY17/18</th></tr> <tr><td>Count</td><td>2,251</td><td>2,290</td><td>2,451</td><td>2,684</td><td>2,475</td></tr> </table>	Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	Count	2,251	2,290	2,451	2,684	2,475	AEST 17/18 Target: 2,323 AEST 18/19 Target: 2,450  AEST: Achieved	
Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18										
Count	2,251	2,290	2,451	2,684	2,475										
Measures of Learner Engagement	Performance	Target	Progress												
15. Proportion of students who participated in <b>High Impact Practices</b> (such as participation in a learning community, service-learning, research with faculty, participation in an internship or field experience, study abroad, or culminating senior experience) while at KPU (Source: NSSE)	<table border="1" style="margin-top: 10px; font-size: small;"> <tr><th>Year</th><th>1st yr</th><th>4th yr</th></tr> <tr><td>2014</td><td>34% (1 HIP), 6% (2+ HIPs)</td><td>30% (1 HIP), 48% (2+ HIPs)</td></tr> <tr><td>2016</td><td>34% (1 HIP), 8% (2+ HIPs)</td><td>40% (1 HIP), 37% (2+ HIPs)</td></tr> </table>	Year	1st yr	4th yr	2014	34% (1 HIP), 6% (2+ HIPs)	30% (1 HIP), 48% (2+ HIPs)	2016	34% (1 HIP), 8% (2+ HIPs)	40% (1 HIP), 37% (2+ HIPs)	≥ Average for Canadian Teaching Institutions (1st year students: 42% for 1 HIP and 8% for 2+ HIPs; 4th year students: 27% for 1 HIP and 56% for 2+ HIPs)				
Year	1st yr	4th yr													
2014	34% (1 HIP), 6% (2+ HIPs)	30% (1 HIP), 48% (2+ HIPs)													
2016	34% (1 HIP), 8% (2+ HIPs)	40% (1 HIP), 37% (2+ HIPs)													
16. Retention Plan	The retention plan is embedded in Students Services' operational plan. The mission of KPU Student Services is to empower students to learn, connect and thrive. Strategies include enhancing student orientation to help students connect, including adopting First-Year Fridays to improve the engagement and retention of first-year students; implement tools to help students map out their program requirements to ensure they achieve their learning goals; and expand activities under the Healthy University Initiative to help students thrive.	Plan in place by 2018													

## Quality: Effective Organization

Measures of Management Effectiveness and Quality Assurance	Performance	Target	Progress															
17. Number of program reviews completed	<table border="1"> <tr> <td>AY13/14</td> <td>AY14/15</td> <td>AY15/16</td> <td>AY16/17</td> <td>AY17/18</td> </tr> <tr> <td>3</td> <td>3</td> <td>2</td> <td>4</td> <td>7</td> </tr> </table>	AY13/14	AY14/15	AY15/16	AY16/17	AY17/18	3	3	2	4	7	Average of most recent three years > 9						
AY13/14	AY14/15	AY15/16	AY16/17	AY17/18														
3	3	2	4	7														
18. Development of plans identified in VISION 2018	<p>&gt; The <b>Academic Plan</b> was completed in Spring 2014. Implementation is underway.</p> <p>&gt; The <b>Strategic Enrolment Management Plan 2015-18 Phase I</b> was approved in June 2015. The <b>Marketing Plan</b> was completed in 2016.</p>	Completion of all plans by Spring 2015																
19. Successful development of service unit plans that align with VISION 2018	<p>&gt; The <b>IT strategic plan</b> was approved March 2017.</p> <p>&gt; The <b>Facilities strategic plan</b> is under development</p> <p>&gt; The <b>IAP strategic plan</b> is in the planning phase.</p> <p>&gt; The <b>HR strategic was plan</b> approved in 2017.</p>	Plans in place by 2018																
20. Survey of governance effectiveness at KPU (Board and Senate)	Governance effectiveness surveys were conducted for both Senate and Board in 2017. These provide a baseline upon which to compare future performance. Action plans have been developed to make improvements. Follow-up surveys will be conducted every two years.	Process in place by 2018																
Measures of Efficiency	Performance	Target	Progress															
21. Proportion of education activity, as measured by FTEs, occurring between May and August	<table border="1"> <tr> <td>AY12/13</td> <td>AY13/14</td> <td>AY14/15</td> <td>AY15/16</td> <td>AY16/17</td> </tr> <tr> <td>16.3%</td> <td>16.2%</td> <td>17.5%</td> <td>18.9%</td> <td>20.1%</td> </tr> </table>	AY12/13	AY13/14	AY14/15	AY15/16	AY16/17	16.3%	16.2%	17.5%	18.9%	20.1%	Greater than average of last 2 years (18.2%)						
AY12/13	AY13/14	AY14/15	AY15/16	AY16/17														
16.3%	16.2%	17.5%	18.9%	20.1%														
22. Credentials awarded by learner FTE	<table border="1"> <tr> <td>FY12/13</td> <td>FY13/14</td> <td>FY14/15</td> <td>FY15/16</td> <td>FY16/17</td> </tr> <tr> <td>0.23</td> <td>0.24</td> <td>0.26</td> <td>0.29</td> <td>0.27</td> </tr> </table>	FY12/13	FY13/14	FY14/15	FY15/16	FY16/17	0.23	0.24	0.26	0.29	0.27	≥ average of all TIUs for FY16/17 (.31)						
FY12/13	FY13/14	FY14/15	FY15/16	FY16/17														
0.23	0.24	0.26	0.29	0.27														
23. Overall seat-fill rate: % of seats offered that were filled	<table border="1"> <tr> <td>AY12/13</td> <td>AY13/14</td> <td>AY14/15</td> <td>AY15/16</td> <td>AY16/17</td> </tr> <tr> <td>87.0%</td> <td>86.4%</td> <td>85.8%</td> <td>84.2%</td> <td>84.4%</td> </tr> </table>	AY12/13	AY13/14	AY14/15	AY15/16	AY16/17	87.0%	86.4%	85.8%	84.2%	84.4%	≥ average previous 2 years (85%)						
AY12/13	AY13/14	AY14/15	AY15/16	AY16/17														
87.0%	86.4%	85.8%	84.2%	84.4%														
Measures of Sustainability	Performance	Target	Progress															
24. Greenhouse gas emissions	<table border="1"> <tr> <td>2013</td> <td>2014</td> <td>2015</td> <td>2016</td> <td>2017</td> </tr> <tr> <td>2545</td> <td>2382</td> <td>2199</td> <td>2275</td> <td>2599</td> </tr> <tr> <td>25.95</td> <td>24.29</td> <td>22.33</td> <td>23.11</td> <td>26.40</td> </tr> </table>	2013	2014	2015	2016	2017	2545	2382	2199	2275	2599	25.95	24.29	22.33	23.11	26.40	By 2016, 18% reduction from 2007 baseline (2,710 tCO2e)	
2013	2014	2015	2016	2017														
2545	2382	2199	2275	2599														
25.95	24.29	22.33	23.11	26.40														
25. Energy density level	<table border="1"> <tr> <td>2013</td> <td>2014</td> <td>2015</td> <td>2016</td> <td>2017</td> </tr> <tr> <td>0.88</td> <td>0.86</td> <td>0.82</td> <td>0.80</td> <td>0.91</td> </tr> </table>	2013	2014	2015	2016	2017	0.88	0.86	0.82	0.80	0.91	Maintain at or below 0.85 eGK/m2						
2013	2014	2015	2016	2017														
0.88	0.86	0.82	0.80	0.91														

Measures of Sustainability	Performance	Target	Progress												
26. STARS score on how well KPU diverts waste and conserves resources through recycling, reuse, and composting	<table border="1"> <tr><th>Year</th><td>June 2015</td><td>June 2016</td><td>June 2017</td><td>June 2018</td></tr> <tr><th>Score</th><td>1.07</td><td>1.12</td><td>1.08</td><td>1.25</td></tr> </table>	Year	June 2015	June 2016	June 2017	June 2018	Score	1.07	1.12	1.08	1.25	Maximum score is 3			
Year	June 2015	June 2016	June 2017	June 2018											
Score	1.07	1.12	1.08	1.25											
27. STARS score on how well KPU promotes campus life that reflects sustainability and the informal engagement of students	<table border="1"> <tr><th>Year</th><td>June 2015</td><td>June 2016</td><td>June 2017</td><td>June 2018</td></tr> <tr><th>Score</th><td>1.50</td><td>1.75</td><td>1.75</td><td>1.75</td></tr> </table>	Year	June 2015	June 2016	June 2017	June 2018	Score	1.50	1.75	1.75	1.75	Maximum score is 2			
Year	June 2015	June 2016	June 2017	June 2018											
Score	1.50	1.75	1.75	1.75											
28. STARS score on how well KPU is institutionalizing sustainability by dedicating resources, planning for future projects and engaging the whole community in these processes	<table border="1"> <tr><th>Year</th><td>June 2015</td><td>June 2016</td><td>June 2017</td><td>June 2018</td></tr> <tr><th>Score</th><td>1.5</td><td>2.0</td><td>2.0</td><td>2.5</td></tr> </table>	Year	June 2015	June 2016	June 2017	June 2018	Score	1.5	2.0	2.0	2.5	Maximum score is 4			
Year	June 2015	June 2016	June 2017	June 2018											
Score	1.5	2.0	2.0	2.5											
Measures of Financial Health	Performance	Target	Progress												
29. Deferred maintenance: ratio of deferred maintenance dollars required compared to the cost to replace the buildings based on international standards	<table border="1"> <tr><th>Year</th><td>April 2014</td><td>June 2015</td><td>June 2016</td><td>June 2017</td><td>June 2018</td></tr> <tr><th>Ratio</th><td>29.0%</td><td>28.8%</td><td>33.9%</td><td>38.8%</td><td>42.0%</td></tr> </table>	Year	April 2014	June 2015	June 2016	June 2017	June 2018	Ratio	29.0%	28.8%	33.9%	38.8%	42.0%	< 20% (Proactive Management) (under consideration by AEST)	
Year	April 2014	June 2015	June 2016	June 2017	June 2018										
Ratio	29.0%	28.8%	33.9%	38.8%	42.0%										
30. Annual change in operating expenses per overall learner FTE	<table border="1"> <tr><th>Fiscal Year</th><td>FY13/14</td><td>FY14/15</td><td>FY15/16</td><td>FY16/17</td><td>FY17/18</td></tr> <tr><th>Change</th><td>3.2%</td><td>1.7%</td><td>3.6%</td><td>1.6%</td><td>-2.0%</td></tr> </table>	Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	Change	3.2%	1.7%	3.6%	1.6%	-2.0%	rate of increase in expenses within inflation rate (2.3% for 2018)	
Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18										
Change	3.2%	1.7%	3.6%	1.6%	-2.0%										
31. Revenue minus expenses (in '000s)	<table border="1"> <tr><th>Fiscal Year</th><td>FY13/14</td><td>FY14/15</td><td>FY15/16</td><td>FY16/17</td><td>FY17/18</td></tr> <tr><th>Value</th><td>71</td><td>1,882</td><td>1,407</td><td>1,815</td><td>13,284</td></tr> </table>	Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	Value	71	1,882	1,407	1,815	13,284	> 0	
Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18										
Value	71	1,882	1,407	1,815	13,284										
32. Ancillary revenue minus ancillary operating expenses	<table border="1"> <tr><th>Fiscal Year</th><td>FY13/14</td><td>FY14/15</td><td>FY15/16</td><td>FY16/17</td><td>FY17/18</td></tr> <tr><th>Value</th><td>1,568</td><td>1,175</td><td>1,402</td><td>865</td><td>1,054</td></tr> </table>	Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	Value	1,568	1,175	1,402	865	1,054	> previous year	
Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18										
Value	1,568	1,175	1,402	865	1,054										
33. International tuition revenue as % of all non-governmental revenue	<table border="1"> <tr><th>Fiscal Year</th><td>FY13/14</td><td>FY14/15</td><td>FY15/16</td><td>FY16/17</td><td>FY17/18</td></tr> <tr><th>Percentage</th><td>23%</td><td>26%</td><td>27%</td><td>31%</td><td>43%</td></tr> </table>	Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	Percentage	23%	26%	27%	31%	43%	no target	
Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18										
Percentage	23%	26%	27%	31%	43%										
34. Cash donations to KPU for capital expansions and special projects (in \$'000s)	<table border="1"> <tr><th>Fiscal Year</th><td>FY13/14</td><td>FY14/15</td><td>FY15/16</td><td>FY16/17</td><td>FY17/18</td></tr> <tr><th>Amount</th><td>\$2,829</td><td>\$3,948</td><td>\$154</td><td>\$3,305</td><td>\$4,093</td></tr> </table>	Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	Amount	\$2,829	\$3,948	\$154	\$3,305	\$4,093	> previous year	
Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18										
Amount	\$2,829	\$3,948	\$154	\$3,305	\$4,093										

Measures of Employee Engagement	Performance	Target	Progress																								
35. Proportion of employees who reported intrinsic job satisfaction, which includes: skills and abilities well used, strong feelings of accomplishment, creativity encouraged, and opinions seem to count (Source: EES)	<table border="1"> <tr><th>Year</th><td>2009</td><td>2011</td><td>2013</td><td>2015</td><td>2017</td></tr> <tr><th>Percentage</th><td>70%</td><td>66%</td><td>64%</td><td>67%</td><td>70%</td></tr> </table>	Year	2009	2011	2013	2015	2017	Percentage	70%	66%	64%	67%	70%	> last survey's ratings (67%)													
Year	2009	2011	2013	2015	2017																						
Percentage	70%	66%	64%	67%	70%																						
36. Proportion of employees who reported a sense of commitment to KPU (would recommend KPU as a good place to work; feel that KPU is committed to its employees; and would continue working at KPU even if there was a favourable alternative) (Source: EES)	<table border="1"> <tr><th>Year</th><td>2009</td><td>2011</td><td>2013</td><td>2015</td><td>2017</td></tr> <tr><th>KPU committed</th><td>54%</td><td>53%</td><td>54%</td><td>50%</td><td>47%</td></tr> <tr><th>Recommend KPU</th><td>74%</td><td>68%</td><td>69%</td><td>63%</td><td>59%</td></tr> <tr><th>Continue at KPU</th><td>51%</td><td>44%</td><td>44%</td><td>42%</td><td>39%</td></tr> </table>	Year	2009	2011	2013	2015	2017	KPU committed	54%	53%	54%	50%	47%	Recommend KPU	74%	68%	69%	63%	59%	Continue at KPU	51%	44%	44%	42%	39%	> last survey's ratings (63% for recommend KPU, 50% for KPU committed, and 42% for continue at KPU)	
Year	2009	2011	2013	2015	2017																						
KPU committed	54%	53%	54%	50%	47%																						
Recommend KPU	74%	68%	69%	63%	59%																						
Continue at KPU	51%	44%	44%	42%	39%																						

### Reputation: Recognized Teaching and Scholarship

Measures of Teaching Quality	Performance	Target	Progress																														
<b>AEST</b> 37. Proportion of former students who reported satisfaction with their education (Source: BCSOS)	<table border="1"> <tr><th>Year Cohort</th><td>2013 (11/12)</td><td>2014 (12/13)</td><td>2015 (13/14)</td><td>2016 (14/15)</td><td>2017 (15/16)</td></tr> <tr><th>Average</th><td>92%</td><td>91%</td><td>93%</td><td>91%</td><td>92%</td></tr> <tr><th>BGS</th><td>95%</td><td>95%</td><td>96%</td><td>95%</td><td>93%</td></tr> <tr><th>DACSO</th><td>91%</td><td>90%</td><td>93%</td><td>90%</td><td>91%</td></tr> <tr><th>APPSO</th><td>91%</td><td>88%</td><td>93%</td><td>85%</td><td>91%</td></tr> </table>	Year Cohort	2013 (11/12)	2014 (12/13)	2015 (13/14)	2016 (14/15)	2017 (15/16)	Average	92%	91%	93%	91%	92%	BGS	95%	95%	96%	95%	93%	DACSO	91%	90%	93%	90%	91%	APPSO	91%	88%	93%	85%	91%	AEST 17/18 target $\geq$ 90% AEST 18/19 target $\geq$ 90%  AEST: BGS: Achieved DACSO: Achieved APPSO: Achieved	
Year Cohort	2013 (11/12)	2014 (12/13)	2015 (13/14)	2016 (14/15)	2017 (15/16)																												
Average	92%	91%	93%	91%	92%																												
BGS	95%	95%	96%	95%	93%																												
DACSO	91%	90%	93%	90%	91%																												
APPSO	91%	88%	93%	85%	91%																												
<b>AEST</b> 38. Proportion of former students who assessed their quality of instruction positively (Source: BCSOS)	<table border="1"> <tr><th>Year Cohort</th><td>2013 (11/12)</td><td>2014 (12/13)</td><td>2015 (13/14)</td><td>2016 (14/15)</td><td>2017 (15/16)</td></tr> <tr><th>Average</th><td>95%</td><td>94%</td><td>92%</td><td>94%</td><td>93%</td></tr> <tr><th>BGS</th><td>96%</td><td>96%</td><td>96%</td><td>95%</td><td>94%</td></tr> <tr><th>DACSO</th><td>95%</td><td>94%</td><td>95%</td><td>94%</td><td>93%</td></tr> <tr><th>APPSO</th><td>95%</td><td>93%</td><td>92%</td><td>91%</td><td>93%</td></tr> </table>	Year Cohort	2013 (11/12)	2014 (12/13)	2015 (13/14)	2016 (14/15)	2017 (15/16)	Average	95%	94%	92%	94%	93%	BGS	96%	96%	96%	95%	94%	DACSO	95%	94%	95%	94%	93%	APPSO	95%	93%	92%	91%	93%	AEST 17/18 target $\geq$ 90% AEST 18/19 target $\geq$ 90%  AEST: BGS: Achieved DACSO: Achieved APPSO: Achieved	
Year Cohort	2013 (11/12)	2014 (12/13)	2015 (13/14)	2016 (14/15)	2017 (15/16)																												
Average	95%	94%	92%	94%	93%																												
BGS	96%	96%	96%	95%	94%																												
DACSO	95%	94%	95%	94%	93%																												
APPSO	95%	93%	92%	91%	93%																												

Measures of Teaching Quality	Performance	Target	Progress										
39. Teaching and Learning Plan	KPU's Teaching, Learning and Scholarship Strategy and Action Plan was approved in November 2017. The 5-year plan (2018-2023) outlines three goals: 1. Advance KPU educators' abilities to design and offer learning environments that a) meet the needs of and leverages student diversity and, b) employ opportunities afforded to learning, today; 2. Support the design and delivery more of creative, experiential opportunities and distinctive programs; 3. Foster a stronger culture and communities around teaching, learning and scholarship. To achieve these goals four pillars were identified: Diversity, Quality, Connection and Distinctiveness. These in turn influence activities for educators, students, learning environments and infrastructure/innovation. See: <a href="https://bit.ly/2lkYf1i">https://bit.ly/2lkYf1i</a>	Plan in place by 2018											
Measures of Scholarly Activity	Performance	Target	Progress										
40. Research Plan	The Research and Scholarship Plan was approved in the Spring 2015.	Completion of all plans by Spring 2015											
41. Dollars received for sponsored research (in \$'000s)	<table border="1"> <tr> <td>FY13/14</td> <td>FY14/15</td> <td>FY15/16</td> <td>FY16/17</td> <td>FY17/18</td> </tr> <tr> <td>\$1,134</td> <td>\$993</td> <td>\$874</td> <td>\$896</td> <td>\$1,421</td> </tr> </table>	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	\$1,134	\$993	\$874	\$896	\$1,421	≥ average previous 2 years (\$885)	
FY13/14	FY14/15	FY15/16	FY16/17	FY17/18									
\$1,134	\$993	\$874	\$896	\$1,421									
42. Number of research agreements with community partners	<table border="1"> <tr> <td>FY14/15</td> <td>FY15/16</td> <td>FY16/17</td> <td>FY17/18</td> </tr> <tr> <td>4</td> <td>7</td> <td>21</td> <td>11</td> </tr> </table>	FY14/15	FY15/16	FY16/17	FY17/18	4	7	21	11	> previous year			
FY14/15	FY15/16	FY16/17	FY17/18										
4	7	21	11										
43. Number of TRI-Council proposals submitted	<table border="1"> <tr> <td>FY14/15</td> <td>FY15/16</td> <td>FY16/17</td> <td>FY17/18</td> </tr> <tr> <td>16</td> <td>20</td> <td>10</td> <td>20</td> </tr> </table>	FY14/15	FY15/16	FY16/17	FY17/18	16	20	10	20	> previous year			
FY14/15	FY15/16	FY16/17	FY17/18										
16	20	10	20										
44. Disseminate KPU's scholarly works through KORA*: number of full text works added *KPU's repository for free online access to scholarly and creative materials by the KPU community, launched Nov 2014	<table border="1"> <tr> <td>AY14/15</td> <td>AY15/16</td> <td>AY16/17</td> </tr> <tr> <td>54</td> <td>44</td> <td>9</td> </tr> </table>	AY14/15	AY15/16	AY16/17	54	44	9	> previous year					
AY14/15	AY15/16	AY16/17											
54	44	9											
45. Disseminate KPU's scholarly works through KORA: number of full-text downloads	<table border="1"> <tr> <td>AY14/15</td> <td>AY15/16</td> <td>AY16/17</td> </tr> <tr> <td>2,734</td> <td>6,113</td> <td>2,854</td> </tr> </table>	AY14/15	AY15/16	AY16/17	2,734	6,113	2,854	> previous year					
AY14/15	AY15/16	AY16/17											
2,734	6,113	2,854											

## Reputation: Unique Identity

Measures of Unique Identity	Performance	Target	Progress										
46. Proportion of employees who agree that KPU has a good reputation in its community (Source: EES)	<table border="1" style="margin-top: 5px; width: 100%; text-align: center;"> <tr><td>58%</td><td>50%</td><td>47%</td><td>39%</td><td>48%</td></tr> <tr><td>2009</td><td>2011</td><td>2013</td><td>2015</td><td>2017</td></tr> </table>	58%	50%	47%	39%	48%	2009	2011	2013	2015	2017	> previous rating	
58%	50%	47%	39%	48%									
2009	2011	2013	2015	2017									
47. Proportion of employees who agree that there is a clear vision for KPU's future (Source: EES)	<table border="1" style="margin-top: 5px; width: 100%; text-align: center;"> <tr><td>48%</td><td>42%</td><td>46%</td><td>44%</td><td>48%</td></tr> <tr><td>2009</td><td>2011</td><td>2013</td><td>2015</td><td>2017</td></tr> </table>	48%	42%	46%	44%	48%	2009	2011	2013	2015	2017	> previous rating	
48%	42%	46%	44%	48%									
2009	2011	2013	2015	2017									
48. Proportion of the community who agree or strongly agree that KPU: - offers hands-on approach to education; - provides career-focused learning; - offers students opportunities to be involved in the community (Source: CPS)	<table border="1" style="margin-top: 5px; width: 100%; text-align: center;"> <tr><td>51%</td><td>59%</td></tr> <tr><td>2014</td><td>2018</td></tr> </table>	51%	59%	2014	2018	≥ 2014 survey's rating							
51%	59%												
2014	2018												
49. Number of press releases celebrating KPU's achievements and the success of its students and graduates	<table border="1" style="margin-top: 5px; width: 100%; text-align: center;"> <tr><td>128</td><td>148</td><td>143</td><td>114</td></tr> <tr><td>2014</td><td>2015</td><td>2016</td><td>2017</td></tr> </table>	128	148	143	114	2014	2015	2016	2017	> previous year			
128	148	143	114										
2014	2015	2016	2017										
50. Number of mentions of KPU in the media, and % mentions that are positive	<table border="1" style="margin-top: 5px; width: 100%; text-align: center;"> <tr><td>1,904</td><td>2,348</td><td>4,167</td><td>5,274</td></tr> <tr><td>2014</td><td>2015</td><td>2016</td><td>2017</td></tr> </table>	1,904	2,348	4,167	5,274	2014	2015	2016	2017	> previous year			
1,904	2,348	4,167	5,274										
2014	2015	2016	2017										

## Reputation: Continuing and Professional Education

Measures of Continuing Education	Performance	Target	Progress										
51. Headcount in continuing education and professional studies	<table border="1" style="margin-top: 5px; width: 100%; text-align: center;"> <tr><td>1,826</td><td>1,965</td><td>2,197</td><td>2,741</td><td>2,624</td></tr> <tr><td>AY12/13</td><td>AY13/14</td><td>AY14/15</td><td>AY15/16</td><td>AY16/17</td></tr> </table>	1,826	1,965	2,197	2,741	2,624	AY12/13	AY13/14	AY14/15	AY15/16	AY16/17	≥ 10% increase year over year	
1,826	1,965	2,197	2,741	2,624									
AY12/13	AY13/14	AY14/15	AY15/16	AY16/17									

## Relevance: Community Engagement

Measures of Awareness	Performance	Target	Progress								
52. Number of high school students that attended awareness events at KPU	<table border="1" style="margin-top: 5px; width: 100%; text-align: center;"> <tr><td>1,298</td><td>1,579</td><td>1,624</td><td>2,613</td></tr> <tr><td>2014</td><td>2015</td><td>2016</td><td>2017</td></tr> </table>	1,298	1,579	1,624	2,613	2014	2015	2016	2017	at least 20% more than previous year	
1,298	1,579	1,624	2,613								
2014	2015	2016	2017								
53. Number of high school students seen at KPU Outreach Activities	<table border="1" style="margin-top: 5px; width: 100%; text-align: center;"> <tr><td>21,274</td><td>25,420</td><td>31,397</td><td>36,555</td></tr> <tr><td>2014</td><td>2015</td><td>2016</td><td>2017</td></tr> </table>	21,274	25,420	31,397	36,555	2014	2015	2016	2017	at least 15% more than previous year	
21,274	25,420	31,397	36,555								
2014	2015	2016	2017								

Measures of Awareness	Performance	Target	Progress												
54. Number of high school personnel (counsellors/teachers) attending recruitment outreach events at KPU	<table border="1"> <tr><th>Year</th><td>2014</td><td>2015</td><td>2016</td><td>2017</td></tr> <tr><th>Value</th><td>209</td><td>255</td><td>302</td><td>236</td></tr> </table>	Year	2014	2015	2016	2017	Value	209	255	302	236	at least 20% more than previous year			
Year	2014	2015	2016	2017											
Value	209	255	302	236											
55. Web traffic: the number of clicks on the 'Apply Now' link on the kpu.ca website	<table border="1"> <tr><th>Year</th><td>2015</td><td>2016</td><td>2017</td></tr> <tr><th>Value</th><td>27,564</td><td>30,973</td><td>56,338</td></tr> </table>	Year	2015	2016	2017	Value	27,564	30,973	56,338	> previous year					
Year	2015	2016	2017												
Value	27,564	30,973	56,338												
56. The number of people creating a profile through the Future Students Portal on the kpu.ca website.	<table border="1"> <tr><th>Year</th><td>2015</td><td>2016</td><td>2017</td></tr> <tr><th>Value</th><td>168</td><td>1,423</td><td>1,438</td></tr> </table>	Year	2015	2016	2017	Value	168	1,423	1,438	> previous year					
Year	2015	2016	2017												
Value	168	1,423	1,438												
57. Proportion of the community who identified KPU (by current or former name) first when asked to name universities and colleges in their area (Source: CPS)	<table border="1"> <tr><th>Year</th><td>2014</td><td>2018</td></tr> <tr><th>Value</th><td>16%</td><td>27%</td></tr> </table>	Year	2014	2018	Value	16%	27%	% double 2014 survey's rating by 2018 (32%)							
Year	2014	2018													
Value	16%	27%													
58. Proportion of the community who are familiar (very+somewhat) with KPU (by any name) (Source: CPS)	<table border="1"> <tr><th>Year</th><td>2014</td><td>2018</td></tr> <tr><th>Value</th><td>55%</td><td>62%</td></tr> </table>	Year	2014	2018	Value	55%	62%	% double 2014 survey's rating by 2018 (100%)							
Year	2014	2018													
Value	55%	62%													
Measures of Reputation	Performance	Target	Progress												
59. Proportion of the community who identify the quality and breadth of KPU's programs among its strengths (Source: CPS)	<table border="1"> <tr><th>Year</th><td>2014</td><td>2018</td></tr> <tr><th>Value</th><td>21%</td><td>31%</td></tr> </table>	Year	2014	2018	Value	21%	31%	% double 2014 survey's rating by 2018 (42%)							
Year	2014	2018													
Value	21%	31%													
60. Proportion of the community who would consider attending KPU, or would consider KPU for their children (Source: CPS)	<table border="1"> <tr><th>Year</th><th>Themselves</th><th>Their Children</th></tr> <tr><td>2014</td><td>43%</td><td>36%</td></tr> <tr><td>2018</td><td>25%</td><td>56%</td></tr> </table>	Year	Themselves	Their Children	2014	43%	36%	2018	25%	56%	% double 2014 survey's rating (86% for attend themselves and 72% for their children)				
Year	Themselves	Their Children													
2014	43%	36%													
2018	25%	56%													
Measures of Community Engagement	Performance	Target	Progress												
61. Number of people/organizations* donating to KPU *excludes employee payroll giving and sponsorship	<table border="1"> <tr><th>Fiscal Year</th><td>FY13/14</td><td>FY14/15</td><td>FY15/16</td><td>FY16/17</td><td>FY17/18</td></tr> <tr><th>Value</th><td>1,001</td><td>654</td><td>705</td><td>660</td><td>632</td></tr> </table>	Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	Value	1,001	654	705	660	632	> average previous 2 years (683)	
Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18										
Value	1,001	654	705	660	632										
62. Number of people attending TALK (Third Age Learning) courses, a participatory learning experience open to people aged 50 and above	<table border="1"> <tr><th>Year</th><td>AY12/13</td><td>AY13/14</td><td>AY14/15</td><td>AY15/16</td><td>AY16/17</td></tr> <tr><th>Value</th><td>375</td><td>389</td><td>376</td><td>369</td><td>375</td></tr> </table>	Year	AY12/13	AY13/14	AY14/15	AY15/16	AY16/17	Value	375	389	376	369	375	> average of previous 2 years (373)	
Year	AY12/13	AY13/14	AY14/15	AY15/16	AY16/17										
Value	375	389	376	369	375										

Measures of Community Engagement	Performance	Target	Progress								
63. Number of public events hosted by KPU	<table border="1"> <tr><th>Year</th><td>2015</td><td>2016</td><td>2017</td></tr> <tr><th>Value</th><td>100</td><td>111</td><td>134</td></tr> </table>	Year	2015	2016	2017	Value	100	111	134	> average of previous 2 years	
Year	2015	2016	2017								
Value	100	111	134								
64. Number of external events in the Lower Mainland attended by KPU employees	<table border="1"> <tr><th>Year</th><td>2015</td><td>2016</td><td>2017</td></tr> <tr><th>Value</th><td>300</td><td>268</td><td>325</td></tr> </table>	Year	2015	2016	2017	Value	300	268	325	> average of previous 2 years	
Year	2015	2016	2017								
Value	300	268	325								
65. Number of awards or appointments with regional impact received by KPU employees and students	<table border="1"> <tr><th>Year</th><td>2015</td><td>2016</td><td>2017</td></tr> <tr><th>Value</th><td>30</td><td>109</td><td>119</td></tr> </table>	Year	2015	2016	2017	Value	30	109	119	> average of previous 2 years	
Year	2015	2016	2017								
Value	30	109	119								
66. Proportion of programs with active external advisory committees	<table border="1"> <tr><th>Year</th><td>2016</td><td>2017</td><td>2018</td></tr> <tr><th>Value</th><td>43%</td><td>54%</td><td>38%</td></tr> </table>	Year	2016	2017	2018	Value	43%	54%	38%	100% for 2018	
Year	2016	2017	2018								
Value	43%	54%	38%								

**Relevance: Expanded Educational Access**

Measures of Learner Growth	Performance	Target	Progress												
67. Percent of FTE growth from previous year	<table border="1"> <tr><th>Fiscal Year</th><td>FY13/14</td><td>FY14/15</td><td>FY15/16</td><td>FY16/17</td><td>FY17/18</td></tr> <tr><th>Value</th><td>2.2%</td><td>-1.6%</td><td>-0.2%</td><td>2.3%</td><td>10.2%</td></tr> </table>	Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	Value	2.2%	-1.6%	-0.2%	2.3%	10.2%	5% annual growth	
Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18										
Value	2.2%	-1.6%	-0.2%	2.3%	10.2%										
68. Percent of Headcount growth from previous year	<table border="1"> <tr><th>Fiscal Year</th><td>FY13/14</td><td>FY14/15</td><td>FY15/16</td><td>FY16/17</td><td>FY17/18</td></tr> <tr><th>Value</th><td>0.3%</td><td>-1.3%</td><td>-0.7%</td><td>1.3%</td><td>10.7%</td></tr> </table>	Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	Value	0.3%	-1.3%	-0.7%	1.3%	10.7%	5% annual growth	
Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18										
Value	0.3%	-1.3%	-0.7%	1.3%	10.7%										
<b>AEST</b> 69. Number of domestic AEST-funded student FTEs	<table border="1"> <tr><th>Fiscal Year</th><td>FY13/14</td><td>FY14/15</td><td>FY15/16</td><td>FY16/17</td><td>FY17/18</td></tr> <tr><th>Value</th><td>9,309</td><td>8,935</td><td>8,931</td><td>8,932</td><td>8,670</td></tr> </table>	Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	Value	9,309	8,935	8,931	8,932	8,670	AEST 17/18 target ≥ 9,077 AEST 18/19 target ≥ 9,077 AEST: Substantially achieved	
Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18										
Value	9,309	8,935	8,931	8,932	8,670										
70. Number of International student FTEs	<table border="1"> <tr><th>Fiscal Year</th><td>FY13/14</td><td>FY14/15</td><td>FY15/16</td><td>FY16/17</td><td>FY17/18</td></tr> <tr><th>Value</th><td>1,197</td><td>1,362</td><td>1,430</td><td>1,745</td><td>3,019</td></tr> </table>	Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	Value	1,197	1,362	1,430	1,745	3,019	Yearly increase to meet government goal of 1,300 international FTEs by FY2015/16	
Fiscal Year	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18										
Value	1,197	1,362	1,430	1,745	3,019										

Measures of Learner Growth	Performance	Target	Progress																								
<b>ITA</b> 71. Seat utilization (% of funded seats filled) and headcount for ITA-funded Foundation programs	<table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Headcount</th> <th>Utilization</th> </tr> </thead> <tbody> <tr> <td>FY13/14</td> <td>392</td> <td>98%</td> </tr> <tr> <td>FY14/15</td> <td>479</td> <td>97%</td> </tr> <tr> <td>FY15/16</td> <td>426</td> <td>92%</td> </tr> <tr> <td>FY16/17</td> <td>443</td> <td>97%</td> </tr> <tr> <td>FY17/18</td> <td>414</td> <td>92%</td> </tr> </tbody> </table>	Fiscal Year	Headcount	Utilization	FY13/14	392	98%	FY14/15	479	97%	FY15/16	426	92%	FY16/17	443	97%	FY17/18	414	92%	ITA target $\geq$ 90.5% utilization							
Fiscal Year	Headcount	Utilization																									
FY13/14	392	98%																									
FY14/15	479	97%																									
FY15/16	426	92%																									
FY16/17	443	97%																									
FY17/18	414	92%																									
<b>ITA</b> 72. Seat utilization (% of funded seats filled) and headcount for ITA-funded Apprenticeship programs	<table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Headcount</th> <th>Utilization</th> </tr> </thead> <tbody> <tr> <td>FY13/14</td> <td>795</td> <td>90%</td> </tr> <tr> <td>FY14/15</td> <td>713</td> <td>83%</td> </tr> <tr> <td>FY15/16</td> <td>747</td> <td>84%</td> </tr> <tr> <td>FY16/17</td> <td>723</td> <td>85%</td> </tr> <tr> <td>FY17/18</td> <td>899</td> <td>90%</td> </tr> </tbody> </table>	Fiscal Year	Headcount	Utilization	FY13/14	795	90%	FY14/15	713	83%	FY15/16	747	84%	FY16/17	723	85%	FY17/18	899	90%	ITA target $\geq$ 85% utilization							
Fiscal Year	Headcount	Utilization																									
FY13/14	795	90%																									
FY14/15	713	83%																									
FY15/16	747	84%																									
FY16/17	723	85%																									
FY17/18	899	90%																									
<b>AEST</b> 73. Number of Nursing and other Allied Health student FTEs	<table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Number of FTEs</th> </tr> </thead> <tbody> <tr> <td>FY13/14</td> <td>665</td> </tr> <tr> <td>FY14/15</td> <td>764</td> </tr> <tr> <td>FY15/16</td> <td>705</td> </tr> <tr> <td>FY16/17</td> <td>705</td> </tr> <tr> <td>FY17/18</td> <td>885</td> </tr> </tbody> </table>	Fiscal Year	Number of FTEs	FY13/14	665	FY14/15	764	FY15/16	705	FY16/17	705	FY17/18	885	AEST 17/18 target $\geq$ 716 AEST 18/19 target $\geq$ 716  AEST: Exceeded													
Fiscal Year	Number of FTEs																										
FY13/14	665																										
FY14/15	764																										
FY15/16	705																										
FY16/17	705																										
FY17/18	885																										
<b>AEST</b> 74. Number of student FTEs in ABE, ESL, and ASE developmental programs	<table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Number of FTEs</th> </tr> </thead> <tbody> <tr> <td>FY13/14</td> <td>762</td> </tr> <tr> <td>FY14/15</td> <td>570</td> </tr> <tr> <td>FY15/16</td> <td>526</td> </tr> <tr> <td>FY16/17</td> <td>466</td> </tr> <tr> <td>FY17/18</td> <td>486</td> </tr> </tbody> </table>	Fiscal Year	Number of FTEs	FY13/14	762	FY14/15	570	FY15/16	526	FY16/17	466	FY17/18	486	AEST 17/18 target $\geq$ 968 AEST 18/19 target $\geq$ 968 AEST: Not achieved													
Fiscal Year	Number of FTEs																										
FY13/14	762																										
FY14/15	570																										
FY15/16	526																										
FY16/17	466																										
FY17/18	486																										
<b>AEST</b> 75. Number of Aboriginal student FTEs	<table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Total</th> <th>AVED</th> <th>ITA</th> </tr> </thead> <tbody> <tr> <td>FY13/14</td> <td>370</td> <td>253</td> <td>118</td> </tr> <tr> <td>FY14/15</td> <td>318</td> <td>241</td> <td>77</td> </tr> <tr> <td>FY15/16</td> <td>307</td> <td>233</td> <td>73</td> </tr> <tr> <td>FY16/17</td> <td>370</td> <td>290</td> <td>80</td> </tr> <tr> <td>FY17/18</td> <td>420</td> <td>362</td> <td>58</td> </tr> </tbody> </table>	Fiscal Year	Total	AVED	ITA	FY13/14	370	253	118	FY14/15	318	241	77	FY15/16	307	233	73	FY16/17	370	290	80	FY17/18	420	362	58	Aboriginal FTEs as % of total domestic FTEs (4.2%) > previous year (4.1%)  AEST: Achieved	
Fiscal Year	Total	AVED	ITA																								
FY13/14	370	253	118																								
FY14/15	318	241	77																								
FY15/16	307	233	73																								
FY16/17	370	290	80																								
FY17/18	420	362	58																								
76. Number and percent of student population that is Aboriginal	<table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Headcount</th> <th>Percent</th> </tr> </thead> <tbody> <tr> <td>FY13/14</td> <td>568</td> <td>3.1%</td> </tr> <tr> <td>FY14/15</td> <td>539</td> <td>3.1%</td> </tr> <tr> <td>FY15/16</td> <td>545</td> <td>3.1%</td> </tr> <tr> <td>FY16/17</td> <td>622</td> <td>3.7%</td> </tr> <tr> <td>FY17/18</td> <td>621</td> <td>3.7%</td> </tr> </tbody> </table>	Fiscal Year	Headcount	Percent	FY13/14	568	3.1%	FY14/15	539	3.1%	FY15/16	545	3.1%	FY16/17	622	3.7%	FY17/18	621	3.7%	$\geq$ previous year							
Fiscal Year	Headcount	Percent																									
FY13/14	568	3.1%																									
FY14/15	539	3.1%																									
FY15/16	545	3.1%																									
FY16/17	622	3.7%																									
FY17/18	621	3.7%																									

### Relevance: Blending Theory and Practice

Measures of Experiential Learning	Performance	Target	Progress												
77. Number of work related and experiential learning experiences	<table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Number of Experiences</th> </tr> </thead> <tbody> <tr> <td>FY13/14</td> <td>6,429</td> </tr> <tr> <td>FY14/15</td> <td>7,851</td> </tr> <tr> <td>FY15/16</td> <td>9,540</td> </tr> <tr> <td>FY16/17</td> <td>10,254</td> </tr> <tr> <td>FY17/18</td> <td>11,103</td> </tr> </tbody> </table>	Fiscal Year	Number of Experiences	FY13/14	6,429	FY14/15	7,851	FY15/16	9,540	FY16/17	10,254	FY17/18	11,103	> than previous year	
Fiscal Year	Number of Experiences														
FY13/14	6,429														
FY14/15	7,851														
FY15/16	9,540														
FY16/17	10,254														
FY17/18	11,103														

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# Appendix A: Notes on Terms and Sources

BGS: Baccalaureate Graduate Survey administered by BC Stats about 2 years after graduation

DASCO: Diploma, Associate Degree & Certificate Outcome survey administered by BC Stats about 9 to 20 months after program completion

APPSO: Apprentice Student Outcomes survey administered by BC Stats after apprentices complete their final year of training

BCSOS: BC Student Outcomes Surveys—Results of above 3 surveys averaged together

Cohort: for above surveys, the year of graduation or program completion; Year is the year the survey was conducted

NSSE: National Survey of Student Engagement, of 1st and 4th year students, conducted by NSSE every 2 years

SSS: Student Satisfaction Survey of all KPU students, conducted by KPU every 2 years

EES: Employee Engagement Survey of all KPU employees, conducted every 2 years

CPS: Community Perception Survey of the public in the KPU region, conducted as required

STARS: The Sustainability Tracking, Assessment & Rating System, a voluntary, self-reporting framework for helping colleges and universities track and measure their sustainability progress

TIU: Teaching Intensive University (KPU, and 5 others)

ITA: Industry Training Authority, which funds and oversees apprentice training

FTE: Full-time equivalent: For students, FTE equates to number taking a full load of 5 courses per term for 2 terms

AY: Academic Year (Sept 1 to Aug 31)

FY: Fiscal Year (Apr 1 to Mar 31); e.g., FY2015 is fiscal year April 1 2014 to Mar 31 2015

If no source is specified the data are from KPU administrative systems

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# **Appendix B: Financial Statements**

See the Audited Financial Statements on the following pages.

Financial Statements of

**KWANTLEN POLYTECHNIC UNIVERSITY**

Year ended March 31, 2018

## MANAGEMENT'S STATEMENT OF RESPONSIBILITY

To the Board of Governors of Kwantlen Polytechnic University

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in compliance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The Board of Governors (the "Board") and the Finance and Audit Committee (the "Committee") are composed primarily of those who are neither management nor employees of the University. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities and for approving the financial statements. The Committee has the responsibility of meeting with management and external auditors to discuss the financial reporting process, auditing matters, financial reporting issues, and recommends approval of the financial statements to the Board. The Committee is also responsible for recommending the appointment of the University's external auditor.

KPMG LLP, an independent firm of Chartered Professional Accountants, is appointed by the Board to audit the financial statements and report directly to them through the Committee. The external auditor has full and free access to, and meets periodically and separately with, both the Committee and management to discuss their audit findings.

On behalf of Kwantlen Polytechnic University



Dr. Alan Davis  
President and Vice-Chancellor



Jon Harding, CPA, CA  
Vice-President, Finance and Administration



KPMG LLP  
3<sup>rd</sup> Floor 8506 200<sup>th</sup> Street  
Langley BC V2Y 0M1  
Canada  
Telephone (604) 455-4000  
Fax (604) 881-4988

## **INDEPENDENT AUDITORS' REPORT**

To the Board of Governors of Kwantlen Polytechnic University, and  
To the Minister of Advanced Education, Skills & Training, Province of British Columbia

We have audited the accompanying financial statements of Kwantlen Polytechnic University, which comprise the statement of financial position as at March 31, 2018, statements of operations, changes in net debt, cash flows and remeasurement gains and losses for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of these financial statements in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.



*Opinion*

In our opinion, the financial statements of Kwantlen Polytechnic University as at March 31, 2018 and for the year then ended are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

*Emphasis of Matter*

Without modifying our opinion, we draw attention to Note 2(a) to the financial statements, which describes the basis of accounting and the significant differences between such basis of accounting and Canadian public sector accounting standards.

*KPMG LLP*

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Chartered Professional Accountants

May 23, 2018  
Langley, Canada

# KWANTLEN POLYTECHNIC UNIVERSITY

## Statement of Financial Position

(in thousands of dollars)

As at March 31, 2018, with comparative information for 2017

		2018	2017
<b>Financial assets</b>			
Cash and cash equivalents	(Note 3)	\$ 36,763	\$ 22,769
Accounts receivable	(Note 4)	8,227	5,414
Inventories for resale		620	439
Investments	(Note 5)	37,700	38,098
		83,310	66,720
<b>Liabilities</b>			
Accounts payable and accrued liabilities	(Note 6)	37,676	23,648
Deferred revenue		20,177	12,210
Deferred contributions	(Note 8)	3,799	3,734
Deferred capital contributions	(Note 9)	159,104	139,894
Obligations under capital lease	(Note 10)	433	707
		221,189	180,193
Net debt		(137,879)	(113,473)
<b>Non-financial assets</b>			
Tangible capital assets	(Note 11)	225,933	188,268
Endowment investments	(Note 5)	2,817	2,817
Prepaid expenses and deposits		4,358	5,102
		233,108	196,187
Accumulated surplus		\$ 95,229	\$ 82,714
Accumulated surplus is comprised of:			
Accumulated operating surplus		\$ 95,804	\$ 82,520
Accumulated remeasurement gains (losses)		(575)	194
		\$ 95,229	\$ 82,714

Employee future benefits (Note 7)  
 Contractual obligations (Note 13)  
 Commitments and contingent liabilities (Note 14)  
 Related party transactions (Note 15)  
 Contingent assets (Note 16)  
 Contractual rights (Note 17)  
 See accompanying notes to financial statements.

Approved on behalf of the Board:

  
 \_\_\_\_\_  
 Hanne Madsen

  
 \_\_\_\_\_  
 Jon Harding, CPA, CA

# KWANTLEN POLYTECHNIC UNIVERSITY

## Statement of Operations

(in thousands of dollars)

Year ended March 31, 2018, with comparative information for 2017

		<b>Budget</b>	<b>2018</b>	<b>2017</b>
		(Note 2(k))		
<b>Revenue:</b>				
Province of British Columbia grants	(Note 8)	\$ 75,830	\$ 75,599	\$ 73,223
Other grants	(Note 8)	622	1,584	1,102
Tuition and student fees		76,901	92,996	70,926
Ancillary services		6,966	7,028	6,927
Other revenue		6,674	4,817	6,087
Amortization of deferred capital contributions	(Note 9)	6,357	6,229	5,461
		<u>173,350</u>	<u>188,253</u>	<u>163,726</u>
<b>Expenses:</b>				
Instruction, research and support	(Note 19)	167,866	169,052	155,892
Ancillary operations		5,470	5,917	6,019
		<u>173,336</u>	<u>174,969</u>	<u>161,911</u>
Annual surplus		14	13,284	1,815
Accumulated operating surplus, beginning of year		82,520	82,520	80,705
Accumulated operating surplus, end of year		<u>\$ 82,534</u>	<u>\$ 95,804</u>	<u>\$ 82,520</u>

See accompanying notes to financial statements.

# KWANTLEN POLYTECHNIC UNIVERSITY

## Statement of Changes in Net Debt

(in thousands of dollars)

Year ended March 31, 2018, with comparative information for 2017

	<b>Budget</b>	<b>2018</b>	<b>2017</b>
	(Note 2(k))		
Annual surplus	\$ 14	\$ 13,284	\$ 1,815
Acquisition of tangible capital assets	-	(50,791)	(19,702)
Write-down of tangible capital assets	-	-	39
Amortization of tangible capital assets	13,458	13,126	11,773
	13,458	(37,665)	(7,890)
Net use of prepaid expenses and deposits	-	744	659
Net remeasurement losses	-	(769)	(427)
Change in net debt	13,472	(24,406)	(5,843)
Net debt, beginning of year	(113,473)	(113,473)	(107,630)
Net debt, end of year	\$ (100,001)	\$ (137,879)	\$ (113,473)

See accompanying notes to financial statements.

# KWANTLEN POLYTECHNIC UNIVERSITY

## Statement of Cash Flows

(in thousands of dollars)

Year ended March 31, 2018, with comparative information for 2017

	2018	2017
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 13,284	\$ 1,815
Items not involving cash:		
Amortization of tangible capital assets	13,126	11,773
Write-down of tangible capital assets	-	39
Amortization of deferred capital contributions	(6,229)	(5,461)
Change in non-cash operating working capital:		
Accounts receivable	(2,813)	256
Prepaid expenses and deposits	744	659
Inventories for resale	(181)	843
Accounts payable and accrued liabilities	14,028	(1,448)
Deferred revenue	7,967	772
Deferred contributions	65	536
Net change from operating activities	39,991	9,784
Capital activities:		
Cash used to acquire tangible capital assets	(50,718)	(19,652)
Net change from capital activities	(50,718)	(19,652)
Financing activities:		
Contributions received for tangible capital assets	25,439	15,493
Principal payments on capital lease obligations	(347)	(379)
Net change from financing activities	25,092	15,114
Investing activities:		
Decrease (increase) in investments	398	(1,274)
Net remeasurement losses	(769)	(427)
Net change from investing activities	(371)	(1,701)
Net change in cash and cash equivalents	13,994	3,545
Cash and cash equivalents, beginning of year	22,769	19,224
Cash and cash equivalents, end of year	\$ 36,763	\$ 22,769
Non-cash transaction:		
Tangible capital assets acquired and financed by capital leases	\$ 73	\$ 50

See accompanying notes to financial statements.

# KWANTLEN POLYTECHNIC UNIVERSITY

## Statement of Remeasurement Gains and Losses

(in thousands of dollars)

Year ended March 31, 2018, with comparative information for 2017

	2018	2017
Accumulated remeasurement gains, beginning of year	\$ 194	\$ 621
Unrealized gains (losses) attributed to:		
Long-term bonds	(1,072)	(253)
Securities	(37)	(22)
Foreign currency translation	37	88
Amounts reclassified to the Statement of Operations:		
Long-term bonds	340	(136)
Foreign currency translation	(37)	(104)
Net remeasurement losses for the year	(769)	(427)
Accumulated remeasurement gains (losses), end of year	\$ (575)	\$ 194

See accompanying notes to financial statements.

# KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Financial Statements  
(in thousands of dollars)

Year ended March 31, 2018

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## 1. Authority and purpose

Kwantlen Polytechnic University (“the University”) operates under the authority of the University Act of British Columbia. The University is a not-for-profit entity governed by a Board of Governors, the majority of which are appointed by the provincial government of British Columbia. The University is exempt from income taxes under section 149 of the Income Tax Act.

The University offers career, vocational, developmental and academic programs from its Richmond, Langley and two Surrey campuses located in southwestern British Columbia. The academic governance of the University is vested in the Senate.

## 2. Summary of significant accounting policies

### (a) Basis of accounting:

The financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board.

The Budget Transparency and Accountability Act requires that the financial statements be prepared in accordance with the set of standards and guidelines that are comprised of generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that are comprised of generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

Government Organization Accounting Standards Regulation 257/2010 requires all taxpayer supported organizations in the schools, universities, colleges and hospitals sectors to adopt the Canadian Public Sector Accounting Standards (“PSAS”) without any Public Sector 4200 elections, effective their first fiscal year commencing after January 1, 2012.

Government Organization Accounting Standards Regulation 198/2011 requires that restricted contributions received or receivable for acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are to be deferred and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded.

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of the Canadian PSAS which requires government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with PSAS 3410. As a result, revenue recognized in the Statement of Operations and certain related deferred capital contributions would be recorded differently under Canadian Public Sector Accounting Standards.

# KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Financial Statements (continued)  
(in thousands of dollars)

Year ended March 31, 2018

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## 2. Summary of significant accounting policies (continued)

### (b) Cash and cash equivalents

Cash and cash equivalents include highly liquid investments with a term to maturity of three months or less at the date of purchase.

### (c) Financial instruments

Financial instruments are classified into two categories: Fair value or cost.

(i) Fair value category: The University manages and reports performance for groups of financial assets on a fair-value basis. Cash and cash equivalents and investments are reflected at fair value as at the reporting date. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are recorded as an expense. Unrealized gains and losses on financial assets are recognized in the Statement of Remeasurement Gains and Losses until such time that the financial asset is derecognized due to disposal or impairment. At the time of derecognition, the related realized gains and losses are recognized in the Statement of Operations and related balances reversed from the Statement of Remeasurement Gains and Losses. Unrealized gains and losses on endowment investment assets, where earnings are restricted as to use, are recorded as deferred contributions and recognized in revenue when disposed and when the related expenses are incurred.

(ii) Cost category: Amounts receivable are measured at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt.

### (d) Inventories for resale

Inventories for resale, including new and used textbooks, course manuals, stationary, art supplies, clothing, crested and non-crested giftware are recorded at the lower of cost or net realizable value. Cost includes the original purchase cost, plus shipping and applicable duties. Net realizable value is the estimated proceeds on sale less any costs to sell. Inventories are written down to net realizable value when the cost of inventories is estimated not to be recoverable. When circumstances that previously caused inventories to be written down below cost no longer exist, the amount of write-down previously recorded is reversed.

### (e) Contaminated sites

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (i) An environmental standard exists;
- (ii) Contamination exceeds the environmental standard;
- (iii) The University is directly responsible or accepts responsibility;
- (iv) It is expected that future economic benefits will be given up; and
- (v) A reasonable estimate of the amount can be made.

# KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Financial Statements (continued)  
(in thousands of dollars)

Year ended March 31, 2018

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## 2. Summary of significant accounting policies (continued)

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

### (f) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

### (i) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land and landfill sites, are amortized on a straight-line basis over their estimated useful lives shown below. Land is not amortized as it is deemed to have a permanent value. Work in progress is not amortized until the asset is available for productive use.

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	Term
Buildings	40 years
Major site improvements	10 years
Major equipment	10 - 20 years
Library holdings	10 years
Technology infrastructure	8 years
Furniture and equipment	3 - 5 years
Leased capital assets	2 - 5 years

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Tangible capital assets are written down when conditions indicate that they no longer contribute to the University's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value.

### (ii) Leased tangible capital assets

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as obligations under capital lease and are reflected as part of tangible capital assets in the financial statements. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

# KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Financial Statements (continued)  
(in thousands of dollars)

Year ended March 31, 2018

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## 2. Summary of significant accounting policies (continued)

### (g) Employee future benefits

The University and its employees make contributions to the College and Municipal pension plans which are multi-employer joint trustee pension plans. These plans are defined benefit plans, providing a pension on retirement based on the member's age at retirement, length of service and highest earnings averaged over five years. Inflation adjustments are contingent upon available funding. As the assets and liabilities of the plans are not segregated by institution, the plans are accounted for as defined contribution plans and any contributions of the University to the plans are expensed as incurred.

The University's sick leave benefits do not vest or accumulate and related costs are expensed as incurred.

### (h) Revenue recognition

Tuition and student fees, and sales of goods and services are reported as revenue at the time the services are provided or the products are delivered, and collection is reasonably assured.

Unrestricted donations and grants are recorded as revenue if the amounts can be estimated and collection is reasonably assured. Pledges from donors are recorded as revenue when payment is received by the University or the transfer of property is completed.

Restricted donations and grants are reported as revenue depending on the nature of the restrictions on the use of the funds by the contributors as follows:

- (i) Contributions for the purpose of acquiring or developing a depreciable tangible capital asset or in the form of a depreciable tangible capital asset, in each case for use in providing services, are recorded and referred to as deferred capital contributions and recognized in revenue at the same rate that amortization of the tangible capital asset is recorded. The reduction of the deferred capital contributions and the recognition of the revenue are accounted for in the fiscal period during which the tangible capital asset is used to provide services.
- (ii) Contributions restricted for specific purposes other than for those to be held in perpetuity or the acquisition or development of a depreciable tangible capital asset are recorded as deferred contributions and recognized in revenue in the year in which the stipulation or restriction on the contribution have been met.
- (iii) Contributions restricted to be retained in perpetuity, allowing only the investment income earned thereon to be spent are recorded as endowment donations and as deferred contributions for any unspent restricted investment income earned thereon.

Investment income includes interest recorded on an accrual basis, dividends recorded as declared, and realized gains and losses on the sale of investments.

# KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Financial Statements (continued)  
(in thousands of dollars)

Year ended March 31, 2018

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## 2. Summary of significant accounting policies (continued)

### (i) Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities, and related disclosures. Key areas where management has made estimates and assumptions include those related to the determination of useful lives of tangible capital assets for amortization and the amortization of related deferred capital contributions, accrued liabilities, valuation of accounts receivable, and provisions for contingencies. Where actual results differ from these estimates and assumptions, the impact will be recorded in future periods when the difference becomes known.

### (j) Foreign currency translation

The University's functional currency is the Canadian dollar. Transactions in foreign currencies are translated into Canadian dollars at the exchange rate in effect on the transaction date. Monetary assets and liabilities denominated in foreign currencies and non-monetary assets and liabilities which are designated in the fair value category under the financial instrument standard are reflected in the financial statements in equivalent Canadian dollars at the exchange rate in effect on the Statement of Financial Position date. Any gains or losses resulting from a change in rates between the transaction date and the settlement date or Statement of Financial Position date is recognized in the Statement of Remeasurement Gains and Losses. In the period of settlement, the related cumulative remeasurement gain/loss is reversed in the Statement of Remeasurement Gains and Losses and the exchange gains or losses in relation to the exchange rate at the date of the item's initial recognition is recognized in the Statement of Operations.

### (k) Budget figures

Budget figures have been provided for comparative purposes and have been derived from the 2017-2018 University Budget approved by the Board on March 29, 2017. The budget is reflected in the Statement of Operations and the Statement of Changes in Net Debt.

# KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Financial Statements (continued)  
(in thousands of dollars)

Year ended March 31, 2018

## 3. Cash and cash equivalents

	2018	2017
Cash	\$ 31,575	\$ 18,071
Cash equivalents	5,188	4,698
	<u>\$ 36,763</u>	<u>\$ 22,769</u>

## 4. Accounts receivable

	2018	2017
Accounts receivable	\$ 9,268	\$ 7,528
Allowance for doubtful accounts	(1,041)	(2,114)
	<u>\$ 8,227</u>	<u>\$ 5,414</u>

## 5. Investments and endowment investments

Investments and endowment investments recorded at fair value are comprised of the following:

	2018	2017
Long term bonds	\$ 38,994	\$ 39,267
Securities	1,523	1,648
	<u>40,517</u>	<u>40,915</u>
Endowment investments	2,817	2,817
Investments	<u>\$ 37,700</u>	<u>\$ 38,098</u>

All fixed income securities held at March 31, 2018 mature at various dates to September 2077 (2017 – June 2108) and bear interest at rates varying from 1.100% – 6.310% (2017 – 0.950% – 9.976%).

Generally accepted accounting principles define the fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties. The University uses the following methods and assumptions to estimate the fair value of each class of financial instruments for which the carrying amounts are included in the Statement of Financial Position under the following captions:

- Cash and cash equivalents, accounts receivable, and accounts payables and accrued liabilities – the carrying amounts approximate fair value because of the short maturity of these instruments.
- Investments – the carrying amounts are shown at fair market value based on quoted prices (unadjusted) in active markets.

# KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Financial Statements (continued)  
(in thousands of dollars)

Year ended March 31, 2018

The financial instruments measured at fair value held within each investment are classified according to a hierarchy which includes three levels, reflecting the reliability of the inputs involved in the fair value determination. The different levels are defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The University's instruments are all considered to be level 1 financial instruments for which the fair value is determined based on quoted prices in active markets. Changes in fair valuation methods or in the availability of market observable inputs may result in a transfer between levels. During the year there were no significant transfers of securities between the different levels.

## 6. Accounts payable and accrued liabilities

	2018	2017
Accounts payable and accrued liabilities	\$ 24,547	\$ 10,807
Salaries and wages payable	2,791	3,246
Accrued vacation payable	10,338	9,595
	\$ 37,676	\$ 23,648

## 7. Employee future benefits

(a) Pension benefits:

The University and its employees contribute to the College Pension Plan and Municipal Pension Plan, jointly trustee pension plans. The Boards of Trustees for these plans represent plan members and employers, and are responsible for the administering the pension plans, including investing assets and administering benefits. The pension plans are multi-employer contributory pension plans. Basic pension benefits provided are based on a formula. As at August 31, 2017, the College Pension Plan has about 14,000 active members, and approximately 7,500 retired members. As at December 31, 2016, the Municipal Pension Plan has about 193,000 active members, including approximately 5,800 from colleges.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

# KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Financial Statements (continued)  
(in thousands of dollars)

Year ended March 31, 2018

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The most recent actuarial valuation for the College Pension Plan as at August 31, 2015, indicated a \$67 million surplus for basic pension benefits on a going-concern basis.

The most recent valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going-concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged.

The next valuation for the College Pension Plan will be as at August 31, 2018, with results available in 2019. The next valuation for the Municipal Pension Plan will be December 31, 2018, with results available in 2019.

Employers participating in the plans record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plans record accrued liabilities and accrued assets for the plans in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plans.

The University incurred \$9,255 for employer contributions to the Plans in the current year (2017 – \$8,580).

(b) Maternity or parental leave:

The University provides supplemental employee benefits for faculty, staff and administration on maternity or parental leave. For the duration of the leave, employees on maternity or parental leave receive a supplemental payment added to employment insurance benefits. Employer-paid benefits also continue to be paid on the employees' behalf. The University has expensed \$270 in the current year (2017 – \$561). As at March 31, 2018, the University has an obligation of \$262 (2017 – \$509) which has been included in salaries and wages payable.

# KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Financial Statements (continued)  
(in thousands of dollars)

Year ended March 31, 2018

## 8. Deferred contributions and grants

Deferred contributions represent externally restricted contributions that will be used in future periods for academic programming and student awards, as specified by the contributor. Grants represent unrestricted funding from various sources.

	2017	Amounts received	Recognized as revenue	2018
Provincial Grants	\$ -	\$ 69,782	\$ (69,782)	\$ -
Deferred contributions	2,620	6,046	(5,817)	2,849
Federal Deferred contributions	387	592	(735)	244
Other sources Deferred contributions	727	828	(849)	706
	\$ 3,734	\$ 77,248	\$ (77,183)	\$ 3,799

## 9. Deferred capital contributions

	2017	Amounts received	Amortized as revenue	2018
Provincial	\$ 125,447	\$ 14,842	\$ (5,641)	\$ 134,648
Federal	3,745	6,371	(168)	9,948
Other sources	10,702	4,226	(420)	14,508
	\$ 139,894	\$ 25,439	\$ (6,229)	\$ 159,104

## 10. Obligations under capital lease

The University has entered into capital leases to finance computers and equipment at an estimated cost of borrowing of 2.46% (2017 – 2.78%) per annum. The principal and interest payments are as follows:

	2018	2017
2018	\$ -	\$ 344
2019	288	269
2020	126	107
2021	31	13
Total minimum lease payments	445	733
Less amounts representing interest	(12)	(26)
Present value of net minimum capital lease payments	\$ 433	\$ 707

Total interest payment on leases for the year was \$16 (2017 – \$26).

# KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Financial Statements (continued)  
(in thousands of dollars)

Year ended March 31, 2018

## 11. Tangible capital assets

	Land	Buildings	Major site improvements	Major equipment	Library holdings	Technology infrastructure	Furniture & equipment	Leased capital assets	Work <sup>1,2</sup> in progress	Total
<b>2018 Cost</b>										
Opening balance	\$ 20,040	\$ 198,338	\$ 19,770	\$ 3,107	\$ 8,044	\$ 3,390	\$ 60,638	\$ 1,785	\$ 17,901	\$ 333,013
Additions	-	16,165	838	1,454	343	-	6,661	73	25,257	50,791
Transfers to/(from) WIP	-	15,795	374	27	-	-	467	-	(16,663)	-
Closing balance	20,040	230,298	20,982	4,588	8,387	3,390	67,766	1,858	26,495	383,804
<b>2018 Accumulated amortization</b>										
Opening balance	-	(77,588)	(7,908)	(97)	(5,692)	(289)	(52,279)	(892)	-	(144,745)
Amortization	-	(5,358)	(1,971)	(303)	(499)	(424)	(4,067)	(504)	-	(13,126)
Closing balance	-	(82,946)	(9,879)	(400)	(6,191)	(713)	(56,346)	(1,396)	-	(157,871)
<b>2018 Net book value</b>	<b>\$ 20,040</b>	<b>\$ 147,352</b>	<b>\$ 11,103</b>	<b>\$ 4,188</b>	<b>\$ 2,196</b>	<b>\$ 2,677</b>	<b>\$ 11,420</b>	<b>\$ 462</b>	<b>\$ 26,495</b>	<b>\$ 225,933</b>
<b>2017 Net book value</b>	<b>\$ 20,040</b>	<b>\$ 120,750</b>	<b>\$ 11,862</b>	<b>\$ 3,010</b>	<b>\$ 2,352</b>	<b>\$ 3,101</b>	<b>\$ 8,359</b>	<b>\$ 893</b>	<b>\$ 17,901</b>	<b>\$ 188,268</b>

- As at March 31, 2018, work in progress ("WIP") of \$26,495 (2017 – \$17,901) has not been amortized. Amortization of these intangible capital assets will commence when the assets are put into service.
- During the year, there was \$nil (2017 – \$39) of write-down of intangible capital assets within work in progress.

# KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Financial Statements (continued)  
(in thousands of dollars)

Year ended March 31, 2018

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## 12. Financial risk management

The University has exposure to certain risks from its use of financial instruments.

The Board ensures that the University has identified its major risks and ensures that management monitors and controls them.

### (a) Credit risk

Credit risk is the risk of financial loss to the University if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held by the University consisting of cash and cash equivalents, investments and accounts receivable.

The University manages credit risk with established investment guidelines for its investment management companies to follow in managing its investment portfolios. The guidelines limit investments to those with BBB- or greater credit rating. The University does not invest in any derivatives.

### (b) Market risk

Market risk is the risk that changes in market prices, such as interest rates, will affect the University's income. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing the return on risk.

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates.

It is management's opinion that the University is not exposed to significant market or interest rate risk arising from its financial instruments.

### (c) Liquidity risk

Liquidity risk is the risk that the University will not be able to meet its financial obligations as they become due.

The University manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing and financing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the University's reputation.

# KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Financial Statements (continued)  
(in thousands of dollars)

Year ended March 31, 2018

## 13. Contractual obligations

The nature of the University's activities can result in multi-year contracts and obligations whereby the University will be committed to make future payments. Significant contractual obligations related to operations that can be reasonably estimated are as follows:

	2019	2020	2021	2022	2023
Contractual obligations	\$ 22,917	\$ 3,583	\$ 2,109	\$ 146	\$ 37

## 14. Commitments and contingent liabilities

(a) The University may, from time to time, be involved in legal proceedings, claims, and litigation that arise in the normal course of operations.

There are several lawsuits pending in which the University is involved. It is considered that the potential claims against the University resulting from such litigation would not materially affect the financial statements of the University.

(b) The University committed to the building of the Chip and Shannon Wilson School of Design at the Richmond campus for the Faculty of Design. The project, which has a total budget of \$36,000, was substantially complete by December 2017. As at March 31, 2018, the University received \$12,000 (2017 – \$8,000) from Chip and Shannon Wilson and lululemon athletica Canada Inc., and \$12,000 (2017 – \$10,500) from provincial funding. The University's contribution toward this project is \$12,000 per the budget approved by the Board. As at March 31, 2018, the University incurred costs of \$33,933 (2017 – \$15,795) for this project, with the anticipated remaining costs of \$2,067 to be incurred in fiscal 2019.

(c) The University has entered into an agreement to purchase real estate to provide additional classroom space to meet future student demand. The construction of the space is estimated to be completed by fiscal 2019. The project is funded by the University. As at March 31, 2018, the estimated purchase price for the real estate is \$23,800 (2017 – \$23,800) and the estimated budget for the construction project is \$15,260 (2017 – \$15,260).

(d) During the year, the University has entered into an agreement for the construction and upgrade of the Spruce building on the Surrey campus. The project is funded by \$22,000 from Government of Canada's Strategic Investment Fund and provincial funding.

(e) The University has the ability to draw on a line of credit of \$7,500 (2017– \$7,000). As at March 31, 2018, the University has not utilized the available line of credit.

(f) As at March 31, 2018, the University has issued letters of credits to the City of Surrey totalling \$294 (2017 – \$294) which expire on January 25, 2019. There is an automatic renewal that occurs each year thereafter and will terminate once the City of Surrey advises the University that the guarantee is no longer required.

# KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Financial Statements (continued)  
(in thousands of dollars)

Year ended March 31, 2018

## 15. Related party transactions

The University has entered into certain transactions and agreements in the normal course of business with certain of its related parties. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

### Related party transactions with government and other government organizations:

#### Revenue and expenses:

Included in revenue	2018	2017
Province of British Columbia grants	\$ 75,599	\$ 73,223
Other grants - federal	735	547
Other revenue - other government entities	-	142
Amortization of deferred capital contributions - provincial	5,641	5,142
Amortization of deferred capital contributions - federal	168	147
	\$ 82,143	\$ 79,201

Included in expenses	2018	2017
Other government entities	\$ 1,153	\$ 767
Other provincial universities	338	338
	\$ 1,491	\$ 1,105

#### Receivables and payables:

Included in accounts receivable	2018	2017
Provincial government	\$ 1,934	\$ 2,082
Federal government	731	-
Other government entities	605	410
	\$ 3,270	\$ 2,492

Included in accounts payable and accrued liabilities	2018	2017
Provincial government	\$ 65	\$ 63
Other government entities	-	3
	\$ 65	\$ 66

### Related party transactions with Key Management Personnel:

During the year, the Key Management Personnel, comprised of the Senate, the Board and the University's Executives, have \$nil (2017 – \$nil) related party transactions with the University with respect to the delivery of goods and services, and payment of fees that were transacted at non-arms' length. As at March 31, 2018, the University had a net receivable of \$nil (2017 – \$nil) and a net payable of \$nil (2017 – \$nil) with respect to these transactions.

# KWANTLEN POLYTECHNIC UNIVERSITY

Notes to Financial Statements (continued)  
(in thousands of dollars)

Year ended March 31, 2018

## 16. Contingent assets

The University has \$nil of contingent assets as at March 31, 2018 and 2017.

## 17. Contractual rights

The University has \$nil of contractual rights as at March 31, 2018 and 2017.

## 18. Comparative figures

Certain comparative figures have been reclassified to conform to the current year's presentation.

## 19. Expenses by object

The following is a summary of expenses by object:

	Instruction, research, and support	Ancillary operations	2018
Salaries and benefits	\$ 124,034	\$ 1,119	\$ 125,153
Travel and professional development	2,897	8	2,905
Supplies	4,479	54	4,533
Student awards and bursaries	1,303	-	1,303
Fees and services	15,269	326	15,595
Facilities	7,288	320	7,608
Cost of sales	-	3,807	3,807
Leases, property taxes, insurance	905	34	939
Amortization of tangible capital assets	12,877	249	13,126
	\$ 169,052	\$ 5,917	\$ 174,969

	Instruction, research, and support	Ancillary operations	2017
Salaries and benefits	\$ 115,310	\$ 1,145	\$ 116,455
Travel and professional development	2,340	6	2,346
Supplies	4,617	44	4,661
Student awards and bursaries	2,010	-	2,010
Fees and services	11,708	649	12,357
Facilities	7,381	143	7,524
Cost of sales	-	3,800	3,800
Leases, property taxes, insurance	976	9	985
Amortization of tangible capital assets	11,550	223	11,773
	\$ 155,892	\$ 6,019	\$ 161,911