



## **Business Plan 2010 - 2014**



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## Table of Contents

Executive Summary .....	1
About Olds College.....	1
Goals and Performance Measures .....	1
Budget .....	2
Institutional Access Plan .....	3
Capital Projections .....	4
Tuition Projections .....	4
<b>1.0 Institutional Context.....</b>	<b>5</b>
1.1 Key Opportunities and Challenges.....	5
1.2 Mandate Statement.....	7
1.3 Values.....	8
1.4 Vision.....	8
1.5 Mission.....	8
1.6 College Outcomes .....	8
<b>2.0 Institutional Evaluation.....</b>	<b>9</b>
<b>3.0 Goals and Performance Measures.....</b>	<b>10</b>
3.1 Goals .....	10
3.1.1 Goal 1 – Create academic centres of excellence .....	10
3.1.2 Goal 2 – Implement regional programming and increase credit continuing education offerings .....	11
3.1.3 Goal 3 – Increase applied research activity.....	12
3.1.4 Goal 4 – Create environmental, social and economic sustainability.....	13
3.2 Relationship of Olds College Goals to Alberta Advanced Education and Technology Business Plan....	15
3.3 Relationship of Olds College Goals to the Roles and Mandates Policy Framework .....	16
3.4 Relationship of Olds College Goals to Alberta Agriculture and Rural Development Business Plan .....	17
<b>4.0 Budget Information .....</b>	<b>18</b>
4.1 Budgeting and Planning Principles .....	18
4.2 Operational Budget .....	19
4.3 Budget Overview .....	21
4.3.1 Revenue.....	21
4.3.2 Expenses.....	22
4.4 Statement of Cash Flows.....	24
<b>5.0 Institutional Access Plan .....</b>	<b>25</b>
5.1 Enrolment Expansion.....	25
5.2 Institutional Access Plan .....	26
<b>6.0 Capital Projections.....</b>	<b>28</b>
6.1 Overview .....	28
6.2 Renewal and Upgrading.....	28
6.3 Long-term Projects.....	29
6.3.1 Olds College Botanic Garden Treatment Wetlands and Landscape Pavilion Link.....	29
6.3.2 Calgary Campus .....	30
6.3.3 National Meat Training Centre .....	31
6.4 Capital Budget.....	32
<b>7.0 Tuition Projections.....</b>	<b>33</b>

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# Executive Summary

## About Olds College

Since we first opened our doors in 1913, Olds College has provided quality education and training which have launched successful careers for many generations of learners. With pride, Olds College can link the values that underpinned the first course offerings of the Olds School of Agriculture and Home Economics in 1913 to those reflected in courses offered 97 years later.

The focus and priority of Olds College has always been the success of our students. Small classes, customized training, continuing education and an emphasis on hands-on training continue to be characteristic features of courses offered today. This continuity has been coupled with change to address evolving learner needs and to reflect today's economic environment. Where students once studied field husbandry, domestic science and farm mechanics, they now pursue post-secondary education in such fields as horticulture, animal science, land administration, business administration and fashion.

The College, through its campus in Olds, the transitional Calgary Campus and Central Alberta Community Engagement Sites, offers certificates, diplomas and applied degrees in business, agriculture, horticulture, animal sciences, fashion, land and environment and trades and technology. In addition, the College offers other programs in a variety of formats for the learning needs of the greater community.

Olds College is a Board-governed institution and operates under the authority of the *Post-secondary Learning Act*. The reputation of Olds College has helped to attract learners and industry partners for many decades. We know that our reputation is one of the cornerstones of the College.

Olds College has thrived for 97 years in a very unique niche that is of great importance to Alberta's educational and economic landscape. Our 100 Year Centennial in 2013 will present a wonderful opportunity for the College to look backward with a sense of celebration, heritage and nostalgia with our alumni, industry partners and other stakeholders. Our Centennial Celebration will launch us, with momentum, into our next one hundred years through a reaffirmed commitment to our Vision:

***Olds College shall be the premier Canadian integrated learning and applied research community specializing in agriculture, horticulture, land and environmental management.***

## Goals and Performance Measures

Encompassed in this Business Plan are four goals and their accompanying strategies and expected outcomes. These goals reflect the College's ambitious plans during the next four years:

- 1. Create academic centres of excellence***
- 2. Implement regional programming and increase credit continuing education offerings***
- 3. Increase applied research activity***
- 4. Create environmental, social and economic sustainability***

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## Budget

The budget was prepared using Olds College's budgeting principles and involved extensive input and consultation with faculty, staff, students and the academic schools and support divisions. It was developed in an environment where there has been a significant change in our situational realities. Olds College has benefited from 5 years of 6% grant increases. During the four years of this business plan, we will experience the elimination of grant increases and reduced growth of other revenues. These situational realities are compounded by small student cohorts, aging facilities and the need for specialized faculty and staff.

The College has responded to these changes by developing a new business model based on reduced operating costs and creating a leaner organizational structure. Implementation of the new business model is the cornerstone of our fiscal sustainability, to position the College to respond to emerging learner needs and is essential to fulfill our fiduciary responsibilities.

The 2010/2011 budget projects revenues of \$48.5 million and a 2% operating surplus. The preparation of this budget required that we overcome an anticipated 8% revenue shortfall over the four years of the business plan. Strategic cost reductions were implemented including creating a leaner organizational structure, reducing non-discretionary program and service expenditures, targeting external funding sources for the purchase of furniture and equipment and reducing our energy and water costs. Continued cost containment measures will be required to ensure the future success of the new business model.

Our multi-year budget plan will result in small operating surpluses ranging between 1% and 2%. This business plan will ensure the continued excellence of Olds College and the preservation of our core programs and services. In this era of excellence, we remain committed to the strategic process outlined in the budget, to fulfill our fiduciary responsibilities, and to achieve our stated goals.

Highlights	Goals			
	1	2	3	4
Sustaining core programs and services	✓	✓		✓
Increased funding for program development	✓	✓		✓
Implementation of the Community Learning Campus program plan	✓	✓		✓
Alignment with the principles of the Roles and Mandates Policy Framework	✓	✓	✓	
Implementation of the Central Alberta College-Community Partnership regional stewardship model	✓	✓		
Budgets that that effectively respond to rapidly changing situational realities	✓	✓	✓	✓

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## Institutional Access Plan

The Ministry's Roles and Mandates Policy Framework has resulted in a revised process as to how the College amends program offerings to meet learner needs. All Colleges must create an Institutional Access Plan which will become integrated into the Ministry's Alberta Access Planning Framework. The intent of Olds College's Institutional Access Plan is to tie program offering goals to learner needs. Specifically, the plan details program development and enrolment management processes.

Under the Roles and Mandate Policy Framework, Olds College is categorized as a Comprehensive Community Institution with a mandate to provide services to the Central Alberta Region. This regional mandate is shared with Red Deer College. Olds College and Red Deer College will develop a joint planning framework and a common Regional Access Advisory Committee to identify regional learner needs. Program offerings to meet these needs will be encompassed in our respective Institutional Access Plans. The Central Alberta College-Community Partnership will collectively provide services to the region's communities through the establishment of Community Engagement Sites.

Olds College's Institutional Access Plan includes increased enrolment in a range of programs and cancellation of a number of low enrolment programs.

Highlights of the Institutional Access Plan are:

### Approved 2010/2011 Programs:

• Acceptance of a second cohort of Business Administration Diploma students
• Delivery of a Farrier Science Diploma
• Increasing Equine Science enrolment by 40%
• Offering of a new Meat Processing Certificate and Meat Industry Management Certificate
• Four year planned enrolment increases for the Fashion Marketing and Fashion Apparel programs

### New Programming Development:

• Offering a Retail Major for the Business Administration Diploma
• Offering Rural Entrepreneurship programming

### Program Cancellations:

• Crop and Agri-Food Technology
• Commercial Floristry

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## Capital Projections

Achievement of Olds College's goals depends upon execution of our capital plan. This plan prepares the College to address evolving training needs, enhance student access, and enhance rural services. This plan has two main facility components:

- Restoring and preserving existing facilities
- New construction:
  - Expansion of the Botanic Garden to incorporate a series of water treating wetlands
  - Establishment of a permanent Calgary Campus
  - National Meat Training Centre

The College has received increased provincial deferred maintenance funds that have been matched by federal stimulus grants. This incremental funding will permit the College to address the most serious HVAC, electrical and roof upgrades. Aging infrastructure on campus is a growing problem, particularly for our student residence which is in need of replacement or extensive upgrade.

## Tuition Projections

The Board of Governors approved an average 1.5% tuition fee increase for the 2010/2011 academic year. This increase complies with the Government of Alberta's new Tuition Fee Policy which ties tuition increases to inflation rates. The College has moved to a standard tuition rate of \$141.30 per credit for most certificate, diploma and applied degree programs.

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## **1.0 Institutional Context**

### **1.1 Key Opportunities and Challenges**

For Olds College to continue to enable its learners to exceed market requirements, it must be visionary, proactive and strategically positioned in its changing marketplace. This conclusion is based on the following situational realities:

#### **Global Customers and Consumers**

The ability to understand and react to demographic realities will significantly affect the future success of the agriculture, food and beverage industries. Similarly, trade policies and trade barriers within the wealthiest countries have an extremely significant impact on the economic health of exporting countries. Food importing countries are establishing long-term supply commitments including purchasing farms and farm land. Consumer influence within these countries can have a further impact on trade, positive or negative, and has increased to the levels where the consumers are driving the economic processes previously controlled by producers.

#### **Knowledge-based Economy**

Olds College has a major set of challenges related to the rapidly changing labour market in Alberta. Increasing unemployment and the loss of many jobs for unskilled worker underscores the importance of life-long learning and flexible program deliveries. The development of a skilled workforce is imperative for the province to develop a knowledge-based economy. Education, innovation and competitiveness are the building blocks of the development of this new economy.

#### **Rural Economic Development**

Rural Alberta is losing its highly qualified population at an increasing rate. Olds College, along with other rural colleges, are committed to the Campus Alberta principles to meet this challenge head on. The Community Learning Campus and the Central Alberta College-Community Partnership have the potential to create a system which retains and enhances the supply of qualified and well-trained rural residents.

#### **Demographics**

During the 2009 to 2029 period, the Canadian population is expected to increase by 15%, from 33.49 million to 38.38 million. The only demographic group that is expected to decline during this period is the traditional post-secondary group (15 to 24 years). This group is expected to decline 6% by 2029. In Central Alberta a similar decline is expected, with the 15-24 age cohort declining by 5% from 43,751 in 2008 to 41,425 in 2018.

#### **Research and Innovation**

Olds College is committed to promoting the visibility and understanding of research and innovation in a rural environment. Innovation has always been a driving force in economic growth and social development, and it is the key to improving productivity. This reality applies to agriculture and the other land-based industries that are a focal point for Olds College. The College continues to focus its research activities in sustainable agriculture with a heavy focus on waste management and bio-fuel production.

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## **Economic Slow-down**

Reduced revenue streams for the government have resulted in the elimination of grant increases and the reduction or elimination of other grants. Volatile investment markets have resulted in lower investment and endowment revenues. These economic impacts have created increased budget constraints and the need to implement innovative and proactive solutions.

## **Canadian Agriculture**

An aging population, industry consolidation and a declining number of farms appear to be structural realities. The number of young farmers is also declining in Canada. Potential new farmers can be enticed to the industry if new opportunities provide the professional, income and lifestyle options that they seek. Commercial farms will have an increasing demand for high-level managerial skills, and producers will be seeking innovative, flexible and time-effective solutions to enhance and maintain their skills. In Canada, farms have increased in size and complexity through continuous industry consolidation. Olds College is addressing these emerging needs through program enhancement, industry advisory committees, increased on-line learning initiatives, and through the development of a series of professional certificates in highly specialized areas of agricultural training.

## **Oil and Gas Land Management**

Alberta has encountered significant price volatility for crude oil. Recent lower prices have resulted in the delay of many planned oilsands initiatives. Alberta's oil and gas sectors are encountering a number of issues related to land management. These issues include intense competition for surface land access, mergers, acquisitions, rapid changes in technology and increasing expectations for environmentally sustainable practices. These challenges are coupled with ever-increasing demands for reclamation of oil and gas sites and continually evolving regulatory requirements. Opportunities exist to offer additional on-line or videoconference training to help meet the needs of land agents, land administrators and reclamation technicians wishing to advance their skills while maintaining other careers.

## **Regional Stewardship**

Advanced Education and Technology's Roles and Mandates Policy Framework was approved in November 2007 with the intent to set new directions for Alberta's publicly-funded post-secondary institutions and align their activities to achieve outcomes in *A Learning Alberta*. This policy categorizes Alberta post-secondary institutions into one of six models. Institutions responsible for broad programming are categorized as Comprehensive Community Institutions (CCI). These CCIs are aligned with a geographical region within the province. Olds College and Red Deer College are both categorized as CCIs and have a joint mandate for the stewardship of adult learning in the Central Alberta Region. Beyond our regional stewardship boundaries, Olds College has a provincial mandate for agricultural, horticultural and environmental programs.

## **Environmental and Water Issues**

In Canada and most other countries, there is an increased understanding and concern related to environmental issues, fresh water and climate change. Although Canada's supply of fresh surface water exceeds 890,000 km<sup>2</sup>, there are increasing local issues and challenges. In general, these issues relate to fresh water supplies in southern watersheds, the allocation of water between urban and rural uses, and the management of non-potable water and wastes. Alberta has approximately 11% of the national population, but only 2.2% of the surface water resources in Canada (19,531 km<sup>2</sup>). It is clear that freshwater in Alberta is becoming a limited resource and it has become a significant issue in large commercial developments.



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## 1.2 Mandate Statement

Olds College is a board-governed public College operating under authority of the *Post-secondary Learning Act*.

The College awards certificates, diplomas, applied degrees, and baccalaureate degrees designed to meet the needs of both learners and the communities served by the College. Olds College programs offer learning opportunities in agriculture, horticulture, land and water resource management, animal science, business, fashion, technology and apprenticeship training. A number of additional programs and services are offered to serve the needs of the region including adult basic education, career training, and non-credit courses, as well as cultural and recreational activities.

The expertise and facilities at Olds College are both specialized and unique, including a significant land base for hands-on learning. The College works with industry partners and clients to develop and deliver a range of training programs and products designed to meet desired specifications. These outreach services are offered throughout the Province of Alberta, across Canada and internationally.

Olds College programs require learners to acquire and demonstrate competencies defined and updated through collaboration with representative industry partners and advisory groups. The quality of Olds College programs is continuously improved through a policy-based cyclical review process that seeks input from learners, graduates, employers, industry advisors, faculty, and staff.

Olds College offers a residential campus environment that helps learners to achieve successful outcomes by providing a safe, caring, living and learning community in rural Alberta. Learners at Olds College have access to a complete range of services designed to enable each of them to meet their educational goals.

Olds College is committed to using innovative partnerships to sustain and enhance the ability of the institution to achieve the outcomes established by the Board of Governors. Olds College is an active participant in *eCampus Alberta*, promoting and supporting learning through technology. Consistent with the Campus Alberta concept and the Pan Canadian Protocol on Mobility and Transfer, the College is signatory to articulation agreements with universities and colleges provincially, nationally and internationally. Olds College, through the Community Learning Campus and other initiatives, is committed to expanding learning opportunities for rural Albertans and works with educational partners in the secondary schools in Olds and the regional community. Through its affiliation with the Faculty of Agriculture, Forestry, and Home Economics of the University of Alberta, Olds College participates in a broad range of joint educational and research activities.

The College actively pursues involvement in applied research that advances innovation-based rural economic development in Alberta. The applied research activity undertaken by the faculty and research staff at the College supports and informs the curriculum through exposing learners to the most innovative and up-to-date information available in a variety of disciplines.

*Approved December 21, 2005 by the  
Ministry of Advanced Education*

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### 1.3 Values

At Olds College we value:

- Empowerment of learners
- Rural community development
- Teamwork
- Continuous improvement in all College operations

*Approved March 26, 2009 by the  
Olds College Board of Governors*

### 1.4 Vision

Olds College shall be the premier Canadian integrated learning and applied research community specializing in agriculture, horticulture, land and environmental management.

*Reaffirmed March 26, 2009 by the  
Olds College Board of Governors*

### 1.5 Mission

Our mission is to create an environment for learning, inquiry, partnership and communication that supports our students, our employees and our communities in the service of society.

*Approved March 26, 2009 by the  
Olds College Board of Governors*

### 1.6 College Outcomes

The Board of Governors has approved six outcomes that form a structure for the development of associated performance measures.

1. **Accessibility:** Olds College, in conjunction with other post-secondary institutions and partners, will operate strategically to provide access to learning opportunities.
2. **Centre of Specialization:** Olds College will be the leading centre of specialization in agriculture, horticulture and land-based education and applied research at the college level.
3. **Responsiveness:** Olds College will maintain a structure that anticipates and responds quickly and effectively to opportunities and demands as a result of changes in industry, governments and technology.
4. **Affordability:** Olds College will provide educational programs that are affordable and services that are competitively priced based on the value of the programs and services being offered.
5. **Accountability:** Olds College will achieve excellence in educational outcomes while remaining fiscally responsible.
6. **Sustainability:** Olds College will achieve sustainable operations based on multiple bottom line concepts.

*Approved/reaffirmed April 22, 2010 by the  
Olds College Board of Governors*

## 2.0 Institutional Evaluation

Olds College conducts ongoing institutional evaluation. This process is based upon the measurement of Outcomes, which are enclosed in the framework of the Values, Mission, Vision and Outcomes statements of Olds College. The Board of Governors identifies Key Performance Indicators for each Outcome. Administration is responsible for preparing the Measures that assess the College's success in achieving Key Performance Indicators. A yearly institutional evaluation scorecard, a system of weighting Outcomes, Indicators and Measures, provides for the comparison of current year's data against the established benchmark year.

The targets established for the 2010/2011 Institutional Scorecard are tied to continued strong institutional performance. Key Performance Indicator Measures for the Scorecard will be reported in the College's 2010/2011 Annual Report.

Institutional Scorecard			
Key Performance Indicators	Measure	2010/2011 Target/Benchmark	Business Plan Goal
<b>Outcome #1 Accessibility - Olds College, in conjunction with other post-secondary institutions and partners, will operate strategically to provide access to learning opportunities.</b>			
Increased interest and growth	Credit Full Load Equivalent Students (FLE) Actual	1275 FLE	Goals 1, 2, 4
Program offering	Non-credit Student Instructional Hours	30,000 Non-credit student instructional hours	Goals 1, 2, 4
<b>Outcome #2 Centre of Specialization - Olds College will be the leading centre of specialization in agriculture, horticulture and land-based education and applied research at the college level.</b>			
Graduate success	Cohort Completion Report	Minimum 90% satisfaction score	Goals 1, 2, 4
	Graduate Satisfaction and Employment Survey	Minimum of 90% for each Ministry KPI measure	Goals 1, 2, 4
<b>Outcome #3 Responsiveness - Olds College will maintain a structure that anticipates and responds quickly and effectively to opportunities and demands as a result of changes in industry, governments and technology.</b>			
Annual and external review and evaluation of services	Resolution of Audit Recommendations (from previous year)	Satisfactory completion of tighter year end processes, implementation of a Bookstore point of sale system, stronger IT controls and policy recommendations to preserve endowment assets	Goal 4
Annual and external evaluation of programs	Government KPI Ratings	Minimum Ministry KPI rating of 85%	Goals 1, 2, 3, 4
	Program Additions/Expansions (Net)	Offering a Farrier Science Diploma and accepting a second Business Administration cohort	Goals 1, 2, 4
Alignment with Government agendas	Stakeholder Surveys	Minimum 85% satisfaction score	Goals 1, 2, 3, 4
<b>Outcome #4 Affordability and Value - Olds College will provide educational programs that are affordable and services that are competitively priced based on the value of the programs and services being offered.</b>			
Value	Student Satisfaction Survey	Minimum 85% "yes" response to "Would you attend Olds College again?"	Goals 1, 2, 3, 4
Competitively priced	Financial Awards/FLE	Average award of \$350 per FLE	Goal 4
<b>Outcome #5 Accountability - Olds College will achieve excellence in educational outcomes while remaining fiscally responsible.</b>			
Fiscally responsible financial management system	Year End Results vs Approved Budget	1.0% +/- from approved budget	Goal 4
Safety	Partnerships Health and Safety Audit	Minimum 85% internal audit score	Goals 1, 2, 3, 4
<b>Outcome #6 Sustainability - Olds College will achieve sustainable operations based on multiple bottom line concepts. (Measures are not yet developed)</b>			

### 3.0 Goals and Performance Measures

#### 3.1 Goals

##### 3.1.1 Goal 1 – Create academic centres of excellence

Strategies	Actions	Expected Results	Olds College Outcome Statement	Performance Measure
Create program Centres of Excellence (CoE) that reflect Olds College's unique capabilities, mandate and program mix	<p>Continue to implement the learning plans for the Community Learning Campus and the Canadian Equine Centre of Excellence</p> <p>Continue to seek financial support from industry and provincial and federal governments for the creation of the National Meat Training Centre</p> <p>Develop a new CoE, devoted to addressing the education, training and applied research needs of an emerging alternative rural economy</p>	<p>High school students taking College courses as high school electives - on campus and at the Community Engagement Sites</p> <p>Expanded full-time and part-time equine programming</p> <p>Become a national centre for training and applied research in meat processing, meat safety and hygiene and humane animal treatment</p> <p>Create the Institute for Rural Entrepreneurship</p> <p>Develop Rural Entrepreneurship programming aligned with our capabilities in agricultural business and the food production, processing and safety sectors</p>	<p>In conjunction with other post-secondary institutions and partners, operate strategically to provide access to learning opportunities</p> <p>Be the leading centre of specialization in Agriculture, Horticulture and Land-based education and applied research at the college level</p> <p>Maintain a structure that anticipates and responds quickly and effectively to opportunities and demands as a result of changes in industry, governments and technology</p>	<p>Advanced Education and Technology's Graduate Satisfaction With Overall Quality KPI above 90%</p> <p>20 FLE per year from high school students taking College courses as electives</p> <p>Additional 30 FLE for Equine Science and 16 Farrier Science FLE by 2012-2013</p> <p>Approval of Rural Entrepreneurial programs</p> <p>A funded National Meat Training Centre</p>

### 3.1.2 Goal 2 – Implement regional programming and increase credit continuing education offerings

Strategies	Actions	Expected Results	Olds College Outcome Statement	Performance Measure
Implement the Olds College/Red Deer College Central Alberta College-Community Partnership (CAC-CP) joint venture	<p>Redeploy consortium legacy resources to serve the broader needs of central Alberta stewardship region</p> <p>Engage under served communities in a process to develop their readiness to participate in CAC-CP</p> <p>Work with IT partners (Bell, Axia) to develop a robust learning technology platform to support community learning needs</p>	<p>Development of CAC-CP academic and administrative policies to serve Central Alberta learners</p> <p>Creation of a joint Regional Access Advisory Committee to identify Central Alberta learner needs</p> <p>Incorporation of community-based programming needs in the College's annual Institutional Access Plan</p> <p>Increased delivery of credit and non-credit courses through "community owned and operated" network of Community Engagement Sites (CES) equipped with specialized distance delivery technology</p> <p>Increased program delivery by other Alberta Post-secondary Institutions through the CES network</p> <p>Increased involvement in College program delivery through eCampus Alberta</p>	<p>In conjunction with other post-secondary institutions and partners, operate strategically to provide access to learning opportunities</p> <p>Maintain a structure that anticipates and responds quickly and effectively to opportunities and demands as a result of changes in industry, governments and technology</p> <p>Provide educational programs that are affordable and services that are competitively priced based on the value of the programs and services being offered</p> <p>Achieve excellence in educational outcomes while remaining fiscally responsible</p>	<p>Existence of the Central Alberta College-Community Partnership policies</p> <p>Existence of a joint Regional Access Advisory Council for Central Alberta</p> <p>Existence of three Community Engagement Sites in Central Alberta</p> <p>Increased variety of community-based program offerings</p> <p>125 community-based FLE by 2012/2013</p>
Create new opportunities for learners in Olds and Calgary	<p>Work with Advanced Education and Technology to obtain approval for an expanded Calgary campus</p> <p>Engage with MacEwen University in pioneering a new approach to collaborative degree offerings for the underserved rural learner</p> <p>Work with Chinook's Edge School Division, AET and Alberta Education to create an effective approach to the establishment of authentic dual-credit programming.</p> <p>Implement a payment gateway allowing learners to make payments online with a credit card or debit card</p>	<p>Establishment of an expanded learning facilities in Calgary through a partnership with Bow Valley College and others</p> <p>Increased participation of rural students in post-secondary education</p> <p>Increased number of high school students taking Olds College courses as electives</p> <p>Increased joint apprenticeship and trades training with the Chinook's Edge School Division</p> <p>Increased partnership or articulation agreements with post-secondary institutions</p> <p>All students in Grades 11 &amp; 12 will have minimum of one Olds College experience</p> <p>Fully integrated continuing education registrations into the college's central student information system and online payments into the college's central financial system</p>	<p>In conjunction with other post-secondary institutions and partners, operate strategically to provide access to learning opportunities</p> <p>Maintain a structure that anticipates and responds quickly and effectively to opportunities and demands as a result of changes in industry, governments and technology</p> <p>Provide educational programs that are affordable and services that are competitively priced based on the value of the programs and services being offered</p> <p>Achieve excellence in educational outcomes while remaining fiscally responsible</p>	<p>50 high school students per year taking College courses as electives</p> <p>Delivery of first year university science degree at the CLC</p> <p>Delivery of on-line curriculum offering of Olds College programs at Community Engagement Sites</p> <p>Five apprenticeship or trade program deliveries per year</p> <p>The ability for continuing education students to register online and to process payments online by 2011/2012</p>

### 3.1.3 Goal 3 – Increase applied research activity

Strategies	Actions	Expected Results	Olds College Outcome Statement	Performance Measure
Maximize OCSI access to major innovation funding initiatives at both Federal and Provincial levels	Participate in government initiatives in advanced energy technology and innovation, renewable energy research and water use research  Align institutional research plan with opportunities emerging from the development of Alberta Innovates, and newly created college programs by NSERC and CFI	Enhanced research funding and participation in Federal and Provincial research priorities  Increased recognition of research expertise in advanced energy technology and innovation, renewable energy research and water use research	Be the leading centre of specialization in Agriculture, Horticulture and Land-based education and applied research at the college level  Maintain a structure that anticipates and responds quickly and effectively to opportunities and demands as a result of changes in industry, governments and technology	Increase research activity by 10% per annum  Receipt of government funding for College renewable energy and wetlands research initiatives  Increase applied research publications, presentations or products by 5% per year
Promote applied research opportunities to faculty, staff and students	Integrate innovation and competitiveness concepts into academic programming  Mentor Olds College students in special projects  Support and mentor graduate students from other institutions wishing to conduct their research at OCSI	Research imbedded in academic programs  Increased involvement of staff and students in applied research activities at Olds College and partner institutions  Expanded faculty and staff involvement in research through use of AACTI research funds	Be the leading centre of specialization in Agriculture, Horticulture and Land-based education and applied research at the college level  Maintain a structure that anticipates and responds quickly and effectively to opportunities and demands as a result of changes in industry, governments and technology	Increase the number of faculty, staff and students involved in applied research by 10% per year
Promote OCSI as Canada's best example of a self-sufficient, industry-focused research institute engaged in late-stage commercialization	Increase self-sufficiency through operational surpluses, relationships, royalties and endowment funds  Vigorously pursue opportunities arising out of the Advanced Education and Technology's voucher program  Collaborate with other post-secondary institutions in applied research  Maintain position as Canadian college leader in research awards by federal research granting agencies	Applied research activities and relationships that grow in a strategic market-driven manner  Attraction and retention highly qualified research staff  Increased cooperation with the University of Alberta's Discovery Place	Maintain a structure that anticipates and responds quickly and effectively to opportunities and demands as a result of changes in industry, governments and technology  Provide educational programs that are affordable and services that are competitively priced based on the value of the programs and services being offered  Remain fiscally responsible while achieving excellence in educational outcomes	Achieve Olds College Centre of Innovation's activity plan targets  Implement: <ul style="list-style-type: none"> <li>• NSERC CCI II</li> <li>• Finalize co-investment in AFDP (University of Alberta)</li> </ul> Meet annual budget targets

### 3.1.4 Goal 4 – Create environmental, social and economic sustainability

Strategies	Actions	Expected Results	Olds College Outcome Statement	Performance Measure
Engage College stakeholders to create a sustainability vision and plan	<p>Create mechanisms for stakeholder input to develop sustainability principles</p> <p>Educate students and staff regarding sustainability, its scope and its benefits</p> <p>Develop a sustainability vision unique to Olds College’s rural and agricultural environment</p> <p>Enhance stakeholder awareness through our 2013 Centennial celebrations</p>	<p>Students and staff have opportunities to present concepts for inclusion in the College’s sustainability plan.</p> <p>Stakeholders gain an understanding that sustainability planning enhances operational effectiveness and our ability to meet emerging needs</p> <p>Widespread support for the College’s sustainability plan and an understanding that sustainability is everyone’s responsibility</p>	Achieve sustainable operations based on multiple bottom line concepts	<p>Stakeholder involvement in the development of the sustainability plan</p> <p>Students and staff knowledgeable of sustainability concepts and issues</p> <p>Students and staff support of sustainability initiatives</p> <p>Fund Centennial signature events and enhance stakeholder awareness</p>
Commence processes to embed social, environmental and fiscal sustainability concepts into College policies and planning processes	<p>Develop sustainability key performance indicators and measures</p> <p>Revise business planning processes to include sustainability concepts</p> <p>Develop operational and capital budget processes that support sustainable operations</p> <p>Review or develop new policies and procedures with the sustainability lens</p> <p>Support provincial and intercollegiate collaborative initiatives</p>	<p>Business planning that embraces social, environmental and fiscal concepts</p> <p>Decision making processes embracing the multiple bottom line philosophy</p> <p>Heightened internal and external awareness of sustainability obligations and objectives</p> <p>Implementation of sustainability measures and accountabilities</p> <p>Annual and capital budgets that support sustainability concepts</p> <p>Reduced reliance on government funding sources</p> <p>Provision of academic and support services through collaborative ventures</p> <p>Provincial, intercollegiate or corporate agreements to develop or enhance facilities</p> <p>Compliance with the ACCC Pan-Canadian Protocol for Sustainability</p>	<p>In conjunction with other post-secondary institutions and partners, operate strategically to provide access to learning opportunities</p> <p>Be the leading centre of specialization in agriculture, horticulture and land-based education and applied research at the college level</p> <p>Maintain a structure that anticipates and responds quickly and effectively to opportunities and demands as a result of changes in industry, governments and technology</p> <p>Provide educational programs that are affordable and services that are competitively priced based on the value of the programs and services being offered</p> <p>Remain fiscally responsible while achieving excellence in educational outcomes</p> <p>Achieve sustainable operations based on multiple bottom line concepts</p>	<p>Sustainability philosophies incorporated into the College’s Business Plans</p> <p>Measurement of monthly, quarterly or annual sustainability key performance indicators and implementation of corrective actions as required</p> <p>Operational and capital budgets supporting multiple bottom line philosophies</p> <p>Increase in non-government funding available to support College operations</p> <p>Unrestricted net assets at or above 3% of gross operating revenue</p> <p>Policies and procedures inclusive of sustainability concepts</p> <p>Establishment of expanded learning facilities in Calgary through a partnership with Bow Valley College and others</p> <p>Implementation of collaborative arrangements with post-secondary institutions and other partners to provide enhanced services and/or lower operating costs</p>

### 3.1.4 Goal 4 – Create environmental, social and economic sustainability (continued)

Strategies	Actions	Expected Results	Olds College Outcome Statement	Performance Measure
<p>Develop concepts to revise operational practices to enact social, environmental and fiscal sustainability concepts into daily operations</p>	<p>Integrate sustainability concepts into curriculum            Enhance sustainability research infrastructure            Reduce financial barriers for students to attend college            Enhance student services            Reduce natural gas, electricity, fuel and water consumption            Reduce landfill waste            Adopt facility and grounds maintenance and renewal measures that enhance sustainability            Develop renewable energy and wastewater options            Implement sustainable principles into purchasing and contracting criteria            Fundraising focused on supporting College operations</p>	<p>Embed sustainability concepts into College curriculum            Complete construction of the Botanic Garden Wetlands and commence water research            Increase student awards to support academic excellence and remove financial barriers            Upgrade or replace the aging student residence            Implement comprehensive Health and Wellness programs            Upgrade facilities utilizing energy conservation technologies            Adopt LEED standards for new facilities            Procure energy efficient fleet vehicles            Implement waste reduction measures including separation and collection of compostable and recycling materials            Educate staff and students regarding energy and water conservation measures            Adopt additional permaculture practices for College grounds            Implement biofuel technologies to reduce consumption of non-renewable resources            Update or develop policies and procedures that embrace sustainability measures            Increase financial agility</p>	<p>In conjunction with other post-secondary institutions and partners, operate strategically to provide access to learning opportunities            Be the leading centre of specialization in agriculture, horticulture and land-based education and applied research at the college level            Maintain a structure that anticipates and responds quickly and effectively to opportunities and demands as a result of changes in industry, governments and technology            Provide educational programs that are affordable and services that are competitively priced based on the value of the programs and services being offered            Remain fiscally responsible while achieving excellence in educational outcomes            Achieve sustainable operations based on multiple bottom line concepts</p>	<p>Modification or enhancement of curriculum to include sustainability concepts            Wetlands and waste water purification expertise            Develop renewable energies from crops            Average student award of \$400 per full-time-equivalent            Retrofit or construction of new residence facilities            Increased health and wellness programs and intramural sports            Reduce landfill waste by 25%            Lower College energy and water use            Improved Alberta Infrastructure &amp; Transportation RECAP Facility Index Percentage            Improved student and staff satisfaction with facilities            Less reliance on non-renewable energy sources through use of biofuel and other renewable energies            Purchasing policy that includes sustainability concepts in decision criteria            Fundraised \$300,000 cash for the Olds College Opportunity Fund and \$375,000 gift-in-kind or cash annually            Renaissance matching grants funding minor furniture and equipment renewal and student awards</p>



### 3.2 Relationship of Olds College Goals to Alberta Advanced Education and Technology Business Plan

Olds College		Alberta Advanced Education and Technology
Goals	Strategies	Goal
Create academic centres of excellence	Create program Centres of Excellence that reflect Olds College's unique capabilities, mandate and program mix	A globally recognized, quality advanced learning system meets the needs of Alberta A learner-centred, affordable advanced learning system accessible to Albertans
Implement regional programming and increase credit continuing education offerings	Implement the Olds College/Red Deer College Central Alberta College-Community Partnership (CAC-CP) joint venture Create new opportunities for learners in Olds and Calgary	A globally recognized, quality advanced learning system meets the needs of Alberta A learner-centred, affordable advanced learning system accessible to Albertans
Increase applied research activity	Maximize OCSI access to major innovation funding initiatives at both Federal and Provincial levels Promote applied research opportunities to faculty, staff and students Promote OCSI as Canada's best example of a self-sufficient, industry-focused research institute engaged in late-stage commercialization	Excellence in research, innovation and commercialization drives Alberta's future success
Create environmental, social and economic sustainability	Engage College stakeholders to create a sustainability vision and plan Commence processes to embed social, environmental and fiscal sustainability concepts into College policies and planning processes Develop concepts to revise operational practices to enact social, environmental and fiscal sustainability concepts into daily operations	A globally recognized, quality advanced learning system meets the needs of Alberta A learner-centred, affordable advanced learning system accessible to Albertans Excellence in research, innovation and commercialization drives Alberta's future success

### 3.3 Relationship of Olds College Goals to the Roles and Mandates Policy Framework

Olds College		Roles and Mandates Policy Framework	
Goals	Strategies	System Outcomes	Priority Directions
Create academic centres of excellence	Create program Centres of Excellence that reflect Olds College's unique capabilities, mandate and program mix	<p>Alberta has a highly educated society</p> <p>Albertans have strong learning foundations</p> <p>The system values and builds on skills and knowledge</p> <p>Institutions foster regional economic development</p> <p>The system responds to economic and social needs</p> <p>Technology is leveraged to foster learning and research success</p> <p>Enhanced access to information supports system improvement</p>	<p>Alberta access plan</p> <p>Individual access plans</p> <p>Enhance learning pathways</p> <p>International education</p> <p>Research directions</p> <p>Identify and establish provincial centres of excellence and areas of instructional excellence</p>
Implement regional programming and increase credit continuing education offerings	<p>Implement the Olds College/Red Deer College Central Alberta College-Community Partnership (CAC-CP) joint venture</p> <p>Create new opportunities for learners in Olds and Calgary</p>	<p>Alberta has a highly educated society</p> <p>Communities engage in learning</p> <p>Albertans have strong learning foundations</p> <p>The system values and builds on skills and knowledge</p> <p>Institutions foster regional economic development</p> <p>The system responds to economic and social needs</p> <p>Technology is leveraged to foster learning and research success</p> <p>Enhanced access to information supports system improvement</p>	<p>Alberta access plan</p> <p>Individual access plans</p> <p>Alignment with community-based adult learning</p> <p>Enhance learning pathways</p> <p>Identify and establish provincial centres of excellence and areas of instructional excellence</p>
Increase applied research activity	<p>Maximize OCSI access to major innovation funding initiatives at both Federal and Provincial levels</p> <p>Promote applied research opportunities to faculty, staff and students</p> <p>Promote OCSI as Canada's best example of a self-sufficient, industry- focused research institute engaged in late-stage commercialization</p>	<p>Alberta has a highly educated society</p> <p>Institutions foster regional economic development</p> <p>Technology is leveraged to foster learning and research</p> <p>The system fosters world class research and innovation</p>	<p>Research directions</p> <p>Identify and establish provincial centres of excellence and areas of instructional excellence</p>
Create environmental, social and economic sustainability	<p>Engage College stakeholders to create a sustainability vision and plan</p> <p>Commence processes to embed social, environmental and fiscal sustainability concepts into College policies and planning processes</p> <p>Develop concepts to revise operational practices to enact social, environmental and fiscal sustainability concepts into daily operations</p>	<p>Alberta has a highly educated society</p> <p>Communities engage in learning</p> <p>Institutions foster regional economic development</p> <p>The system responds to economic and social needs</p> <p>Technology is leveraged to foster learning and research success</p> <p>Enhanced access to information supports system improvement</p>	<p>Alberta access plan</p> <p>Alignment with community-based adult learning</p> <p>Research directions</p> <p>Identify and establish provincial centres of excellence and areas of instructional excellence</p>

### 3.4 Relationship of Olds College Goals to Alberta Agriculture and Rural Development Business Plan

Olds College		Alberta Agriculture and Rural Development	
Goals	Strategies	Core Business	Goal
Create academic centres of excellence	Create program Centres of Excellence that reflect Olds College's unique capabilities, mandate and program mix	Facilitate a market-driven, environmentally responsible industry Food safety, plant health and animal health and welfare Rural development	A competitive self-reliant industry Regional stewardship Farmed animal health and welfare, plant health, safe food products and legislative compliance A vibrant, resilient and sustainable rural Alberta
Implement regional programming and increase credit continuing education offerings	Implement the Olds College/Red Deer College Central Alberta College-Community Partnership (CAC-CP) joint venture Create new opportunities for learners in Olds and Calgary	Facilitate a market-driven, environmentally responsible industry Food safety, plant health and animal health and welfare Rural development	A competitive self-reliant industry Regional stewardship Farmed animal health and welfare, plant health, safe food products and legislative compliance A vibrant, resilient and sustainable rural Alberta
Increase applied research activity	Maximize OCSI access to major innovation funding initiatives at both Federal and Provincial levels Promote applied research opportunities to faculty, staff and students Promote OCSI as Canada's best example of a self-sufficient, industry- focused research institute engaged in late-stage commercialization	Facilitate a market-driven, environmentally responsible industry Food safety, plant health and animal health and welfare Rural development	A competitive self-reliant industry Regional stewardship Farmed animal health and welfare, plant health, safe food products and legislative compliance A vibrant, resilient and sustainable rural Alberta
Create environmental, social and economic sustainability	Engage College stakeholders to create a sustainability vision and plan Commence processes to embed social, environmental and fiscal sustainability concepts into College policies and planning processes Develop concepts to revise operational practices to enact social, environmental and fiscal sustainability concepts into daily operations	Facilitate a market-driven, environmentally responsible industry Rural development	Regional stewardship A vibrant, resilient and sustainable rural Alberta

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## 4.0 *Budget Information*

### 4.1 **Budgeting and Planning Principles**

The 2009 – 2013 Business Plan highlighted the significant change in the fiscal environment in which we will operate. Commencing in 2010/2011, operating revenues are projected to remain relatively constant while we will continue to experience ongoing cost pressures tied to program delivery, provision of support services and the maintenance of a large campus with aging infrastructure. The following Budgeting Principles were used to guide the College in developing strategies to reduce our institutional operating costs and create a sustainable operating structure:

- **Transparency and Staff Involvement** – Staff and students were provided with opportunities to provide recommendations and advice as to how to reduce the College’s operating costs while continuing to achieve our strategic ends. Budget decisions were communicated to the College community in an open and consistent manner.
- **Strategic Solutions** – Budget adjustments were implemented in a manner that focuses on achieving the College’s mandate, values, vision, mission and Business Plan goals. Solutions will focus on creating a new business model that will strategically reduce institutional operating costs and allocate resources in a manner that positions the College for future success. The College will not use deficit budgeting or unrestricted net assets to buffer the required budget reductions associated with the new business model.
- **Strategic Investments** – The focus of the new business model is to reduce institutional operating costs. This model will not preclude the College from increasing budgets to effectively respond to existing needs and to strategically position the College for future success. Efforts were made to find stable and reliable revenue sources to mitigate the magnitude of needed budget reductions.

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## 4.2 Operational Budget

The development of the College's budget occurs at a time when the world's economic environment is starting to improve. Despite the improvements, the economic situation in Alberta continues to be challenging and the provincial government recently tabled its 2010/2011 budget which incorporates a \$4.7 billion deficit.

The College's operating budget was prepared in a significantly tighter fiscal environment. After five years of six percent operating grants, base grants for 2010/2011 and 2011/2012 will not increase and a number of other grants have been reduced. Other revenue sources such as tuition and ancillary operations are tied to the consumer price index and are not expected to show any material growth over the four years of this business plan. During the same time period the College is projecting continued cost pressures tied to program delivery, provision of support services and the maintenance of a large campus with aging infrastructure.

The development of the College's 2010/2011 operating budget required that the College review all of its programs and services with intent to strategically reduce our operating costs and to create a leaner organizational structure. Accomplishing this goal required an 8% budget reduction, exclusive of incremental funding for the operation of the Community Learning Campus (CLC). Cost reduction strategies included accepting 30 voluntary early retirement and separation applications. Continued efforts to ensure cost containment will be necessary to sustain this success.

The 2010/2011 operating budget projects \$48.5 million in revenue and includes a budgeted operating surplus of \$950,000 or 2%. Similarly, the 2011/2012 operating budget includes \$46.5 million in revenue and a budgeted surplus of \$450,000 or 1%. The Board of Governors has approved these two budgets in an effort to create an environment of operational stability after our period of budget and organizational restructuring.

### **Budget Highlights:**

#### **Academic and Research**

- Retention of core academic programs and establishment of an academic program development budget.
- Creation of a \$480,000 Academic Program Development and Renewal budget.
- In conjunction with Red Deer College, implementation of the Central Alberta College-Community Partnership to collaboratively provide regional adult learning services.
- Deliver the first intake of the Farrier Science Diploma, offering graduates enhanced skill training to better meet the needs and acceptance of a second Business Administration Diploma cohort.
- Enhancement of continuing education offerings at the Olds and Calgary campuses, via video conferencing and through community based offerings in Central Alberta Communities.

#### **Student and Support Services**

- Equipping the Central Alberta Community Engagement Sites with the SuperNet and broadband videoconferencing technology.
- Continued enhancement of Information Technology services.
- Offering expanded Health and Wellness programs at the new CLC Health and Wellness Centre.
- Implementing HVAC, electrical and roofing infrastructure upgrades.

#### **Office of Advancement**

- Enhanced focus on fundraising to support College operations.
- Continued effort to align donor funded student awards with the College's strategic enrolment management initiatives.
- Implementation of strategies to enhance alumni communication and alumni support of the College and our initiatives.

## Addressing Situational Realities

A review of the external operating environment provides a number of “Situational Realities” to which “Budgetary Responses” are aligned as noted in the table below.

Situational Realities	Budgetary Responses
<p><b>Enrolment</b></p> <ul style="list-style-type: none"> <li>▪ Strong local and national competition for students in the post-secondary sector</li> <li>▪ Enhanced Strategic Enrolment Management is necessary to fill the empty seats</li> <li>▪ Low enrolment programs are cost prohibitive</li> </ul>	<p><b>Enrolment</b></p> <ul style="list-style-type: none"> <li>▪ Enhance the Student Enrolment Management processes to attract students</li> <li>▪ Develop new programs and budget for additional intakes for high demand programs</li> <li>▪ Evaluate academic plans for low enrolment programs</li> <li>▪ Deliver increased student services including health and wellness and intramural programs</li> </ul>
<p><b>Tighter Fiscal Environment</b></p> <ul style="list-style-type: none"> <li>▪ No grant increases for 2010/2011 and 2011/2012 grant increases are projected at 0%</li> <li>▪ Tuition and ancillary service revenue increased are capped at or near inflation</li> <li>▪ Elimination of some incremental grants and funding sources</li> <li>▪ Continued economic unrest and uncertainty</li> <li>▪ Continued uncertainty in investment markets</li> </ul>	<p><b>Strong Fiscal Management</b></p> <ul style="list-style-type: none"> <li>▪ Multi-year budgets based on conservative forecasts, creating sustainable operations</li> <li>▪ A new business model that secures additional revenues, contains costs and implements a leaner organizational structure</li> <li>▪ Maintain budget surpluses in accordance with the Board’s Budgeting/Forecasting policy</li> <li>▪ Increased operational and capital self-sufficiency through Fund Development initiatives</li> <li>▪ Maintain sound investment strategies</li> </ul>
<p><b>Sustainable Rural Communities</b></p> <ul style="list-style-type: none"> <li>▪ Delivery of services to the Central Alberta Region</li> <li>▪ Quality of life demands</li> <li>▪ Learning and skill development needs</li> <li>▪ Retention of human capital in rural environment</li> </ul>	<p><b>Rural Initiatives</b></p> <ul style="list-style-type: none"> <li>▪ Implement the Central Alberta College-Community Partnership stewardship model</li> <li>▪ Implement Community Learning Campus initiatives</li> <li>▪ Participate in Government of Alberta Rural Development Initiatives</li> </ul>

## 4.3 Budget Overview

### 4.3.1 Revenue

The Olds College 2010/2011 budget reflects a 5.6% increase in revenue to \$48.7 million. Virtually all of this growth is tied to \$2.5 million in grants for provincial and federally funded infrastructure upgrades and “lights on” funding for the new Community Learning Campus (CLC) and Canadian Equine Centre of Innovation (CECI) facilities. The incremental infrastructure upgrade funding terminates March 31, 2011 and is not reflected in future budgets. Minor grant increases are projected in the last two years of the Business Plan.

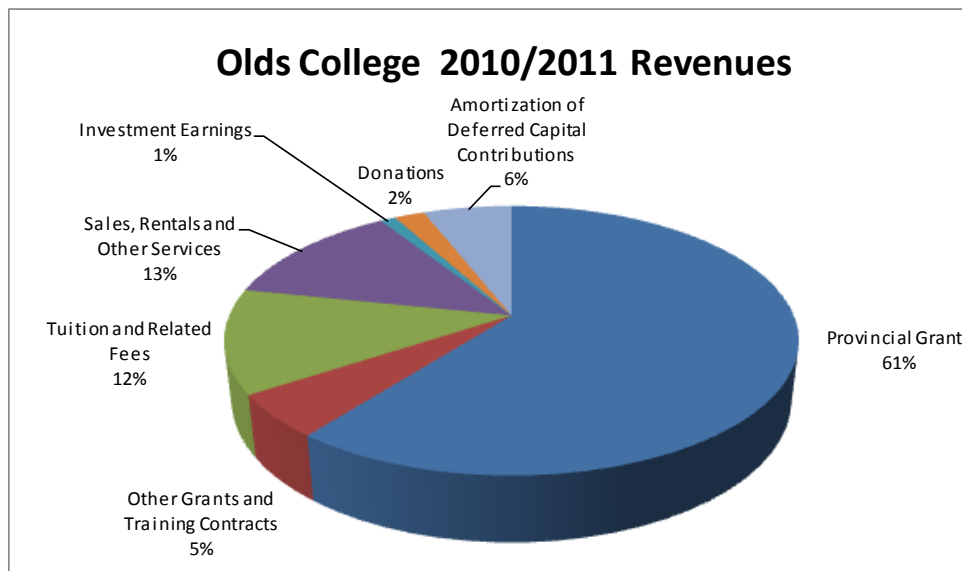
The budget includes a new “Campus Alberta” grant of \$24,660,000 which consolidates a number of previously separate grants into a new base. While this new Campus Alberta grant maintains our historical grant funding, it fails to provide “lights on” funding for our new CLC and CECI facilities at historical rates. The new grant also rolls all previous Enrolment Planning Envelope conditional funding into the new base, creating greater funding certainty for programs with fluctuating enrolment.

The 2010/2012 tuition revenues were calculated based on approved 1.5% tuition rate increase and conservative enrolment projections. These conservative enrolment projections reflect the competitive environment for attracting students within Alberta and across Canada. The College continues to waive student application fees in an effort to increase the number of applications and remove access barriers for prospective students.

Conference Services revenues will increase by 25% in 2010/2011 due to new business opportunities associated with the opening of the CLC. The combination of Residence Operations and Conference Services result in year round use of many facilities and provide over \$3.5 million in ancillary revenues.

Investment revenue projections are based on interest and dividend payment projections. Budgets do not include any anticipated capital gains or market value appreciation due to continued volatility in the financial markets. These conservative projections are consistent for the four year planning period.

With the Capital Campaign successfully completed, the Office of Advancement has shifted their focus to fundraise for College operations. This new focus has resulted in a \$1.0 million in cash and gift-in-kind fundraising target in the 2010/2011 budget. This budget is exclusive of their ongoing commitment to fundraise for College endowments and annual student awards.



### 4.3.2 Expenses

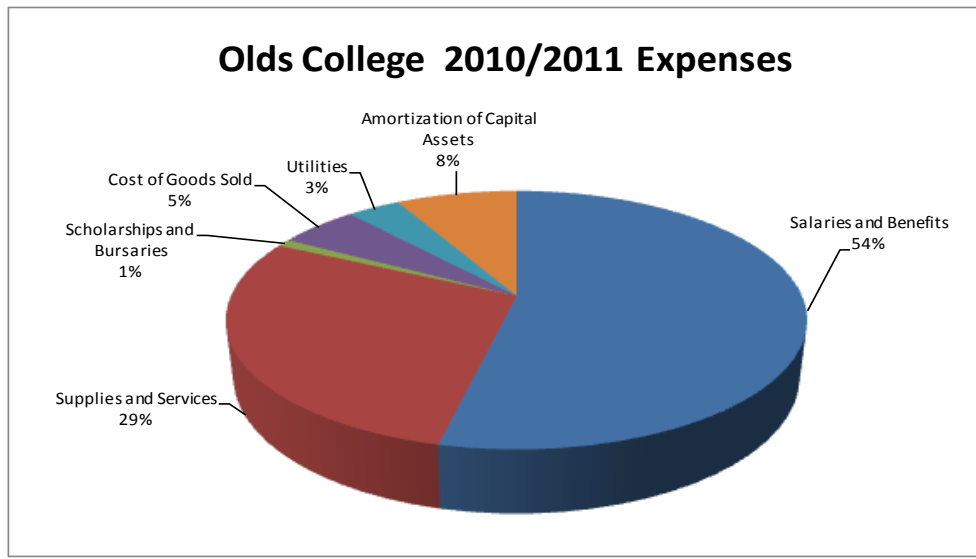
The Olds College 2010/2011 budget reflects a 4.6% increase in expenditures to \$47.8 million. Imbedded in this budget increase are incremental expenditure budgets associated with conditional grants for the infrastructure upgrades and the cost of operating the CLC and CECI facilities. The budget retains all core programs and services and creates a \$480,000 Academic Program Development and Renewal budget. This renewal budget will permit the continued development of new academic programs and renewal of existing programs at a time when Ministry funding for this type of renewal has been eliminated.

The development of this budget involved consulting with faculty, staff and students, all academic schools and college departments regarding possible processes to reduce our operating costs. This consultative process resulted in the development and implementation of a new lower cost business model. Cost reductions have been strategically implemented to ensure continued excellence in program and service delivery. The development of the 2010/2011 budget included various cost containment measures:

- developing a leaner organizational structure by accepting early retirement and voluntary separation applications, not staffing a range of vacant positions and reducing temporary wage and contract employee budgets;
- reducing non-discretionary program and service delivery budgets;
- targeting external funding sources for the purchase of furniture and equipment; and
- reducing energy and water costs.

The collective agreement negotiation with the Olds College Faculty Association has not been finalized for 2009/2010. The expenditure budgets include salary and benefit contingencies for retroactive adjustment of the 2009/2010 settlement in accordance with the arbitrator's report.

Utility costs have been reduced 20% due to the replacement of HVAC and electrical components funded by the infrastructure upgrade program. This initiative will result in significant utility savings and a reduction in our environmental footprint.



The budget plans for a \$950,000 or 2% surplus in 2010/2011 and a \$480,000 or 1% surplus for 2011/2012. These projected surpluses, plus our reduced reliance for internally funded capital will result in the College achieving its unrestricted net assets target of 3% of gross budgeted revenue by the end of the 2010/2011 fiscal year.



**OLDS COLLEGE  
APPROVED OPERATING BUDGETS  
& FORECASTS**

	2010/2011 Approved Budget	2011/2012 Approved Budget	2012/2013 Forecast	2013/2014 Forecast
<b>Revenue:</b>				
Provincial Grants	\$ 29,500,712	\$ 27,541,712	\$ 28,328,783	\$ 29,139,467
Other Grants and Training Contracts	2,523,059	2,523,059	2,572,720	2,623,375
Tuition and Related Fees	6,088,455	6,173,372	6,345,755	6,523,309
Sales, Rentals and Other Services	6,205,837	6,316,233	6,457,511	6,601,694
Investment Earnings	502,850	502,850	502,850	502,850
Donations	989,500	989,500	989,500	989,500
Amortization of Deferred Capital Contributions	2,900,000	3,040,000	3,140,000	3,190,000
	<u>48,710,413</u>	<u>47,086,726</u>	<u>48,337,119</u>	<u>49,570,196</u>
<b>Expense:</b>				
Salaries and Benefits	25,612,471	25,926,784	26,192,533	26,462,316
Supplies and Services	13,629,995	12,166,165	12,987,262	13,781,132
Scholarships and Bursaries	449,930	449,930	449,930	449,930
Cost of Goods Sold	2,530,560	2,530,560	2,606,477	2,684,671
Utilities	1,685,190	1,685,190	1,685,190	1,685,190
Amortization of Capital Assets	3,850,000	3,850,000	3,850,000	3,850,000
	<u>47,758,146</u>	<u>46,608,628</u>	<u>47,771,392</u>	<u>48,913,239</u>
<b>Excess of revenue over expense</b>	<u>\$ 952,267</u>	<u>\$ 478,098</u>	<u>\$ 565,727</u>	<u>\$ 656,956</u>
	2.0%	1.0%	1.2%	1.3%
Executive Limitation Unrestricted Net Asset Target	1,461,312	1,412,602	1,450,114	1,487,106
Unrestricted Net Asset Projection	1,666,390	1,704,212	1,724,953	1,623,690
Executive Limitation (Shortfall)	<u>\$ 205,078</u>	<u>\$ 291,611</u>	<u>\$ 274,839</u>	<u>\$ 136,584</u>
Unrestricted Net Asset % of Gross Revenue	3.4%	3.6%	3.6%	3.3%
Internally Funded Capital Budget	<u>\$ 700,000</u>	<u>\$ 700,000</u>	<u>\$ 700,000</u>	<u>\$ 700,000</u>

#### 4.4 Statement of Cash Flows

<b>OLDS COLLEGE STATEMENT OF CASH FLOWS</b>			
	<b>2009 Actual</b>	<b>2010 Forecast</b>	<b>2011 Budgeted</b>
<b>Operating activities:</b>			
Excess (deficiency) of revenue over expense	\$ (1,293,231)	\$ 465,267	\$ 952,267
Amortization of deferred capital contributions	(1,819,675)	(2,940,000)	(3,040,000)
Amortization of capital assets	3,201,294	4,050,000	3,850,000
Unrealized loss (gain) on financial instruments	410,771	-	-
Loss (gain) on disposal of capital assets	4,973	-	-
	504,132	1,575,267	1,762,267
Net change in non-cash working capital	(3,731,291)	-	-
Cash flow from operating activities	(3,227,159)	1,575,267	1,762,267
<b>Investing activities:</b>			
Proceeds (purchase) of long-term investments, net	21,816,665	3,500,000	-
Purchase of externally funded capital assets	(15,893,925)	(3,800,000)	-
Purchase of internally funded capital assets	(941,840)	(700,000)	(700,000)
Proceeds from disposal of capital assets	2,116	-	-
Cash applied to investing activities	4,983,016	(1,000,000)	(700,000)
<b>Financing activities:</b>			
Repayment of long-term debt	(193,941)	(200,147)	(217,706)
Decrease (increase) in contributions receivable	(470,000)	-	-
Capital contributions received	7,350,726	2,800,000	-
Donated Equipment	-	50,000	-
Endowments contributions received	340,320	346,872	515,350
Cash generated from financing activities	7,027,105	2,996,725	297,644
Increase (decrease) in cash and marketable securities	8,782,962	3,571,992	1,359,911
Cash and marketable securities, beginning of year	1,046,039	9,829,001	13,400,993
Cash and marketable securities, end of year	<u>\$ 9,829,001</u>	<u>\$13,400,993</u>	<u>\$14,760,904</u>

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## **5.0 Institutional Access Plan**

### **5.1 Enrolment Expansion**

During the past decade, the College has established new programs and added program cohorts. These initiatives resulted in enrolment growth which peaked at 1,309 FLE during 2006/2007. Enrolment decreased by approximately 3% during 2007/2008 due to the strong labour market and the increasingly competitive student recruitment environment. Enrolment has remained relatively constant at approximately 1,270 FLE for the past few years.

The Institutional Access Plan provides for increased student access over the planning period by expanding enrolment in a range of existing programs, offering a Retail Major for our Business Administration Diploma and offering new Rural Entrepreneurship programming. These changes are projected to increase enrolment to 1,340 FLE in 2010/2011 and grow to 1,424 FLE in 2012/2013. With the exception of Animal Health Technology, all planned enrolment growth will be funded by reallocation of internal funds, be cost recovery or funded in part by industry.

The proposed Rural Entrepreneurship programming includes both the conventional forms of rural tourism (rural destinations, tourist events, B&B's) as well as the production-oriented enterprises (direct sales at either markets or the farm gate; specialty market food products) that are growing rapidly across the province. Exciting new opportunities may also emerge from important government initiatives such as the Land-use Framework which support expanded private game management services and eco-tourism enterprises. Olds College is well positioned to meet these needs through the use of the unique capabilities of the Community Learning Campus and the expertise of our faculty and the research staff within the School of Innovation.

During the 2010/2011 academic year, the College will accept a second cohort of Business Administration students, commence delivery of a Farrier Science Diploma and collaborate with MacEwen University to offer their year one Bachelor of Science courses in Olds. Despite the need to reduce operational costs, all core programs will continue to be offered in 2010/2011. The Institutional Access Plan formally requests cancellation of the Crop & Agri-Food Technology and Commercial Floristry programs, which ceased being delivered in previous years.

As a Comprehensive Community Institution, the College, in conjunction with Red Deer College will meet our regional stewardship responsibilities through the Central Alberta College-Community Partnership. This partnership will deliver programs to a network of Community Engagement Sites connected to the SuperNet and equipped with an array of broadband technologies including high definition video conferencing equipment. This delivery modality will permit Olds College to aggregate enrolment across several communities to permit cost effective community-based program delivery.

Olds College is working with Advanced Education and Technology, Bow Valley and other post-secondary institutions to arrange for expanded learning facilities in Calgary. This partnership would have Olds College lease space from Bow Valley College to create a permanent Calgary campus. Enrolment growth that would occur under this scenario is not reflected in this plan.

## 5.2 Institutional Access Plan

The fundamental access goals in this plan are based upon our assessment of what will be possible in the current financial situation. Olds College will need to embark on a series of retrenchment strategies over the next three years, with the central purpose of maintaining the existing programs and services that we offer. All expansion plans contained in the earlier Institutional Access Plans that required additional funding have been removed; however, many will be reintroduced should circumstances improve in the future.

The plan continues to project some modest growth over the period, in program areas where internal reallocations can be used to enhance capacity. One primary focus for new activity will be the establishment of the Central Alberta College Community Partnership, which is designed to enable Olds College and Red Deer College (RDC) to address the stewardship responsibilities given to the Comprehensive Community Institutions (CCI). Legacy funding from the former consortium operations will be devoted to this purpose.

Another important area of effort will be to expand and enhance the dual-credit offerings delivered through the Community Learning Campus, using the technology base that has been created as part of the development. This will not lead to rapid increases in conventional FLE enrolment in the short term, but will nevertheless; provide learners with significant access to new opportunities.

### Program Expansion, Contraction, and Renewal

Program Expansion (changes to existing programs)	Rationale For Period 2009/10 to 2012/13 *	Funding Source
Olds College enrolment is expected to increase from 1,270.8 FLEs (2008/09) to 1,424.0 FLEs (2012/13). This represents a net gain of 153.1 FLEs or 12% during the four year IAP period. The following programs are projected to expand by a minimum of 10 FLEs during the four year period.		
Business Administration	This new Olds campus diploma commenced in 2008/09 and is projected to increase from 14 to 100 FLEs per year. This increase includes all first and second year students, and the full utilization of new instruction space at Olds College (e.g. Bell e-Learning Centre).	Internal
Equine Science	Four year increase from 77 to 108 FLEs per year (40% increase). This expansion is supported by the opening of the Canadian Equine Centre of Innovation (CECI).	Internal
Fashion Marketing	Four year increase from 37 to 65 FLEs/year (75% increase). Increase shared by Olds and Calgary campuses.	Internal
Advanced Farrier Science	Four year increase from 15 to 32 FLEs/year (100+%).	Internal
Turf Grass Management	Four year increase from 33 to 40 FLEs/year (21%).	Internal
Land and Water Resources	Four year increase from 120 to 130 FLEs /year (8%).	Internal
Meat Processing	Four year increase from 5 to 15 FLEs/year.	Cost Recovery
Fashion Apparel Technology	Four year increase from 60 to 70 FLEs/year.	Internal
Animal Health Technology	Four year increase from 96 to 105 FLEs/year.	EPE

\* Base year is 2008/09, which may be a low enrolment year depending upon program.

<b>Program Contraction/ Termination</b>	<b>Rationale</b>	<b>Funding Implications</b>
Crop & Agri-Food Technology	Cancelled	Nil
Commercial Floristry	Cancelled	Nil
Land Information Systems	Program name change to GIS (which is currently suspended)	Nil
Ornamental Horticulture	Name change reflects numbers in the new Environmental Horticulture program	Nil
Pre-Trades	Offered on a periodical basis as dictated by demand	Nil

<b>New Program Development</b>	<b>Rationale</b>	<b>Projected Funding Source</b>	<b>Planned Implementation Year</b>
Business Admin Diploma (Retail Major)	This program will be offered at the Calgary Campus. The demand for retail expertise continues to increase in the majority of industries ranging from fashion to agricultural input sales. A new retail major will provide new educational opportunities for Alberta learners. The retail sector is under-represented by post- secondary education in Calgary.	Internal	2011/12
Rural Entrepreneurship	The Rural Entrepreneurship concept is well established in the European Union. The programming approach being developed by Olds College will increase rural capacity and competitiveness, by focusing on the training needs of locally- owned enterprises throughout rural Alberta. Program delivery will involve a large number of post-secondary institutions throughout Alberta.	Olds College is working with a significant private investor and the public sector. A \$2.0 million proposal has been submitted to the Alberta Rural Development Fund (RADF).	Program development to commence in early 2010.

In January 2010, Olds College and Bow Valley College signed a memorandum of understanding which will result in the two colleges working closely on matters involving program development, facilities and services, and, transfer credit and articulation. Through this agreement Olds College will be able to offer Calgary residents our unique programming in horticulture, animal science, land administration, business administration and fashion, not offered by Bow Valley, the Comprehensive Community Institution for the region.

This new program activity will be reflected in our 2010 Institutional Access Plan and will be subject to the College successfully leasing space from Bow Valley College and securing funding to complete the necessary leasehold improvements, acquire furniture and equipment and ongoing facility costs.

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## 6.0 Capital Projections

### 6.1 Overview

Achievement of Olds College's goals is dependent upon implementation of our capital plan. This plan has two main components:

1. Restoring and preserving existing facilities
2. Constructing or leasing facilities to meet learner needs

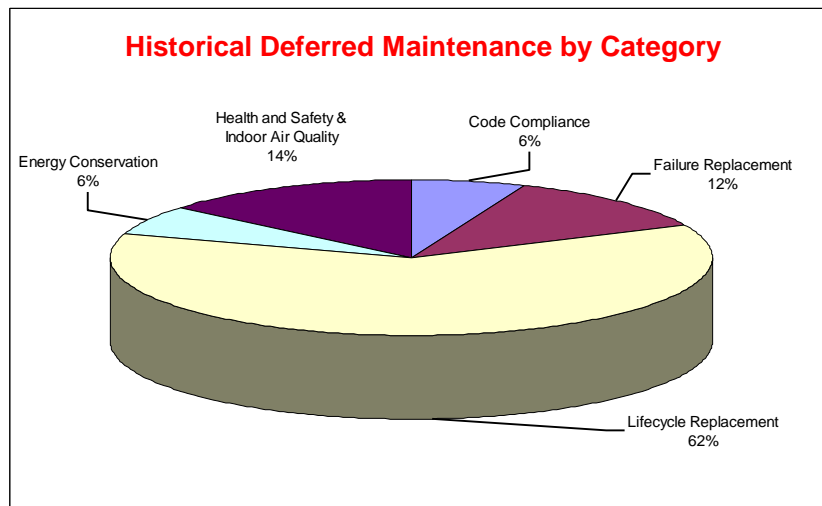
The restoration and preservation of the Olds campus will require that the significant deferred maintenance backlog that has developed over the years be addressed. Recent increases in provincial infrastructure funding and matching federal funds will enable the College to address our most critical deferred maintenance needs.

The construction of new facilities is necessary for our planned enrolment growth. The Botanic Garden Wetland expansion, a permanent Calgary facility, and a Meat Training Centre will permit new program offerings, enhance our applied research capacity and improve our learning environment.

### 6.2 Renewal and Upgrading

Olds College has an aging infrastructure that requires ever-increasing maintenance. Restoration and maintenance of this infrastructure is a key priority of the College. Seven central campus buildings that encompass the majority of the College's instructional, administrative and student residence space are in excess of 40 years old.

Commencing in 2008/2009, Alberta Advanced Education and Technology more than doubled the infrastructure maintenance grant. This increased funding has been matched with one-time federal Knowledge Infrastructure Program funds to provide \$6.8 million over two years to upgrade HVAC, electrical systems and roofs. This incremental funding will permit the College to proactively address our most serious infrastructure problems, prevent further deterioration of our facilities and reduce our ongoing operating costs.



In addition to the deferred maintenance issues detailed above, the College's primary residence is now 43 years old and in need of replacement or significant upgrading. This building houses approximately 400 students who come from all regions of the province and beyond. As a rural institution, providing student housing is essential to our operations and our ability to provide student access. Development of "supported status" for our residence buildings is essential if we are to provide rural students with appropriate access to education. Many of our students cannot live at home and commute to the College.

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## 6.3 Long-term Projects

### 6.3.1 Olds College Botanic Garden Treatment Wetlands and Landscape Pavilion Link

In 1999, Olds College approved the development of a living laboratory to support academic programs. The Olds College Botanic Garden – Phases I and II and the Promenade were developed in partnership with industry to maintain and conserve collections of cultivated and native plant species grown on the northern plains. Phases I and II were opened in 2002 and the Promenade was completed in 2003. In 2005 plans were finalized for the development of the Botanic Gardens III, Treatment Wetlands and Landscape Pavilion.

The Treatment Wetlands will enable Olds College to actively support Alberta’s “Water for Life” strategy which will ensure that we have an effective and sustainable way of conserving, managing and protecting water supplies, which will preserve the environment while maintaining a high quality of life for Albertans. The Treatment Wetlands will provide the living laboratory to ensure our learners have the leading edge when it comes to models of best practice in operational and environmental sustainability. They will enable Olds College researchers to find solutions to water management problems that industry, urban development and agriculture are currently seeking. In addition, students will become the highly qualified personnel that industry is in short supply of.

The first phase of the Landscape Pavilion was constructed in 1997 in response to industry request for Olds College to provide hands-on horticultural training to students and industry employees during the winter months. In response to training demands, the pavilion was expanded in 2008 to include an irrigation lab and aerial rescue/climbing lab. A connecting link and classroom will be constructed to allow students to pursue year-round training for activities that were previously only available in the industry’s peak season.

Long-term environmental, ecological and socio-economic benefits that these projects will have are:

- Increased watershed health by providing the technology to remove pollutants from storm, grey, agricultural and industrial waste waters.
- Increased biodiversity within the region.
- Increased education on the importance of wetlands and their role in purifying and restoring our water supply.
- Develop water efficient irrigation systems, to decrease the demands and pressures on local water supplies.
- Enhance skills of our current and future work force.
- Create new business activity and increase revenue from tourists and facility use.
- Provide an educational facility for our elementary, high school and post-secondary students.
- Dissemination and utilization of science-based information for industry.
- Reduce impacts on biological stages of municipal wastewater treatment systems.

This project is funded by contributions from Western Economic Diversification and from private and corporate donors. Western Economic Diversification funding totals \$2.6 million and is restricted to authorized expenditures to March 31, 2011. Industry contributions include cash, plant material and professional services.

<b>Projected Costs</b>	<b>To March 31, 2011</b>	<b>After March 31, 2011</b>
Rough Grading and Demolition	\$ 1,525,000	
Pond Construction, Utilities and Structures	1,890,000	\$ 75,000
Landscaping	121,000	941,000
Wages	320,000	
Engineering, Project Management and Signage	482,000	
Classroom Pavilion & Link Construction	431,000	
<b>Total</b>	<b>\$4,769,000</b>	<b>\$ 1,016,000</b>

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### 6.3.2 Calgary Campus

In order to establish full-time educational programming in Calgary, Olds College was fortunate to obtain financial support from the Government of Alberta to establish a transition campus in Stampede Park. Logistical support was also provided by the Calgary Exhibition and Stampede. This transition campus was completed in September 2006 and classes started on October. Since that date, the transition campus has been home to our Calgary-based Land Administration and the Fashion Marketing Certificates.

Olds College has always viewed this transition campus as an interim step to establishing a permanent campus in Calgary and a number of options have been investigated. The most desirable option for the College is an offer by Bow Valley College to occupy a floor in their renovated and expanded campus in downtown Calgary. This initiative exemplifies the Campus Alberta philosophy by having Olds College and the University of Lethbridge co-locating on Bow Valley's campus and sharing a range of services. Olds College students would benefit from cost effective shared services provided by Bow Valley College including access to the Learning Resource Services, information technology and computer labs, counselling and health services, bookstore, cafeteria and meeting rooms.

Leasing one floor of the Bow Valley College campus will provide Olds College with approximately 2,750 square meters of unfinished space. Leasehold improvements are estimated at \$4.0 million and would create classrooms, study areas, offices and meeting rooms. This increased space would allow the Olds College to increase its Calgary programs, resulting in approximately 400 full-time equivalent students when at full capacity. Building construction is expected to be completed in 2012/2013.

Representatives from Bow Valley College and Olds College signed a memorandum of understanding in January 2010 which would result in the two colleges working closely on matters involving program development, facilities and services, and transfer credit and articulation. This agreement will permit Olds College to offer Calgary residents our niche programming, not offered by Bow Valley, the Comprehensive Community Institution for the region.

<b>Projected Capital Costs</b>	
Leasehold Improvements	\$ 4,000,000
Furniture and Equipment	1,400,000
<b>Total</b>	<b>\$5,400,000</b>



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### 6.3.3 National Meat Training Centre

Since 2003, the Canadian meat industry has faced numerous challenges resulting in a steady decline in production, a trend that is projected to continue in the future. Industry and government recognize the need to increase competitiveness to succeed in a global environment driven by knowledge and innovation. A conscious shift from commodity-type production to the value added sector, combined with increased productivity and capacity is paramount to the realization of long term sustainability and success.

The future of the Canadian meat industry is dependant on a skilled and knowledgeable workforce. Olds College, along with its many educational partners, envisions the Canadian meat industry regaining its leadership position, both nationally and internationally.

The development of a meat training centre is a critical step in the implementation of a meat training system for the industry. Such a centre would be instrumental in promoting value-added economic development to create highly skilled and sustainable jobs for Canadians.

The existing meat plant at Olds College is challenged to continue to meet compliance with existing food safety standards. Construction of a new facility is estimated at \$12 million and it will create the capacity required to address increased training needs.

Programming will be developed in phases and in conjunction with industry partners and other training providers. The mode of delivery will allow both new entrances to the industry, along with advanced training to those currently engaged in the meat industry.

<b>Projected Capital Costs</b>	
Facility Costs	\$ 12,000,000
Furniture and Equipment	2,000,000
<b>Total</b>	<b>\$14,000,000</b>

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## 6.4 Capital Budget

	Provincial Funding & Access to the Future Funds	Other Funding	Total Project Costs	Confirmed Provincial Funding & Access to the Future Funds
Deferred Maintenance Plan	\$ 1,806,000	\$ 3,112,000	\$ 4,918,000	\$ 4,765,000
Capital Construction:				
Botanic Gardens - Wetlands	-	5,785,000	5,785,000	-
Permanent Calgary Campus	5,400,000	-	5,400,000	-
National Meat Training Centre	7,000,000	7,000,000	14,000,000	-
<b>Total</b>	<b>\$ 14,206,000</b>	<b>\$ 15,897,000</b>	<b>\$ 30,103,000</b>	<b>\$ 4,765,000</b>

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## **7.0 Tuition Projections**

The College's 2010/2011 tuition and related fee budget remained relatively constant at \$6,088,000. This tuition budget reflects increased tuition fees and revised student enrolment. Tuition fees increase 1.5% for the 2009/2010 academic year and comply with the Government of Alberta's new Tuition Fee Policy. This revised policy ties tuition increases to inflation rates. This increase was approved after consultation with the Olds College Students' Association.

The College has moved to a standard tuition rate of \$141.30 per credit for most certificate, diploma and applied degree programs.