BUSINESS PLAN 2019-20

Conestoga College Institute of Technology and Advanced Learning

MESSAGE FROM THE PRESIDENT

Ontario is experiencing rapid and profound change. Innovations such as artificial intelligence and the increasing use of robotics are affecting every sector, from manufacturing, industry and the business world to health care and education. It is estimated that more than 40 per cent of the labour force will be impacted by automation in the next 10 to 20 years, and many changes are already underway.

At the same time, skilled labour shortages are impacting the ability of many Ontario businesses to grow and remain competitive.

Conestoga, along with Ontario's other colleges, will play a pivotal role in economic development and future prosperity by helping young people and workers of all ages to develop the professional and technical expertise they need for successful careers in a workforce that continues to evolve at a rapid pace.

The college's 2019-20 Business Plan reflects the vision and directions provided in Conestoga's Strategic Plan as well as the 2017-2020 Strategic Mandate Agreement with the Ministry of Training, Colleges and Universities.

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

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

We will continue to expand experiential and work-integrated learning opportunities for students and significantly enhance Conestoga's faculty and staff contingent in order to address growing enrolment and support continued excellence in teaching, learning and student services.

With Phase 1 of the Waterloo campus expansion now complete, we are looking to the future with the establishment of a new campus in downtown Kitchener and expansion of programming in Brantford. Additional priorities include the development of plans for an expanded Guelph campus as well as a new, purpose-built construction trades facility in Waterloo. In addition, we continue to work towards the establishment of a new campus in Milton in partnership with Wilfrid Laurier University.

We will build on our strengths in applied research to provide new solutions for industry and community partners. Plans for 2019-20 include the further development of the college's new applied research facility in downtown Cambridge along with the continued growth of key research areas, including occupational safety, wellness and performance, seniors care, advanced manufacturing, e-waste recycling, cybersecurity, food processing technologies and supply chain management.

We will continue to focus on international enrolment growth to address the community's need for more highly skilled personnel and introduce new initiatives to further support student retention and success in alignment with our vision for excellence in polytechnic education.
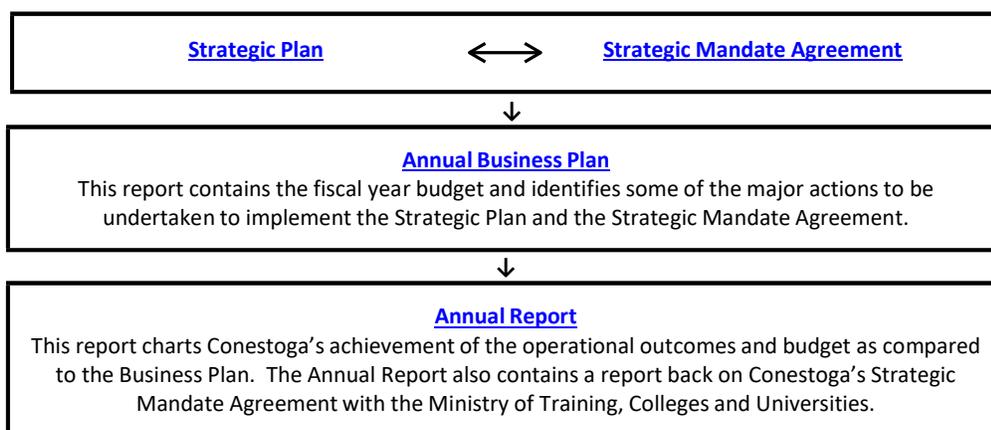
We look forward to creating new opportunities to engage with our college and community partners as we work together to transform lives and businesses on the way to a more prosperous future for our region and for Ontario.

John Tibbits, President

1. INTRODUCTION

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

The key components and reports in the process are:

Strategic Plan ⟷ **Strategic Mandate Agreement**

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Annual Business Plan
This report contains the fiscal year budget and identifies some of the major actions to be undertaken to implement the Strategic Plan and the Strategic Mandate Agreement.

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Annual Report
This report charts Conestoga's achievement of the operational outcomes and budget as compared to the Business Plan. The Annual Report also contains a report back on Conestoga's Strategic Mandate Agreement with the Ministry of Training, Colleges and Universities.

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

The 2019-20 Business Plan summarizes activities and initiatives that are planned for the final year of Conestoga's current Strategic Plan and the Strategic Mandate Agreement (2018-2020). It builds on the successful outcomes of previous years in achieving strategic priorities and goals as we continue to work towards our vision for excellence in polytechnic education.

2. STRATEGIC PRIORITY FOCUS

The 2019-20 Business Plan allocates resources for the further achievement of Conestoga's strategic goals as outlined in the 2017-20 Strategic Plan. Examples of new and ongoing initiatives in alignment with our goals are outlined below.

QUALITY

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

Objective	2019-20 Initiatives
Q1. Continually improve programming through the ongoing implementation of quality assurance measures and processes.	*We will focus on quality programming that supports student success and effectively addresses industry and community needs. Continued implementation of established quality assurance processes will contribute to the effectiveness of our programs, the success of our graduates and the satisfaction of their employers.* Conestoga's Continuous Quality Improvement (CCQI) initiatives will continue to guide program quality assurance activities. With support from Academic Administration, schools and program areas will continue to schedule, implement, document and track Annual Program Reflections (APR) and Major Program Reviews (MPR). Building on improvements to the online APR system undertaken during the last two years, work for 2019-20 will focus on a similar review and refinement of the MPR system. Improvements will include additional online integration of program change components, PAC reporting, data elements and records storage. In 2018, a five-question Student Appraisal of Teaching (Quick SAT) was conducted for all new faculty. The initiative will be expanded in 2019-20 to include all faculty who wish to receive feedback on student experience and learning early in the semester. The Degree Quality department will continue working with stakeholders across the college to improve review processes, exploring opportunities such as including students and college administrators on expedited review panels. In 2019-20, degree program teams will curate evidence stored in an online repository to support reviews. We will continue to improve collection, curation and reviewer or user access based on feedback during this academic year. Opportunities for alignment between PEQAB and accreditation reviews will continue to be explored.

Objective	2019-20 Initiatives
	The degree breadth curriculum will undergo an independent PEQAB review in 2019-20 to demonstrate quality and capacity in the delivery of breadth curriculum. Conestoga anticipates a positive review, which will provide additional opportunities for expanding the degree breadth plan. Work is ongoing to prepare for our CQAAP audit in May, 2020. A cross-college working group has been established and will collaborate with academic and service areas to collect and store evidence of the progress made over the last five years in implementing diverse quality improvement initiatives.
Q2. Support student achievement and success through the delivery of a full range of services in a secure and inclusive learning environment.	*We will support student success and satisfaction through a comprehensive range of services that address the academic, cultural and social needs of learners from diverse backgrounds.* To support student success, Conestoga will implement a one-stop service model at satellite campuses in 2019-20. This enhanced student service model will feature front-line service delivery that provides students with information, resources and referrals that will help them effectively navigate college systems. Satellite campus managers will be hired to support staff as well as provide operational and strategic guidance for the delivery of high quality and timely service to students. Conestoga will continue to expand and diversify our Aboriginal Services in 2019-20. The Aboriginal Services space at the Doon campus will be updated to provide expanded services to a growing Aboriginal student population. A new Aboriginal Services space will be established at the Waterloo campus to provide services and support to students, faculty and staff. We will enhance our orientation for students by developing interactive, seamless and focused messaging. Key learning outcomes for student orientation will focus on student transition and success. Beginning in 2019-20, all students will be required to participate in Conestoga 101 online modules to develop their understanding of college services and requirements and prepare them for success. We will support student success and satisfaction through a comprehensive range of services that address the academic, cultural and social needs of learners from diverse backgrounds. For example, we will continue to offer sessions for international students to assist them in their transition to Canada and Conestoga. To support student health and wellness, we will develop a comprehensive mental health strategy in 2019-20. The strategy, based on input and feedback from focus groups and an institution-wide survey,

Objective	2019-20 Initiatives
	will aim to optimize student learning and success by creating a campus environment that supports mental health and well-being.

As well, in 2019, Conestoga will participate in the National College Health Assessment (NCHA) in cycle with our fellow colleges and universities in Ontario.

In 2019-20, we will continue to support student achievement through a broad range of initiatives to support academic integrity. An online early alert system will be launched this year to contact students who are at risk for academic offences and offer academic support.

We will also add front-line resources to support students. Through new positions as well as modifications to existing library roles, we will improve our ability to respond to student needs and ensure that staff members are available to meet with students who require support. |
| *Q3. Develop career-ready graduates by building on our leadership in work-integrated, experiential and active learning.* | *We will continue to enhance opportunities for students to apply their skills and knowledge through the integration of learning activities that reflect real-world challenges and opportunities and prepare graduates for successful careers.*

Conestoga will continue to expand and track experiential learning opportunities for students in alignment with our vision for excellence in polytechnic education as well as the Ministry's commitment to providing all students with experiential learning opportunities.

Through the MPR process, program areas will continue to assess current and potential opportunities for experiential learning through activities such as co-op work terms, field placements, community-service learning projects, simulations, capstones and applied research projects. Academic areas will work towards the further integration of applied research into program curricula.

A new Student Experiential Record to be launched in 2019-20 will incorporate students' participation in curricular and co-curricular experiential and work-integrated learning opportunities throughout their academic programs. Conestoga is investigating a competency model that students can use to promote their skills to employers.

The Career and Employment Centre will increase its use of digital tools and group facilitation techniques to provide Conestoga graduates and community members with services aligned to their employment and training goals. |

Objective	2019-20 Initiatives
	We will continue to support student involvement in applied research opportunities and showcase events featuring student posters or presentations.
Q4. Foster the development of an effective and high-performing employee team.	*We will achieve our current and future goals through the recruitment and development of a qualified and talented employee team supported through ongoing professional and personal learning opportunities that result in enhanced skills, shared successes and an engaged college community.* The recruitment and development of Conestoga's employee team will continue to be a focus as we address the needs and expectations of a growing student population. The hiring and development of new faculty will be supported by the further clarification of essential competency requirements and an updated academic recruitment process. Development opportunities for all faculty members will continue, with additional emphasis and support on technology-enabled learning. The Online Learning Centre and Teaching & Learning department will continue to create learning supports that inform, engage and equip faculty to meet the changing needs of the classroom. There are varied learning opportunities for faculty on technology. Additional faculty resources and consultations as well as templates and tools for enhanced course shells will be provided. New college employees will continue to participate in multi-phased onboarding. This process includes a wide range of onboarding, orientation, development and community-building activities. For example, new faculty participate in a full-day onboarding program, five mandatory workshops, classroom observations, and one-to-one consultations. We will continue to support the development of a high-performing faculty team by providing diverse development offerings including workshops, consultations, a handbook, teaching tips and assignment, rubric and lesson planning support. In 2019-20, programming related to intercultural teaching practices will be updated and the number of offerings enhanced. In 2020, a new development program for full-time faculty will be launched, providing tailored, Conestoga-specific program delivery and learning opportunities. Work currently underway will support the posting and tracking of all internal professional development opportunities through a platform shared with Conestoga's Co-Curricular Portal. We will continue to foster the development of an effective and high-performing employee team by supporting both internal and external professional development opportunities. The enhanced tracking of professional development

Objective	2019-20 Initiatives
	funding as well as the rollout of a professional development activity survey in 2019-20 will support the creation of a database of external professional development opportunities. Employee communications initiatives will continue to provide opportunities to share college information, news and success stories across the Conestoga community. We will also review and revitalize existing practices to recognize and celebrate employee success, milestones and achievements.

CAPACITY

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

Objective	2019-20 Initiatives
C1. Deliver a comprehensive range of career-focused programs that responds to current and evolving workforce needs.	*We will remain committed to a comprehensive range of accessible, career-focused programming geared to workforce and community needs. Targeted areas for development include substantial expansion of programming in Brantford, additional engineering and IT programming, increased access to trades and apprenticeship training, the enhancement of culinary and hospitality offerings, and planning for a partnership in Milton for a new campus with a stronger role for Conestoga in partnership with Wilfrid Laurier University (WLU).* In 2019-20, Conestoga will continue to support the development, approval, and implementation of new programs aligned with industry and community needs. With the expansion of the Waterloo and Brantford campuses, the development of graduate certificate programming will continue to be a focus. We will work on plans for the development of a new, purpose-built construction trades facility in Waterloo that will relocate the trades from the existing main building as well as an expansion plan for the Guelph campus. Program offerings at the Brantford campus will be expanded in 2019-20 to include Community Services programs, such as Early Childhood Education, Mental Health and Substance Abuse - At-Risk Populations, and Community & Social Service Management. In the Trades, we will double the capacity for the Heavy Construction Equipment Operator program and add Electrical Techniques and Motive Power Fundamentals - Automotive Repair Automotive Technician programs. A refurbished welding training trailer will be used to deliver the 8-week Production Welder program at the sites of industry partners. In collaboration with Wilfrid Laurier University, we will continue to work on diploma-to-degree pathways for Conestoga students as well as expand upon existing dual credit opportunities through the School College Work Initiative (SCWI). The new downtown Kitchener campus will open in January, 2020 with approximately 800 students in the initial intake. At this new leased campus, we will offer unique two-year programs in Business, Global Business Management, and Strategic Marketing and Communications. Conestoga will continue to deliver Indigenous studies through Liberal Studies and explore avenues to expand or incorporate Indigenous content into other programs. Federal funding received in 2019

Objective	2019-20 Initiatives
	will be used for "Recovering Earth Wisdom," a project that will bring together Indigenous leaders, area researchers and educators, students, community and cultural organizations for a series of celebrations focused on the development of Indigenous studies programming and research strategies based in traditional knowledge.

Conestoga will continue to provide leadership in the delivery of career-focused degrees through the development of STEM-focused programs that meet workforce needs. In the School of Engineering & Technology, the Power Systems Engineering degree program will begin in Fall 2019, resulting in a total of four engineering degree programs available at the Cambridge campus. Proposals for two additional engineering degrees, Cyber Systems Engineering and Sustainable Design Engineering, are close to completion and will be submitted to the Ministry for review.

In the School of Applied Computer Science & IT, a new graduate certificate in IT Infrastructure will start in Winter 2020. Additional intakes are planned for Software Quality Assurance & Test Engineering and Big Data Solutions Architecture, two graduate certificate programs that started in Winter 2019. We also anticipate obtaining approval in 2019-20 for a Computer Science degree program that includes four distinct streams.

In response to the evolving and complex workforce needs of the early learning and child care sector, Conestoga is working with the Region of Waterloo to create and deliver a range of unique continuous professional learning activities. These activities will enhance and update the skills of educators working in the sector and assist them in meeting new pedagogical and legislative requirements. Topics include pedagogical leadership, STEAM education in the early years and brain development and resiliency-building in the early years. Professional learning activities will be delivered through courses, workshops, symposia and one-on-one pedagogical consultations.

Through a donation from the Lyle S. Hallman Foundation, Conestoga is engaged in a multi-year project to strengthen our capacity to support student mental health and wellness. Working collaboratively with program teams across the Schools of Health & Life Sciences and Community Services, the project has created student resiliency-building resources, such a peer mentorship program and a series of videos that explore different perspectives of student mental health. In 2019-20, we will work with our community field placement and clinical partners to develop a common understanding of student mental health and strategies for student support. |
| *C2. Renew and expand campus* | *The expansion of the Waterloo campus to be completed in 2018 will enhance access to programming and services for a diverse range of* |

Objective	2019-20 Initiatives
facilities to support enhanced access and the delivery of programming and services.	*learners, grow enrolment in key program areas, improve the visibility and image of Conestoga at the gateway to Waterloo's education corridor, and consolidate two small rental satellites while improving college services. Other priority projects include the substantial expansion of facilities in Brantford, the development of plans for an expanded presence for Conestoga in Milton in partnership with Wilfrid Laurier University (WLU), the development of a GRT Hub, further development in Guelph and the creation of new and refurbished classrooms at Doon. We will also continue to explore potential partnerships for the development of new, multi-use facilities on college lands that address community needs while providing additional opportunities for students and programs.*

The continued renewal and expansion of facilities will provide increased access to career-focused education for our students. The significant expansion of satellite campus infrastructure will provide immediate response to capacity needs in Kitchener, Waterloo, Guelph, Brantford and other strategic locations.

Growth at the Waterloo campus and other locations in the city will continue in 2019-20. For example, a second bake lab will be completed at the Waterloo campus, doubling capacity in the Baking & Pastry Arts program.

In Brantford, we will continue to build on our partnerships, including those with the W. Ross Macdonald School for the Blind, Indigenous groups and WLU. We continue to seek opportunities to acquire real estate in the area in a cost-effective fashion. For example, a second hangar in Brantford has been leased and will be fit out to deliver trades programs.

A range of additional campus expansion opportunities will be explored in 2019-20, including potential options for expansion in Guelph and Cambridge. Discussions will continue regarding the potential development of a campus in Milton in partnership with WLU.

Development initiatives in Kitchener include a new downtown campus location to be opened in January 2020, a multi-million dollar Grand River Transit hub to be built at the Doon campus beginning Fall 2019, and classroom and student space upgrades in the A-wing at Doon.

The purchase of properties on Marsland Drive in Waterloo and King Street East in Kitchener will create opportunities to move administrative staff to alternate locations, freeing up space for more academic programming at Doon. |

Objective	2019-20 Initiatives
	The implementation of Infosilem Exam, a scheduling software that automates final exam scheduling and ensures fair and balanced conflict-free schedules, will improve operational efficiencies, resource utilization and overall quality of exam scheduling. The transition to system-scheduled timetables will reduce the exam schedule timeline by several weeks, providing earlier notice and more planning time for final exam dates.
C3. Increase access to education and skills training through pathways, technologies and flexible programming options.	*We will continue to enhance access to programming through the expansion of online and hybrid delivery models and explore new opportunities for the delivery of short courses, modular programming and stackable credentials that lead to career success. Continued investment in technology-based tools and infrastructure will support new approaches to efficient and effective program delivery that meets the needs of today's learners.* In 2019-20, the Online Learning Centre will create 34 online courses and redesign 45 additional courses (including quality audits, revisions and media assets). In 2019, Conestoga received approval from the Ministry to proceed with offering fully online and hybrid courses within degree programs. Development of online degree-level courses is now underway and will continue through 2019-20. Conestoga's online programming will be centralized in 2019-20 under a new umbrella called the Conestoga Institute of Online Studies. The institute will have the capacity to focus on academic operations for online deliveries as well as the development of all new online programs. Expanding Conestoga's online program portfolio will provide current and future students with more flexible delivery options. Using a program approach will provide us with the oversight to gain efficiencies and identify high-interest programs based on community needs and past enrolments. This approach will support strategic decision-making regarding the allocation of resources and determination of which programs to offer online. In 2019, Conestoga administrators travelled to Ireland to explore partnership opportunities. Post-secondary institutions in Ireland and other strategic locations will continue to be focal points for academic pathways and agreements that support growth and diversification at Conestoga as well as providing students and staff with unique development opportunities. In 2019-20, we will initiate a college-wide project on badging and micro-credentials. Digital badges have been used successfully at colleges and

Objective	2019-20 Initiatives
	universities to commemorate student achievement and recognize skills that do not appear on a traditional transcript. Through research, consultations with internal and external stakeholders and pilot programs, we will identify opportunities, challenges and standards for badging and micro-credentials at Conestoga.
C4. Address the innovation needs of industry and community partners through the expansion of applied research capacity.	*We will continue to expand applied research activities and the development of Conestoga's centres of excellence to support student learning, spur innovation for small and medium-sized enterprises in the local community, and contribute to regional prosperity. Priority projects include the establishment of a centre of excellence for Supply Chain Management and the expansion of the applied research hub in the Gaslight District in Cambridge that will provide new opportunities to focus on innovation for advanced manufacturing, cybersecurity and advanced recycling technologies.* In 2019-20, Conestoga's Centre for Smart Manufacturing and Digital Innovation, Craig Richardson Institute of Food Processing Technology, and Schlegel Centre for Advancing Seniors Care will continue to build capacity for the delivery of applied research solutions through ongoing project development, grant applications, project management and reporting. A new Canadian Institute for Occupational Safety, Wellness and Performance will be established to build capacity for sustainable and productive work. Research chairs funded through Canada's Industrial Research Chair for Colleges program in the areas of Seniors Care and Advanced Recycling for Waste Electrical and Electronic Equipment will continue their work with faculty, students and industry partners on projects designed to address key industry and community needs. Conestoga's Magna Centre for Supply Chain Excellence, launched in partnership with Magna International, will continue to explore new funding opportunities for research projects. Conestoga is ranked among Canada's top 25 colleges for applied research. To further develop our positon as a research leader, Conestoga's new applied research hub in Cambridge will deliver enhanced capacity for innovation and applied research in the areas of smart manufacturing, advanced recycling technologies and cybersecurity. This facility is also the new home of the Conestoga Applied Research and Innovation office (CARI), which oversees applied research across the college. In 2019-20, the CARI office will continue to work with the academic schools to develop new opportunities for applied research and business development.

Objective	2019-20 Initiatives
	Conestoga's new applied research strategy identifies priority areas of research based on the college's institutional strengths, academic programs and faculty research expertise as well as the economic profile and strengths of our region. In 2019-20, Conestoga will focus on ten priority areas that range from information and communications technology to seniors care and workplace health and safety.

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

Objective	2019-20 Initiatives
S1. Achieve economies of scale and enhance revenues through enrolment growth and increased student retention.	*We will continue to increase enrolment in high-demand areas by implementing new recruitment methodologies and expanding international recruitment into a broader range of countries and markets. Delivery of a quality learning experience, including a comprehensive range of support services tailored to student needs, will support retention and continued progress in graduation rates.*
	As outlined in our Strategic Mandate Agreement, Conestoga is targeting stable enrolment for domestic students for 2019-20, along with continued substantial growth in international student enrolment.
	We will continue to refine our digital marketing initiatives to support regional and international recruitment of full-time students as well as increase awareness of part-time and Continuing Education options. International recruitment will support the ongoing development of strategies to increase the quality and diversification of international students accepted and retained by Conestoga.
	The International department will work with schools to identify opportunities for building increased international student capacity. This work will include engaging with schools in planning discussions on new program development as well as recommending global institutional partners.
	Working with Deloitte, we will begin a phased implementation of infrastructure and technology enhancements to rejuvenate Conestoga's Student Information System (SIS). These system improvements will result in increased efficiencies as well as an improved experience for Conestoga students and employees.
	As a result of the 2018 Student Retention Summit, a number of organizational initiatives will be undertaken in 2019-20. These initiatives include the launch of a retention dashboard to better identify areas of improvement and track program trends as well as the completion of a full inventory review of current retention initiatives in order to develop a college-wide retention strategy.
	A new fully integrated Payroll and Human Resources Information System will be implemented in 2019-20. HR and payroll information for all

Objective	2019-20 Initiatives
	employee groups will be stored in one location and flow seamlessly between the two systems. Robust reports and department dashboards will be readily available to managers and will assist with ongoing workforce planning and development.
S2. Enhance engagement with college and community partners to support the achievement of our goals.	*We will launch new initiatives to increase public awareness of Conestoga's role in supporting the prosperity and well-being of our community. Building on our strong relationships with student government, alumni, partners and stakeholders will support the development of programs, services and facilities and provide new opportunities for current and future students.* We will enhance efforts to engage with our alumni community and provide new opportunities for graduates to remain connected to Conestoga through a variety of outreach activities. We will revitalize alumni engagement by connecting with current students and identifying opportunities and strategies for maintaining their involvement with the college. Conestoga will continue to deliver focused presentations highlighting the 2017 Community Impact Report for both internal and external audiences, including Program Advisory Committees and community and industry organizations. These presentations increase recognition of the important role the college plays in supporting business and workforce needs and contributing to the prosperity of the regions we serve. The presentations also provide opportunities to share the college's future plans and facilitate the development of current and future partnerships. We will launch a new annual publication highlighting Conestoga achievements and successes in order to foster increased community awareness and engagement. We will continue to work with Conestoga Students Inc. on joint initiatives related to campus expansion initiatives, the revitalization of Doon campus and issues of common interest such as public transit. A number of enhancements will be made to the Centre for Entrepreneurship (C4E) in 2019-20. Notably, the Centre will work with industry partners to confirm that activities continue to serve the needs of local and college communities. As well, the Centre will expand entrepreneurial education and services to all students. As part of the expansion plan, the Centre will develop sales education to serve the community and better prepare entrepreneurs. A "Live Agency" will be launched with Conestoga Creative Services to provide students a live learning lab integrated with real customers.

Objective	2019-20 Initiatives
S3. Effectively manage resources to support the sustainable delivery of college programming and services.	*We will implement new approaches to further improve space and resource utilization across the college, support increased enrolment in existing facilities and create additional revenues. Our continued commitment to energy use reduction and waste diversion will lead to cost-savings and further reduce our carbon footprint.* Conestoga will continue to enhance and integrate budget processes into overall college operations. We will work with the leadership team to obtain efficiencies in processes through improved integration with overall college timelines. Hiring decisions will be made earlier to encourage earlier hiring. The Information Technology and Institutional Research areas will build on the business intelligence (BI) pilot project started in 2017-18 to better support evidence-based decision making. In 2018-19, a BI platform integration was completed. Work will continue on the development of a data warehouse. We will develop strategies and improve the tools available to support program quality assessment by integrating available feedback mechanisms (e.g., results of Annual Program Reflections, Major Program Review, KPIs, Student Appraisal of Teaching and other student surveys, etc.) to better inform program decisions. A process for the prioritization of other BI projects will also be developed. Effective space utilization will continue to be supported through the creation of meaningful business intelligence data for Conestoga's schedule and resource utilization. This will be achieved through the Infosilem Enterprise solution as well as the enforcement of academic scheduling and timetabling regulations for centralized academic activity timetabled by the Scheduling Office. IT infrastructure is critical to the college's ability to effectively manage resources and provide programming and services to students and staff. Areas of focus for 2019-20 include further development of Office 365 resources including OneDrive & Teams conferencing utilization, redundancy within the networking infrastructure, improvements in security and data integrity, and incident management planning. Building on the success of a retrofit project at the Cambridge campus, Conestoga has applied for federal funding under the Low Carbon Energy Fund program. These funds will be used to add a geothermal heat pump and 1.2 megawatts of photovoltaic power to the Doon campus. In 2019-20, we will also add electric vehicle charging stations to the Doon, Cambridge and Waterloo campuses. Conestoga will investigate other sustainability initiatives such as additional LED lighting, voltage harmonizers and energy efficient mechanical equipment upgrades.

Objective	2019-20 Initiatives
	We will continue to work within the Sustainable Waterloo Region framework in order to maintain Conestoga's high energy-reduction profile within the community. Conestoga's accomplishments will be promoted through a variety of communications tools to ensure students and employees are recognized and rewarded for their shared commitment. Through the use of grants, incentives and new technologies, Conestoga will continue to develop and enhance practices to reduce energy use and greenhouse gas (GHG) emissions. We will continue to focus on increasing our current waste diversion rate and aim to reduce HVAC/electricity costs through improved planning and scheduling.
S4. Explore and advance revenue generating opportunities.	*We will continue to seek out new opportunities to increase revenues from ancillary operations and introduce new or enhanced services that will result in additional revenues to support the achievement of our goals.* Various initiatives will be undertaken to introduce new or enhanced revenue-generating services. Examples of such initiatives to be undertaken in 2019-20 include: • The exploration of opportunities to improve cost-recovery in the delivery of services • The exploration of new opportunities to expand or enhance alumni engagement • Increased focus on the promotion of our Corporate Training division with the development of an expanded marketing plan and strategy.

3. SIGNIFICANT FACTORS AND CHALLENGES

Conestoga and Ontario's other colleges play a vital role in producing a more highly qualified workforce with the professional and technical expertise required to meet workforce demands in our rapidly changing and increasingly competitive global economy. For Ontario to remain at the forefront of innovation and economic development, Conestoga and the provincial college sector must be positioned to help more students acquire the post-secondary education and training that leads to successful careers.

As a leader in polytechnic education, Conestoga is well-positioned for growth; however, there are a number of significant factors that must be considered as we continue to build essential capacity to address changing workforce needs:

- Rapidly changing technology is leading to advances in artificial intelligence, robotics and advanced manufacturing that result in the elimination of many low-skilled jobs. New programming at a range of levels will be required to provide opportunities for individuals from all backgrounds to develop the skills and knowledge they will need to participate in the workforce of the future. Colleges will need to invest in new programming, equipment and facilities at an unprecedented rate.

- Ontario and Canada are suffering from skills shortages in a number of areas. Although secondary school enrolments have stabilized in Ontario and will start to grow slowly in the near future, that growth will not be sufficient to address workforce needs. Ontario's colleges have developed strategies to assist government in meeting immigration goals intended to help mitigate skills shortages. Continued and substantial growth in international student enrolment requires significant investment in new facilities, equipment and programming as well as faculty and staff to support the student experience and student success.

- In addition to full-time programming, Conestoga and Ontario's other colleges need to provide more continuous learning and short-term training opportunities for upskilling employees and meeting changing workforce needs. Programming must also be delivered in more flexible ways including online and particularly on mobile platforms. As a result, we must continue to maintain flexibility in staffing models to accommodate program delivery.

- Conestoga's student population is becoming increasingly diverse, including more individuals from countries around the world as well as more domestic students from non-traditional backgrounds. As a result, students enter college with a wider range of abilities and often require additional supports – from academic and skills upgrading to language training – in order to achieve success.

- Continued enrolment growth and diversity plays an important role in Conestoga's ability to develop and support new programming, providing a broader range of learning opportunities

for both domestic and international students.

- Campus expansion projects either proposed or currently underway at campuses in Waterloo, Brantford, Kitchener, Guelph and Milton will greatly expand our capacity to deliver a positive learning experience for students and address the needs of the communities we serve. It must be noted, however, that each of these projects also requires significant investment in time, resources, and the cultivation of successful partnerships. Potential projects need to be prioritized to support Conestoga's efforts to optimize our footprint in southwestern Ontario and enlarge satellite campuses, providing a broader range of support services and academic programming in a cost-effective fashion.

- Ontario colleges and universities face substantial deferred maintenance costs as a result of the age of the college and university systems.

- Directions and priorities of the current provincial government may alter the post-secondary landscape. An enhanced emphasis on the importance of trades and skills training will influence Conestoga's prioritization of projects. Also in the near future, it is anticipated that colleges may be awarded broader degree-granting status, including standalone nursing and three-year degrees.

- Conestoga is located in one of Ontario's largest and fastest growing regions with a highly diversified economy and current or looming skills shortages in many sectors. Continued focus on a broad range of comprehensive programming is essential to Conestoga's ability to serve the diverse needs of our local economy and workforce.

4. BUDGET COMMENTARY

The strong growth at the college throughout 2017-18 and 2018-19 is expected to continue into 2019-20, with a projected surplus of $2.5M. The 2019-20 budget includes a significant investment in building maintenance and staffing in order to provide adequate services to an increasing volume of students. International student enrolment is expected to increase by 22 per cent in 2019-20 over current enrolment. Major offsets to this additional international student tuition revenue include the provincially mandated 10 per cent reduction in domestic tuition rates, and the loss of the one-time provincial grant in support of Quality Programs and Student Outcomes of $8M.

Since the approval of the budget in March 2019, the international enrolment projections for the spring and fall semesters have grown significantly compared to the original budgeted amounts. This increase will result in additional student fee and tuition revenue.   As this growth continues, Conestoga will re-invest the resulting surpluses in various strategic initiatives, including additional staffing, enhanced services for students, expanded programs offered at the Kitchener location in the downtown core, and online studies systems projects.

5. FINANCIAL BUDGET

Summary ($000's)	2018-19 Revised Budget	2019-20 Budget
Operations Related		
Operating Revenue	290,095	308,581
Operating Expenditures	(259,797)	(297,046)
Operating Change for Year *(see Note)*	30,298	11,535
Capital Related		
Amortization of Contributed Revenue	6,692	6,629
Amortization Expense	(13,613)	(15,682)
Net Capital Expense	(6,921)	(9,053)
Total Change for Year	**23,377**	**2,482**

The following financial detail shows comparison of the revised budget for 2018-19 and the budget for 2019-20. Section 6 provides notes in reference to this data.

2019-20 Budget Summary

		2018/2019	2019/2020		
		Revised Budget	Budget	Change	
		$ 000	$ 000	$ 000	%
Revenue					
Grants	A				
Provincial Operating and Supplementary	A.1	69,214	55,773	(13,441)	-19.4%
Apprenticeship	A.2	6,700	6,200	(500)	-7.5%
Employment Service and Literacy Basic Skills	A.3	7,607	7,058	(549)	-7.2%
Other	A.4	9,159	8,351	(808)	-8.8%
Tuition Revenue	B	139,906	168,843	28,937	20.7%
Contract Revenue	C	14,606	13,772	(834)	-5.7%
Other Student Fees	D	19,758	24,508	4,750	24.0%
Other Revenue	E	23,145	24,076	931	4.0%
Amortization of Deferred Capital Contributions	F	6,692	6,629	(63)	-0.9%
Total Operating Fund Revenue		**296,787**	**315,210**	**18,423**	
Expenditures					
Full Time Academic Salaries and Benefits	G	61,224	69,668	8,444	13.8%
Full Time Support Staff Salaries and Benefits	H	40,887	45,358	4,471	10.9%
Management Salaries and Benefits	I	26,499	30,141	3,642	13.7%
Part Time Academic Salaries and Benefits	J	40,832	43,671	2,839	7.0%
Part Time Support Staff Salaries and Benefits	K	12,201	12,035	(166)	-1.4%
Total Salaries & Benefits		**181,643**	**200,873**	**19,230**	
Student Related Expenses	L	16,146	17,158	1,012	6.3%
Staff Related Expenses	M	6,303	6,406	103	1.6%
Plant Related Expenses	N	18,222	29,326	11,104	60.9%
Professional and Contract Fees	O	18,603	23,666	5,063	27.2%
Other Expenses	P	11,833	12,596	763	6.4%
Specifically Reimbursed Expenses	Q	7,047	7,021	(26)	-0.4%
Amortization of Capital Assets	R	13,613	15,682	2,069	15.2%
Total Non Salary Expense		**91,767**	**111,855**	**20,088**	
Total Operating Fund Expenditures		**273,410**	**312,728**	**39,318**	
Net Operating Surplus		**23,377**	**2,482**	**(20,895)**	

6. NOTES TO BUDGET SUMMARY

The following notes refer to the 2019-20 Budget summary. The note references relate to the references in the summary.

REVENUE

A. Grants

A1. Provincial Operating and Supplementary Grants

Grant ($000's)	2018-19 Revised Budget	2019-20 Budget	Change
Basic Operating Grants	62,600	61,598	(1,001)
Basic Operating Grant adjustment for ISR	(3,608)	(7,482)	(3,874)
Support Quality Student Outcomes	8,000	0	(8,000)
Supplementary Grants	2,222	1,657	(565)
Total	**69,214**	**55,773**	**(13,441)**

The **Basic Operating Grants** category is made up of various grants based on funded student enrolment. Although the corridor funding model has technically been in place for two years, 2019-20 marks the first year where we no longer get the transitional benefit of the "best of" funding methodologies. The grant for this year will be reduced by $1M, reflecting a decline in Weighted Funding Units during the years included in the calculation (2015-16, 2016-17, 2017-18).

The **International Student Recovery** (ISR) is a recovery levied by the Ministry against our basic operating grant based on international student enrolment. International students pay the college a fee to offset the impact of this recovery.

The grant for **Supporting Quality and Student Outcomes** will not recur in 2019-20.

Supplementary grants include many smaller grant amounts. These grants include some building rentals, the Per Capita Tax Grant (which reimburses the college for payments to municipalities in lieu of taxes for domestic students) and the Grant for Aboriginal Services. These grants do not change significantly from year to year. Some others are project-based, such as the Career Ready grant, and funding to develop curriculum for Low Carbon Building Skills, both of which were completed in 2018-19. The reduction in the supplementary grants is a result of the one-time project based grants in 2018-2019.

The revised budget 2018-2019 did not include the **Facilities Renewal grant.** This grant was not confirmed by the Ministry until February 2019 for the 2018-19 year. The allocation for Conestoga is $1.2M. The Ministry will be reviewing the process and the allocation for the 2019-20 year. Due to uncertainty about the 2019-20 grant allocation process, we have not included anything for this grant in the budget.

A2. Apprenticeship Grant
   The grant for **Apprenticeship** is budgeted to decrease by $500,000. This grant is based on the negotiated seat purchase plan from the Ministry. The Seat Purchase Plan is subject to continuous change in response to needs and demands for training in this area. The final seat purchase plan is not known at this time and so an estimate has been used to budget the 2019-20 amount.

A3. Grants for Employment Services and Literacy Basic Skills
   These grants include funding for the many Employment Ontario programs operated by Conestoga. During 2018-19, the Ministry increased funding for flow-through costs to support clients in the programs. The 2019-20 budget assumes a return to previous levels, and results in a funding reduction $549k which is largely offset with a reduction in expenses. Future models for the programs beyond 2019-20 are uncertain, as the province has indicated they will open the program to competitive bids.

A4. The **Other Grants** Category includes the following

Other Grants ($000's)	2018-19 Revised	2019-20 Budget	Change
Student Support Services	1,517	1,588	71
Municipal	780	494	(286)
Other Provincial	991	502	(489)
Federal	5,871	5,767	(104)
Total	**9,159**	**8,351**	**(808)**

   Student Support Services includes many grants to support student accessibility and success. There are no significant changes anticipated in the 2019-20 budget.

   Most of the **Municipal grants** are from the Regional Municipality of Waterloo to support programs in the Child Care Centres. The reduction is due to receipt of a one-time grant during 2018-19 that will not recur in 2019-20.

   The reduction in the budget for **Other Provincial** grants is due to uncertainty of the OPAIP (Ontario Post-Secondary Access and Inclusion Program) at the time of budget preparation. The Ministry has not yet confirmed funding for 2019-20 and so it has not been included in the 2019-20 budget.

   A significant portion of the **Federal Grants** relate to funding for the Language Instruction for New Canadians (LINC) program. This budget has not changed substantially. Funding is for providing specific services, and the matching costs have been incorporated in the budget.

B. Tuition Revenue
   Tuition revenue now represents more than half of total college revenue and considerable time is spent to project the revenue with a high level of accuracy. Over the past three years, budget projections have been significantly lower than actual results. This results from the significant growth in international students beyond budget projections. The estimates for international students for the 2019-20 budget are higher as a result of additional availability of programming space as well as better historical information. The budget services team worked closely with the international recruitment team and academic program managers to project a more accurate international student enrolment number.

The following table breaks tuition revenue into its major components:

Tuition ($000's)	2018-19 Revised	2019-20 Budget	Change
Post-Secondary – Domestic	39,248	36,624	(2,624)
Post-Secondary – International	92,670	124,514	31,844
Part time Courses and Seminars	7,002	6,725	(277)
Apprentice	986	980	(6)
Total	**139,906**	**168,843**	**28,937**

Domestic enrolment for 2019-2020 is expected to be similar to 2018-19. Provincial demographics do not show significant increases in the college-age population. With the addition of the provincial requirement to reduce all domestic tuition by 10 per cent, we have included a reduction of $3.6M for full time, and $450k in PT domestic tuition. The offsetting difference is a result of greater accuracy in the split between domestic and international student tuition estimates in 2019-2020.

Based on recruitment patterns and international demand for Canadian post-secondary education programs, the total international student enrolment is projected to increase by about 20 per cent over 2018-19. In addition, the college is increasing tuition rates for International students by 4 per cent. It is also noted that the 2018-19 projected enrolment is currently expected to exceed that included in the budget projections by approximately $7M. Combined, these factors result in a total 34 per cent or $31.8M increase over the revised budget projection submitted in the fall of 2018.

Details of growth in student numbers for the fall semester is illustrated in the table below that shows the fall count date of student numbers that equates to the enrolment audit figures we submit to the Ministry.

FULL TIME POST-SECONDARY ENROLMENT
Student Numbers at Fall Count Date – November 1st

	2016 Actual	2017 Actual	Change	2018 Actual	Change	2019 Budget	Change
Domestic	9,875	9,755	(1.2%)	9,685	(0.7%)	9,685	--
International	1,982	3,189	60.9%	6,643	108.3%	8,300	25.0%
Total	11,857	12,944	9.2%	16,328	32.1%	17,985	10.1%

Note that that the fall count is a point in time, while domestic enrolment tends to peak in the fall semester. Recent history shows International enrolment growing over all semesters.

The following table shows that projected year-over-year growth of **all** students in **all** terms is approximately 10.0 per cent, with a 22 per cent increase in international students. This growth is the result of new programs and flow-through to upper years of prior intakes.

Student Numbers by Semester

	18-19			19-20 Plan		
	Spring	Fall	Winter *	Spring	Fall	Winter
Domestic	1,630	9,685	9,363	1,630	9,685	9,363
International	3,555	6,643	7,413	4,800	8,300	8,300
TOTAL	**5,185**	**16,328**	**16,776**	**6,430**	**17,985**	**17,663**

*Winter, 2019 is based on the 10th day count data

The following chart illustrates student growth by campus:

	TOTAL STUDENT/SEMESTERS			
	2016-17	**2017-18**	**2018-19**	**2019-20**
Guelph	808	745	845	987
Waterloo	1,746	1,746	3,675	3,980
Ingersoll	178	170	163	174
Brantford	212	220	973	1,479
Cambridge	4,475	4,680	4,588	4,960
Doon	14,340	16,505	28,440	30,912
	21,759	24,066	38,684	42,492

Part Time tuition revenue is budgeted to decrease by $277k or 4.0 per cent over 2018-19 projection. This reflects the Ministry-mandated tuition reduction, offset with a continued increase in students taking full time programs in a part time mode, and the offering of some new part time certificate programs.

C. **Contract Revenue** varies year to year, as it usually relates to specific projects. The largest single component is the International English Language Testing Service (IELTS). The revised budget for 2018-2019 includes $6.6M for IELTS with a budget of $6.7M for 2019-20. In 2018-19, a number of research projects were funded through the Ontario Centre for Excellence. At the time of budget preparation there are a number of large-scale project proposals submitted to government and under review. These projects are not included in the 2019-2020 budget. If the proposals are successful, there will be revenues and offsetting expenses associated with each.

D. **Other Student Fees** includes revenues from ancillary fees and fees for service. The 2019-20 budget reflects an increase of $4.75M over the revised budget for 2018-19. Under the Ministry's Student Choice Initiative, students must be able to opt out of fees for non-compulsory items. At this time, the details of the Ministry directives on the student choice initiative for 2019-20 are not finalized, and guidelines are expected that will define compulsory vs non-compulsory items. The budget for 2019-20 includes a reduction of $1.3M as a general provision for reductions in certain fees. Offsetting this reduction are increases resulting from increased volume of students and the amount of funds collected from International students to offset the Ministry recovery noted in the grants section.

E. Other Revenue:

Other Revenue ($000's)	2018-19 Revised	2019-20 Budget	Change
Ancillary Revenue	16,495	16,818	323
Day Care Fees	1,565	1,813	248
Investment Income	1,900	2,000	100
Donations to Operating Costs	756	642	(112)
Miscellaneous Income	2,429	2,801	372
Total	**23,145**	**24,076**	**931**

Ancillary revenue combines residence, bookstore, parking, rental of facilities and cafeteria sales. Expected increases are a result of increased enrolment.

The budget for **Day Care** revenue is increasing over the revised projection as a result of continued high occupancy, additional spaces made possible by 2018-19 capital grants from the Region of Waterloo and successful summer camps. Fees are based on the number and type of spaces expected to be utilized. The budget for 2019-20 reflects the planned utilization of spaces.

Investment Income is a direct result of cash available. The increase in investment income is a direct result of increases in cash balances throughout the year.

Donations to Operating Costs are the donated funds used to purchase non-capital items. Funds available in each year are dependent on donations received. Many donations are directly tied to funding the purchase of capital items, and are reflected in deferred capital contributions.

Miscellaneous Income includes application fees, Boreal IT service contract income, handling fees, alumni affinity program earnings, specialized admissions testing, photocopy revenue, radio station advertising, union staff release time reimbursements and secondments etc.

F. Amortization of Deferred Capital Contributions is the amortization of past specific grants or donations used to purchase depreciable capital assets. These contributions are drawn into income over the life of the asset matching the depreciation pattern.

EXPENSES

The chart below provides a summary comparison of Conestoga's past, present and projected expenses in comparison to the most recent available college system costs.

Total Expenditure Distribution	College System Actual		Conestoga Actual		Conestoga Revised Budget	Conestoga Budget
	2016-17	2017-18	2016-17	2017-18	2018-19	2019-20
Salaries and Benefits	62.2%	60.7%	67.8%	66.6%	66.4%	64.2%
Non Salary Related	31.2%	32.8%	26.4%	28.2%	28.6%	30.8%
Amortization of Capital	6.6%	6.5%	5.8%	5.2%	5.0%	5.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Salary Related Expense Distribution	College System Actual		Conestoga Actual		Conestoga Revised Budget	Conestoga Revised Budget
	2016-17	2017-18	2016-17	2017-18	2018-19	2019-20
Academic - Full Time	35.3%	33.1%	38.4%	35.4%	33.7%	34.8%
- Part Time	17.1%	18.7%	15.9%	18.1%	22.5%	21.6%
Support - Full Time	23.5%	24.2%	25.2%	25.2%	22.5%	22.6%
- Part Time	7.2%	7.9%	5.8%	5.9%	6.7%	6.0%
Administrative	16.9%	16.1%	14.7%	15.4%	14.6%	15.0%
	100.0%	100.0%	100.1%	100.0%	100.0%	100.0%

G. The 2019-20 budget reflects an increase of $8.4M (13.8 per cent) over the 2018-19 revised budget. This includes an additional 26 Full Time Equivalents (FTEs) approved through the budget process, full year salaries for those hired during 2018-19 and normal movement through the salary grid. The new positions are in response to new activity, particularly international students. Conestoga continues to focus on having the right balance of full time faculty throughout the programs. This category includes a total of 550 full time staff for 2019-20.

H. The 2019-20 budget for **Full Time Support Salary and Benefit** expense is increasing $4.5M or 10.9 per cent in comparison to the 2018-19 revised budget. Included in the 2019-20 budget are full year salaries for those hired during 2018-19, normal movements through salary ranges and collective agreement changes for 557 staff. In addition, a provision to cover hiring of additional staff through the budget process is included in the 2019-20 budget. New positions are in response to college growth, particularly in services that support increased student enrolment.

I. The budget for **Management Salary and Benefit** expense is increasing by 13.7 per cent or $3.6M. The increase includes provision for cost of living increases, movement through existing salary ranges for eligible employees and the full year impact of previous year hires. This category also includes a general provision for hiring new positions throughout the year to respond to increased demands resulting from college growth. There are currently 210 FT administrative positions included in the budget.

J. **Part Time Academic Salaries and Benefits** expense is increasing by 7.0 per cent or $2.8M due to growth and normal inflationary changes.

K. **Part Time Support Staff Salaries and Benefits.** The 2019-20 budget for this expense is 1.4% lower than the 2018-19 budget projection. This category can vary significantly, as these are often temporary positions covering for full time staff who are on leaves.

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

L. **Student Related Expenses** are projected to increase 6.3 per cent or $1.0M. The two main sub-categories are Instructional Supplies, and Cost of Goods Sold in the book store. This increase is a direct result of the increase in enrolment.

M. **Staff Related Expenses** are expected to remain essentially at the same level. This category includes office supplies, professional development and travel.

N. **Plant Related Expenses** are budgeted to increase significantly over the 2018-19 revised budget as a result of adding $11M ($5M in 2018-19 to $17M in 2019-20) to focus on maintenance and repairs at all campuses. The Doon campus, in particular, requires upgrades, roof repairs, general renovations and maintenance. In recent years, investments were made in the Cambridge, Waterloo, Guelph and Brantford campuses. This year's budget focuses on the Doon campus. A more detailed summary of these expenses is included in the capital budget. In addition, this category includes an increase of $235k for security services and ground maintenance costs, as well as a small decrease for cleaning services.

O. **Professional and Contract Fees** include insurance, legal, audit, payroll processing, international student recruitment costs and online course contractor costs. The increases reflected in the budget are related to international student recruitment commission costs.

P. **Other Expenses** include advertising and promotion, equipment maintenance, bank charges and interest on debt, and non-capital equipment purchases. The two main areas that account for the $763K increase for the 2019-20 budget include bank charges and the purchase of non-capital equipment. Items under $5,000 are considered non-capital equipment for accounting purposes. The increase for 2019-2020 relates to program specific purchases and IT items.

Q. **Specifically Reimbursed Expenses** are flow-through expenses that are either reimbursed to the college by the Ministry subject to allocated maximums or funded by the student assistance funds set aside from tuition. Examples include support allowances, bursaries and work study. There is no significant change projected for this category.

R. **Amortization of Capital Assets** represents the depreciation of college capital assets at various rates. Computer equipment is depreciated over 3 years, equipment over 5 years and buildings over 40 years. The budgeted increase for 2019-20 is because the Waterloo campus will start to be amortized.

Forecast Uncertainties

   Forecasting risks are inherent to any budget projection, and the earlier the projections are made, the more uncertainty there is. In this budget, major risks include: impending Ministry protocols and binding policy directives on tuition and ancillary fees, International student enrolment numbers and the uncertain future of some grant programs such as Employment Ontario.