

ALBERTA COLLEGE OF ART + DESIGN BUSINESS PLAN 2010 – 2014

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May 2010

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EXECUTIVE SUMMARY

The passage of time and changes in economic fortune can make a considerable change in the outlook for an institution. It is correct to say that ACAD has not altered its strategic direction over the past two years, but certainly there are several issues, all of them arising from the economic downturn that has occurred over the last year, that might have a direct impact on the College's fortunes in the short term to medium range term.

Of immediate to intermediate concern is the potential for operating grant freezes to continue beyond 2010 from the Ministry for Advanced Education and Technology of the province. Initial planning has already taken place as to how grants frozen for 2010/2011 might be accommodated beyond that year. While not desirable, we believe that the recently announced one-year freeze would not present undue hardship; strategies to deal with it have been developed that should not produce long-term issues. Funding cuts beyond a one year duration would be much more difficult to cope with and might require measures such as program cuts. The challenge, should such a scenario unfold, will be to ensure that the College remains faithful to the goals articulated by the strategic planning process.

The second of these is the outreach to the external community. This has been one of the critical success factors over the last few years. Whether it was the success of events such as Stirring Culture and Smart Night, or the very successful fundraising, subsequently enhanced by matching funds received from the province, or the external connection with the Institute for the Creative Process, ACAD had come to be recognized as an important force within the post-secondary and cultural landscapes. However, we have already found that we have needed to work harder to achieve more modest results, and as long as the economic recovery continues to slow in Alberta and beyond, we expect it to be a more arduous journey to generate the kind of funding that can make a significant impact to the College.

The impact on our enrolment is at this point less clear. Statistics tell us that based on the number of applications we are receiving for the upcoming 2010 fall term enrollments are holding constant - if not increasing slightly. While this is a very encouraging sign, there is less clarity on the demand from international students, so we are continuing to monitor that closely. In a critically related and longer-term vein we are excited that the long awaited enrollment management plan will now be implemented during the coming year, which will obviously impact our enrolment numbers for the period covered by this plan and beyond, and directly influence the evolution of the institutional access plan developed for the province in October of last year. This institutional access plan highlighted student retention, development of a Masters program, and selected undergraduate program enhancement as the key features that will drive enrolment growth over the next five years.

Over the past year, the cooling of the Alberta economy has eased our recruiting dilemma somewhat, particularly in regards to administrative positions. Now that the economy is starting to recover, however, private sector recruitment is accelerating at a much faster rate than the public sector. With budgetary constraints anticipated over the next two years it will be difficult for the College to maintain its competitive positioning in terms of attraction and retention, and it is probable that the College may see more attrition in some staff areas, particularly in the generic fields of accounting, computing services, and human resources. We do however expect

to remain competitive in terms of our recruitment of permanent faculty except for those talent areas where we naturally compete with the private sector such as instructional leaders in the animation area. By the end of 2010-2011 we do however expect to achieve the ratio of fulltime faculty to sessional faculty that is articulated in the College's contract with our faculty. The net impact to the College has been 11 permanent faculty hires in the past two years which have been directed towards achieving this goal..

The search for and appointment of a new President to lead the College, commencing in the fall of 2010, will undoubtedly impact the directions the College will embrace over the next several years. With this appointment we feel that the College will have a senior management team in place that can deal with the critical decisions needed that will carry the College forward.

It is becoming apparent, given the downturn in the economy, that the desire for a new downtown facility may remain unrealized for the foreseeable future. The province has pulled back its own plans for infrastructure spending so that circumstances that might otherwise have seen the move come to realization have a reduced chance of coming together at this point. It is imperative that we not abandon the larger goal of a new facility and it is equally imperative that we articulate to the province that the choice is not between a new facility and nothing, but instead between a new facility and a vastly renovated existing structure. The present building is showing the effects of its age: limitations for expansion reflected in little available capacity; the requirement for dramatic refurbishment required by deferred maintenance demands, and the requirements to accommodate a vastly different student and program base than existed when the facility was built.

Other strategies remain in progress to reposition the College within the broader post-secondary community in Canada and North America. In 2009 we had an affirmative response from the National Association of Schools of Art and Design (NASAD) to our request to achieve substantial equivalency. We will next seek membership in the AUCC (Association of Universities and Colleges of Canada) and have already commenced preparing for this application. Likewise we have begun the implementation of our plan prepared in response to an information assurance audit and Control Objectives for Information and Related Technology (COBIT) assessment undertaken last year to address gaps in our technology planning needs. Consultants have been engaged and work is well under way, although it is expected that full implementation will not be complete prior to the summer of 2011.

The Alberta College of Art + Design is at a significant point in our growth and evolution as an institution. There have been a number of initiatives underway over the last two to three years that have generated considerable thought and discussion as to the future of the institution. From the first serious development of a strategic plan some five years ago, the College has since undertaken many initiatives that will help shape what we become. In the academic division we have completed an Institutional Access Plan, which has been complemented by an academic technology plan titled "Academic Technology Philosophy". Further, in the past year, we have completed an Information Assurance Improvement Plan, the response to which, will guide the delivery and control of information technology for the foreseeable future. We have also developed or updated within the past year documents outlining a human resources and communication strategy.

We have also recently implemented changes to our budget planning processes that has prompted a series of recommendations that will dramatically improve how we address our overall financial stewardship accountabilities at the institution. These improvements will be implemented and realized over the upcoming year. Related to this, and just over a year ago, the College also completed an enterprise risk management review to include such areas as financial as well as other technology and operational risk considerations. More recently, the College completed a rationalization of our internal reserves and surpluses to provide greater flexibility in their deployment and to ensure that the fiscal capacity of the College to support our immediate and future needs for equipment, technology, programs, and financial assistance to students is sustained over the next few years as the economy recovers. In this regard, and subsequent to the end of the 2008-2009 fiscal year, and in anticipation of funding restrictions from the province, the College moved to consolidate various one-time funds and to allocate a sizable portion of unrestricted net assets to an endowment fund for student awards.

Looking to the future there are two extremely important developments that will complement and we believe knit together the initiatives that have already taken place. Firstly we have started to implement a long-awaited enrolment management plan that will determine the size and composition of our student body. Secondly we have identified and earmarked financial resources that will aid in the development of the next round of strategic planning. We feel that we finally have the framework in hand to guide us by way of a true long-term perspective and look forward to tighter integration of the business and strategic goals articulated by the College.

INSTITUTIONAL CONTEXT

About the Alberta College of Art + Design

Alberta College of Art + Design is located in Calgary on the North Hill overlooking the Bow River and the downtown skyline, in a 245,000 square foot building that was designed in 1973 specifically as an art college. ACAD's close proximity to downtown, via light rail transit, is a distinct advantage to our students, providing them with easy access to Calgary's galleries, museums and cultural events.

ACAD is committed to a solid studio-based experience for students in fine art, design and new media - an experience balanced with relevant, complementary liberal studies and practical theory. The result is a rigorous studio program, which produces innovative thinkers, creative problem solvers, and visually talented students. ACAD creates a learning environment rich in character and extensive in quantity, quality and professional capability for its student body of artistic thinkers.

ACAD studios are extremely spacious and classes are small, allowing for regular one-on-one interaction. Faculty and space-per-student ratios are among the best in the country. Within this environment, students receive the techniques, tools, intellectual stimulation and encouragement to discover and develop their own personal voice and passion.

ACAD Vision

Alberta College of Art & Design will be a preeminent catalyst institution for cultural development locally, provincially, nationally, and internationally. We will manifest unconditional excellence in our programs, practices, and policies in a laboratory environment that is committed to unconstrained inquiry and collegiality. As a place of cultural research, we are all colleagues on a journey of discovery while enhancing our leadership role within the cultural field. We aspire only to the highest level of excellence in what we endeavor, measured not by our past accomplishments but by our imaginations and what is humanly possible.

ACAD Values

- We value the creative process and all that is implied by that.
- We are deeply committed to experimentation, free inquiry, research, and the evolution of culture.
- We demand excellence in our practices, our support for our students, faculty, and staff, and our external communities.
- Our support for human and professional development is reflected in our policies, practices, and programs.
- We value our role in the society; we seek innovative paths for participation for the College, our students, alumni, and faculty and staff.
- We value the joy and good humor that derives from being a creative institution; we believe in a celebration of our creative processes.
- We value calculated risk-taking and entrepreneurship.

- We are all learners, working together in a transparent environment that is willing to embrace change.
- We value diversity in all respects, including philosophical, cultural, lifestyle, as well as definitions that are more conventional.

ACAD Mandate

The Alberta College of Art + Design, located in Calgary, Alberta, Canada, is a public board-governed College operating under the Post-Secondary Learning Act. As the only post-secondary institution in the prairie provinces devoted exclusively to advanced education, practice, and research in visual culture, design, and associated and emergent fields, the Alberta College of Art + Design offers four-year undergraduate degrees and diplomas and graduate degrees, preparing learners for careers in visual culture and design.

The College is a center of excellence in education and research in fine arts, crafts, design, media arts + digital technologies and related liberal studies and supports life-long learning through its credit and non-credit continuing education programming. The College acts as a local, provincial, national and international visual culture resource and through research is a producer of original knowledge leading to cultural development. Its public activities are designed to enhance the general awareness of the College and advance knowledge and understanding of the importance of visual culture and design to the economic, cultural and social life of the communities and society that it serves.

ACAD Mission

ACAD is a leading centre for education and research, and a catalyst for creative inquiry and cultural development. We engage the world and create possibilities.

ACAD Strategic Goals

The strategic plan of the Alberta College of Art + Design is based on a set of six major goals.

1. GOVERNANCE

To govern and operate with processes that are transparent, ethical, inclusive and collegial in an environment that encourages dialogue and mutual support.

2. EXTERNAL

To position the institution as an important contributor to cultural development in our community and society, and to craft a role for the institution as a catalyst for creative development within regional, provincial, national, and international communities.

3. INTERNAL

To create and maintain effective channels of communication for the sharing and delivery of information throughout the organization and between all constituencies, and to establish and implement practices that directly contribute to the engagement of all members of our internal community.

4. RESEARCH, ACADEMICS + LEARNING

To create adaptive and responsive educational programming and an institutional environment that establishes our role as a leader for innovation, research and excellence in visual arts, design and emergent cultural fields.

5. ETHOS

To establish and sustain a respectful and inclusive environment that fosters diversity, individual empowerment and personal progress, within the context of a premier cultural institution.

6. VIABILITY

To develop and allocate resources that effectively achieves our mandate, mission and vision.

ACAD Degree Programs

BACHELOR OF FINE ARTS

Our Bachelor of Fine Arts program is one of Canada's most prestigious studio-based fine art programs that offers students a unique opportunity to access an impressive range of quality facilities while developing advanced technical, conceptual and problem-solving skills.

ACAD offers Bachelor of Fine Arts Degrees in the following programs:

- Drawing
- Fibre
- Glass
- Jewellery + Metals
- Media Arts + Digital Technologies
- Painting
- Print Media
- Sculpture

BACHELOR OF DESIGN

Our Bachelor of Design program prepares students for successful careers as professionals in the discipline, practice and culture of design. We have an established track record of excellence that continues to create exciting opportunities in the newest design fields.

ACAD offers Bachelor of Design degrees in the following programs:

- Visual Communications Design
- Photography

**SIGNIFICANT OPPORTUNITIES, CHALLENGES AND
PRIORITIES: 2010 – 2014**

1. ADDRESSING STUDENT EXPERIENCE, CURRICULUM AND PROGRAM DIRECTION

Strategic Goal: RESEARCH, ACADEMICS + LEARNING

To create adaptive and responsive educational programming and an institutional environment that establishes our role as a leader for innovation, research and excellence in visual arts, design and emergent cultural fields.

Challenge 1: Positioning the College to excel as a centre of excellence in studio-based learning

Key opportunities for the College continue to focus on the ability to respond to the demands of the marketplace for highly educated and creatively and conceptually skilled graduates. Challenges continue to focus on the allocation of resources required to support programming in all areas with the now ubiquitous use of advanced technology and new media.

The College has been awarded Substantial Equivalency (accreditation equivalency for non-American programs of art and design) by the National Schools of Art and Design, with an extensive self-study evaluating the institution's strengths and weaknesses and a resulting four-year strategic plan to enhance the educational effectiveness of the College. Together with the ACAD's Institutional Access Plan, these documents have established the academic priorities in both the short and medium-term at the College.

Association of Universities and Colleges of Canada (AUCC) Membership.

ACAD remains committed to membership in the Association of Universities and Colleges of Canada (AUCC) and the benefits this will bring to a wider acceptance of the College's degrees. Membership has already been granted to our sister institutions, Emily Carr University of Art and Design, the Ontario College of Art and Design, and Nova Scotia College of Art and Design University and is seen by many Canadian universities as the critical determining factor by which the academic merit and acceptance of the degrees held by students applying for advanced study is assessed.

Implicit in the awarding of Substantial Equivalency by the National Association of Schools of Art and Design (NASAD) is a required cyclical process of institutional evaluation that includes external voices, as well as the introduction of a fully operational alternative Academic Council with a majority faculty voice (as provided for in the Post-Secondary Learning Act). The remaining area of attention for membership is to begin a process of investigating the application of academic rank at ACAD or a re-invigorated internal faculty evaluation process. With that process underway the College expects to be in a good position to formally apply to AUCC for membership within the coming academic year.

Program Expansion: Undergraduate Programming

The College has identified the two Bachelor of Design majors as areas of growth. Both the Visual Communications Design and the Photography programs have shown increased student demand, and with the current growth projections and retention rates each will expand by one cohort of students in 2011. As well, a re-invigorated Bachelor of Fine Arts in Multidisciplinary Studies is projected to be offered again commencing in 2013.

Challenge 2: Expanding opportunities for rigorous inquiry

Graduate Programming

The College will continue to develop graduate programming under the authority granted in the College mandate. Having reviewed the College's areas of academic expertise and facility strengths, the competitive advantages and expressions of tangible support of the surrounding community and within the province, and student demand nationally, the College will be moving forward with its initial Master of Fine Arts degree.

The initial application to the Minister of Advanced Education and Technology for a system coordination review has been submitted for review and, upon a positive finding, the subsequent applications to the Campus Alberta Quality Council will proceed. A dynamic and academically rigorous curriculum has been developed and the College has put forward a set of innovative solutions to the challenges of space in our facility. The College is developing creative solutions to the financial challenges surrounding funding support for human resources and advisement, associated faculty research interests, academic rank, and scholarships and teaching assistantships. While space is a challenge, a Space Utilization Study is forthcoming and, with a unique schedule plan these challenges should be overcome within in the existing facility for the first MFA program.

Building a strong research culture

ACAD will remain focused on facilitating academic research at the College, including the development of a Strategic Research Plan for the fall of 2010. With research support benchmarked against the provisions established at comprehensive universities, smaller institutions such as ACAD are challenged by the significant financial and human resources required to meeting these needs. In a current initiative underway to find innovative solutions, the College is in discussions with the seventeen members of AACTI to explore the potential for establishing a common Review Ethics Board through the AACTI college structure.

Challenge 3: Increasing student retention

Enrolment Management Plan

ACAD has embarked on the implementation of an Enrolment Management Strategy led by the Provost and the Vice President Student Experience + Admissions. This initiative is expected to be a year-long endeavor involving all areas of the College reflecting on the results of the College planning process, the action plans from the NASAD Self-Study document, and the Institutional Access Plan, and defining a clear path and goals for the institution over the next five years.

Student Success Rates

While the overall College retention rate for 2009-2010 is 84%, this compares to a goal of 91% to be reached by 2012. ACAD has identified student retention as a priority that will positively impact student enrolment. Particular focus will be paid to the current retention rates for First Year Studies in which the College, when benchmarked against the retention data from the other Association of Independent Colleges of Art and Design (AICAD) member schools, including our three sister Canadian schools, this area of focus appears to present room for improvement. A first year studies retention rate of 79% by 2012 is being targeted which compares to a current retention rate of 71% in 2009. Student success rates are being analyzed in detail and action plans to address identified areas of concern are being developed and implemented.

Student Information Systems

Integration into the Alberta Post-secondary Application System (APAS) project has been completed at ACAD along with other post-secondary institutions. ACAD is contributing to the Banner schools interface initiative being developed through SunGard, and while the final outcome will provide significant benefits to the provincial sector as a whole, the challenges for transitioning staff and students to the new system, and the ongoing maintenance of the system, will no doubt continue.

Implementation of new applications, like the curriculum and advising module, are presently under development in consultation with the Director of Communications. Such initiatives are essential if we are to meet our admissions and retention goals, so while the results present opportunities for the College, we will continue to be challenged to resource them.

To complement the need for improving student retention particularly in First Year Studies, the College will embark on a critical review of information needs and an assessment of essential business intelligence tools to improve the access, analysis, and sharing of College-wide and department specific data sources. This initiative has begun and will be an area of priority over the next two to three years. As well, ACAD is continuing its investigation of what may be an optimum Learning Management System to support the increased digital delivery and student access to ACAD curriculum. In this regard both SAIT and the University of Calgary have been helpful.

Student Advising

With the newly created position of Student Advisor, the College will now establish a coordinated student advising structure. As a part of this initiative, ACAD will be developing a Professional Development and Career Centre to focus on assisting students and alumni in developing effective strategies for direct and related career paths that allow them to effectively utilize their creative and critical thinking abilities.

Student Support Services

A continued focus for the College is its ability to provide the level of support needed by students with disabilities and other learning needs. In the coming academic year, the College will continue its expansion of student support services in its development in aboriginal and international student support and student development opportunities. Significant financial challenges surround plans to expand the Learning Assistance Resource Centre and the larger Student Resource Centre to provide needed support and services to maximize students in achieving their potential, necessitating ACAD to take a closer look at innovative solutions.

Enhanced Recruitment

In keeping with the Provincial mandate to, at a minimum, maintain and if possible, increase access to programs and the quality of the educational experience, a complete review of the recruitment and admissions procedures was undertaken in the winter semester of 2010 in preparation for the 2011 recruitment season. This has resulted in the setting of appropriate targets to ensure that a large pool of high caliber applicants continues from which to draw on the most highly qualified students for admission. With the implementation of an Enrolment Management Plan over the coming year, a more focused recruitment strategy with clearly defined goals should result.

As outlined in the College's Institutional Access Plan, a 10% increase in the number of international students attending ACAD by 2012 is targeted. As ACAD recruits more international students, the College will add to the diversity of the student population and the richness that diversity brings to our educational environment. However, such diversity also necessitates the increased academic and social supports required by international students. The challenges of sufficiently resourcing foreign recruitment are acknowledged, and new challenges are seen within the current economic climate. The College will place increasing importance on evaluating the return on investment of its recruitment efforts in this area and developing a strategic plan to ensure its recruitment resources are effectively allocated both locally and through international agency networks to maximize student enrolments.

The Admissions Office continues to use chat rooms and blogs to provide support and information to prospective students, allowing admissions personnel to communicate with prospective students from Asia, Europe, US and across Canada. In the online sessions, admissions staff, faculty and current students are available to chat with prospective students. The College plans to enhance its online presence by expanding student communication through social network sites including Facebook and Twitter, and developing a micro-site through the ACAD website to directly communicate with potential applicants.

Recruitment activities are scheduled to ensure that the College is represented in as many venues as possible throughout Alberta, Canada, North America and internationally. Schedules for the foreseeable future will continue to include Mexico, Asia, South America and the US, in addition to recruitment in Alberta, British Columbia, Saskatchewan, Ontario and Manitoba.

Increase Accessibility to ACAD Degree Programs

The College will focus on increasing the number of articulation agreements with other institutions for students to transfer into 2nd or 3rd year. This approach will enable students to get the most from Campus Alberta by generating seamless transitions to ACAD for all qualified and interested students.

To enhance a seamless transition between the K-12 and the post-secondary systems, the College plans to enhance accessibility through expanding two key programs. The Pre-College Program (designed to provide high school students with an intensive summer experience in studio-based learning while acquiring three studio-elective credits applicable to ACAD's first year in a degree program) will be targeted for increased enrolments. As well, the highly

successful Artstream program (a collaboration between ACAD and Bow Valley College to provide assistance in transitioning students with good portfolios but lower academic achievement in the required academics) will be targeted to double enrolments by 2013.

To enable ease of access for direct entry students and increased opportunities for learners seeking non-traditional pathways to attaining a degree, the College will also be evaluating the adjustments made to the prerequisite requirements for academic programs in the upper years. This initiative combined with the increased efforts in expanding the recruitment of international students, increasing the spaces for transfer students from other post-secondary institutions, and improving retention through a focused enrolment management plan and strategy, is expected to increase enrolments at the College over this plan period. This plan assumes a 1% per annual growth of demand for College degree programs. Our 2009 enrolment was a record breaking 1,318 students, more than any year in our College history and a similar result was experienced for 2010.

2. ADDRESSING FINANCIAL CHALLENGES AND OPPORTUNITIES

Strategic Goal: VIABILITY

To develop and allocate resources that effectively achieves our mandate, mission and vision.

Challenge 1: Managing resource requirements

Prior to the recent economic downturn in Alberta the College, like many other post-secondary institutions, experienced a period of relative prosperity. Years of significant growth in operating grants had enabled the College to attend to some long-standing issues such as redressing the faculty ratio, defined as the relationship between the number of full time and part time faculty employed at the institution. For many years ACAD was not able to meet its contractual commitment but by the end of fiscal 2010/2011 will have done so. The College still faces the reality of a permanent faculty base that is demographically ready to exercise retirement options. Strategic planning is in place, concomitant with the ratio agreement, to position the College to weather such disruptions with the least impact for the student experience. Some under-resourced activities like computing and technical services have also been addressed so that structurally we are better able to respond to the increasing technological needs of the College.

Increases in institutional funding have not in recent years been restricted to the traditional operating streams of grants and tuition. The tremendous success in fundraising over the last few years, coupled with generous matching from the province for the vast majority of it, has permitted the College to address a number of areas of need with one-time funding. Examples of the strategic use of this funding include resources to rebuild the health and safety infrastructure at ACAD, the provision of notebook computers to all full-time faculty, the purchase of academic equipment for the studios, support for publications from the Illingworth Kerr Art Gallery, which in turn was leveraged to support enhanced gallery exhibitions,

increased provision for faculty and student exchanges with other art colleges, and enhanced scholarship opportunities for our students.

The result of these years of success has been that the College has been able to build a number of financial reserves to enable the College to sustain investments in critical program areas, needed technology infrastructure, and essential supports for students over the next few years despite the challenges of the current economic downturn.

The onslaught, during the last two years of the world-wide economic recession has meant that the tapestry has changed. The freezing of operating grants for the fiscal year beginning in July 2010, and potentially the same for the following year, has presented a significant challenge in order that our programs and services do not deteriorate. We are also seeing a greater reticence amongst potential donors to give and our expectations are that we might be less successful in our fundraising efforts for the next year at least.

One of the more significant questions is how will the College cope with provincial funding that is no longer increasing at previous rates, if at all. In the short term, i.e., one year, it would be expected to fare quite well. As at June 30, 2009 the Unrestricted Net Assets of the College stood at \$2,842,318 and internally restricted net assets represented a slightly smaller amount, \$1,744,716. So in the simplest of terms ACAD would be able to weather a single year of a grant freeze with only mild inconvenience to its operations. However, even if the College has funds in reserve to navigate this situation, the use of such funds means we cannot use those funds to achieve other things within the College. It is therefore likely that to ensure the College is able to sustain current programs and service levels other measures will at the very least be required to complement such a short-term strategy if revenues continue to lag behind required expenditures.

If a freezing, or even worse a reduction, in grants extends beyond 2010, then the challenge becomes much greater, and the breadth of approaches to the problem would reflect that scenario. Clearly it will require a more strategic approach to balancing the budget and items such as complement reductions, and program cuts become possibilities. We believe, of course, that such measures should always be part of systematic review of resource utilization, but it is also clear that the necessity for such measures might well become more imperative. Reductions of up to 10% in discretionary expenditures were initiated to balance the 2010 Budget and these reductions will likely have to be continued over the next few years.

The economic decline also puts pressure on the other main source of revenue, student tuition. The cooling of the economy has meant that the rate of cost inflation in Alberta has slowed down, and since the permitted tuition rate increases are tied to the rate of inflation, it means that the growth of tuition revenues will also slow. This is not a negative thing for our students as it means that increase in tuition costs will slow and directly impact affordability of post-secondary education for each of them.

However the cost of running the Alberta College of Art + Design is not tied to revenue in a direct relationship, so that effectively the cost of labor settlements, and increased utility costs, to name a few, will still rise, at least in the short term. It will be necessary to attempt to control these costs in the intermediate term, meaning that the stage has now been set for the summer

and fall of 2010 for potentially more difficult labor agreement negotiations in an attempt to control rising labor costs at ACAD.

Challenge 2: Creating an effective budgeting approach

During the winter of 2009 the College undertook a “zero-based budget” process relating to non-salary expenditures. While the exercise itself produced only preliminary results for the short term, it established the foundation for future budget years.

A report was generated with 17 recommendations that are expected to have a long-term impact on the financial planning decisions at the College. These were adopted in principle by the senior management of the College in 2009 and have guided the preparation of budgets for 2010. They will guide the preparation of future year budgets as well. They are as follows:

- There should be an annual professional development day for department heads, held in either late May or prior to the start of classes in late August or early September. One of the ongoing topics should be an introduction to the budgeting process as well as training in how to prepare a budget.
- All budgeting, and especially incremental budget requests, should be tied to the current strategic plan of the College.
- During the 2009/2010 fiscal year, the Finance Office, in concert with Academic Affairs, should carry out a detailed costing exercise to determine the cost per full course equivalent to deliver the 13 majors in the College. This exercise should provide data over at least a five-year time frame, include all variable costs, and include selected overhead costs such as utilities and the Luke Lindoe Library. This costing data should be provided to the Academic Division for planning purposes.
- The College should plan to undertake a full-fledged zero-based costing exercise (including salaries) during the 2010/2011 academic year (to inform the 2011/2012 budget development). This exercise should take into account the results of the proposed costing exercise, the potential move to a new facility, and the results of the enrolment management plan.
- All academic departments should plan their equipment renewal and acquisitions on a multi-year basis to ensure the replacement of costly pieces of equipment that cannot typically be funded in any one budget year are taken into account. To aid in the process a College-wide inventory of all equipment should be undertaken and a lifecycle chart should be developed for each piece.
- The College needs to set aside more capital budget dollars to ensure that current equipment is maintained and replaced on a timely basis. A further \$500,000 per year is needed to take care of current facility and equipment needs. The College should strive to carve out an incremental \$50,000 each year from the operating budget for a ten

year period to fund capital needs (building to an additional \$500,000 in the budget after ten such increments).

- We support the continued centralized management of the technicians. We believe that the appropriate technician coverage of the College needs to be determined on a centralized basis and if necessary, further funding should be provided for that coverage. Further their use across all College departments should be reviewed so that they are utilized on a consistent basis, particularly as it relates to duties and functions that should lay with faculty.
- In tandem with the review of technicians the academic division should undertake a division-wide review of the role of monitors. If possible, a single job description should be developed and the use of monitors should be reviewed to determine the feasibility of integrating their use during evenings and weekends, with the role of the technician. Also the College should review whether it should move to an assistantship-type basis for the use of monitors (set pay for a given number of hours each term).
- An enrollment management plan should be developed by the College. In particular the school should develop a set of key performance indicators to measure whether we are receiving value for our recruitment strategy, notably as they relate to the recruitment travel and Viewbook expenditures, as well as the development of enrollment plans for various majors in the College.
- A College-wide review of miscellaneous student charges should be undertaken during the fall of 2009. In particular the Academic division should develop uniform requirements for the provision of supplies by students versus the College. Additionally, to assist in future review of this subject, the Bookstore should seek software modifications in order to track supplies purchases by major.
- The College Cabinet should review the role of exhibitions in the Illingworth Kerr Gallery and clarify expectations as to what level of external fundraising, if any, is required.
- The office of the Vice President Finance and Corporate Services should undertake a review of the purchasing function of the College.

Challenge 3: Managing capital expenditures

Post-secondary institutions are capital-intensive organizations and ACAD is no exception. The institution has reached what is in essence a critical junction in that it must begin to fund, in a sustainable way, the capital renewal of the institution. We have undertaken over the past two years studies to determine the cost of capital renewal of our facility furniture and equipment, so this number does not include expenditures related to infrastructure. Utilizing *conservative*

assumptions as to renewal frequency we estimate the cost to renew existing infrastructure (computers and related information technology infrastructure, studio and classroom equipment, furniture, leasehold improvements) at a minimum of \$750,000 per annum. This does not include spending for similar types of expenditures for new initiatives or the expansion of existing ones. Currently, in any given year, we are only able to allocate approximately \$200,000 per year. The gap is extremely large and it is critical we begin to address this immediately.

We have had success over the last few years addressing this need in other ways. Access To The Future Funding over the last three years has allowed us to set aside \$650,000 for studio and Information Technology renewal that would otherwise have been part of the gap noted above. Additionally it has allowed us to set aside funding for new projects such as the development of an intranet for the College and technological infrastructure for a mandatory laptop program. As noted previously the expected fundraising challenges that lie ahead will cause some of this opportunity to dry up, even if the province continues the program itself. For the future we believe that we will be challenged to incorporate increasing levels of equipment renewal in to the operating budget, but that it is absolutely critical to do so if we hope to meet ongoing needs for this renewal.

In the past we have documented our pressing need for a new facility in a downtown location. We feel that such a facility would provide us with updated facilities, bring us closer to the arts community of the city, and provide a unique identity for the College. The simple fact is that to accommodate our growth projection, the existing facility is not adequate. Nor is it adequate when you consider that the building is now well on its way to its fortieth birthday. The requirement for a new facility cannot be framed in the sense of providing a new facility or not, but instead the question will increasingly be framed as “if not a new facility, then what?” It is our sincere hope that by the end of the period covered by this planning document, that this latter question will be answered, and in a way that serves the College for the next forty years of its life.

In the meantime we continue to work to improve the facility that we have. During the past two years we have replaced all three elevators in the facility, utilizing money made available by the province through infrastructure renewal funding. We are carrying out renovations, notably washroom upgrades, utilizing money provided by the province, to address accessibility issues in the building. The College completed projects to make the entire facility wireless and installed card readers and security cameras. We also have an initiative underway to address internal and external signage and have already made some notable improvements. In the future we will be looking at ways to improve the entrances to our facilities as well as to accommodate our planned entry into Master degree programming at the College.

Challenge 4: Maintaining our current facilities and infrastructure in the face of new developments.

Deferred Maintenance of facilities

The ACAD facility was evaluated as part of the Post-Secondary Evaluation Project in 2000. The building condition summary contained in the report established the value of outstanding

deferred maintenance for the building in the range of \$4.2 million. A follow-up review was carried out in the winter of 2009 but we have yet to receive updated values.

Each year the College receives infrastructure renewal funding from the province. In our case it is divided into two sums, half of which goes to SAIT and the other half comes to the College. In both cases the money is to be used for infrastructure renewal purposes. During the last few years SAIT has utilized this money to renew portions of roofing to replace the two main elevators in our facility. For our part we just completed heating, ventilation and air-Conditioning (HVAC) retrofits in the studios areas of the College (1st, 4th and 5th Floors). In conjunction with the study that identified the need for HVAC renovations, we are also in the final stages of completing a \$ 1.7 million critical renovation to the heating, ventilation and air conditioning facilities relating to the administrative wing of the College. Related to that, we are studying efficient usage of administrative spaces impacted by that work so that we might leverage that work to carry out changes to them.

We have also received over \$500,000 from the provincial government in 2009 to address accessibility issues. These funds have been used to upgrade the third elevator in the facility as well as address entrance issues, and to renovate two washrooms in the building.

Given that the facility is now over 35 years old, we are at maximum capacity, and the uses of the building have evolved since its construction, the need for deferred maintenance spending and renewal of the facility will increase at a rapid rate. While we are hopeful that a new facility will ultimately be approved, we are becoming increasingly aware that the discussion about the facility will need to evolve from one of replacement driven by enrollment demand to one of replacement driven by deteriorating facilities and enrolment demand. The difference in argument, although leading to the same conclusion, is not insignificant. It relates to the urgency of the need and it will be our task to drive that point home in the coming months and years.

College Expansion

As noted in previous plans, and in addition for reasons noted above, we continue to pursue a new facility that will be approximately 490,00 square feet in size and able to accommodate (at a minimum) up to 1,500 students (both numbers verified by province at this point). We believe that most recently due to the recession, the likelihood of the construction of the facility being approved within the next two years is remote. We believe that this potential delay will limit the possibility for the development and evolution of the College's programs, as well as our ability to achieve the goals outlined in our institutional access plan, so we will continue to put the replacement of the current facility at the top of our strategic goals for the College.

Health and Safety

We are two years into the development of a restructured and sustainable health and safety model for the College. In 2009 we moved to put into operation the structure that had been designed the year before, notably the restructuring of the Health and Safety committee, completion and review of the health and safety manual, development of a safe practice manual, training of various stakeholders in hazard identification, and development of an emergency response plan. We began by devoting three days at the start of the school year to workplace inspections across the College. We pulled together the structure for an incident investigation team which over the past two years has been active in investigating, analyzing and making

recommendations on accident/near-miss incidents. We have carried out air quality testing in various parts of the facility and have substantially completed an equipment inventory of the facility. Completion of this undertaking in 2011 will be followed by the development of an inspection program to ensure that all equipment is safe to operate.

The proper recording and communication of health and safety information is critical to achieving success in a COR (Certificate of Recognition) audit. The Director of Communications is now supporting a communications strategy for the health and safety function that will use the intranet for this purpose in the future. To support the dissemination of information and the recording of health and safety meetings the College has also allocated a half time administrative support staff to assist with these activities.

While we have made significant strides with the health and safety structure there are challenges to ensuring its sustainability. We are still optimistic that we will seek certification in the fall of 2010 or early 2011.

3. ADDRESSING CHANGING NEEDS RELATED TO TECHNOLOGY INTEGRATION, AND ALTERNATIVE DELIVERY

Strategic Goal: INTERNAL

To create and maintain effective channels of communication for the sharing and delivery of information throughout the organization and between all constituencies, and to establish and implement practices that directly contribute to the engagement of all members of our internal community.

Challenge 1: Implementing an ACAD Technology Plan

In the spring of 2008, after two years of development, a strategic academic technology plan titled Academic Technology Philosophy was completed by the Academic Division. It was a comprehensive review of the status and future role of technology within the College. The goals of the technology plan were articulated as follows:

- To provide ACAD with sustainable and effective access to technology including: digital, non-digital and hybrid technologies to enhance a vibrant learning environment.
- To increase student, faculty, staff and administration skills and ability to fully benefit from these technologies and their tools.
- To enlarge our sphere of influence, through student achievement, and faculty research and practice.
- To improve ACAD's ability to use technology to position itself as a leader in contemporary art and design education.

The plan identifies a series of action plans associated with each goal. Considerable progress on a number of the action plans has already been made. Notable achievements and progress plans are as follows:

Establish appropriate wireless and wired connectivity across the College. Over the spring and summer of 2008 the facility was converted to full wireless capability.

Implement mandatory laptop program for incoming students. During the winter of 2009 the Cabinet, based on recommendations from an implementation committee struck to study the feasibility of this program, approved the adoption of a mandatory laptop requirement for all incoming students beginning with the fall semester of 2010. Within four years of that date it is expected that all students will be required to have a laptop computer.

The College struck an implementation group to oversee and coordinate the actions required to achieve this goal. In reviewing the implementation requirements, it was determined that the pedagogical and fee implications of this program require some further study. In the interim, and before final decisions to implement are made, and as the project will place strain on an electrical system that is already in need of upgrade, the necessary corrections and upgrades to the facility have been completed to accommodate the expanded use of laptops by students in a number of high use classroom and studio spaces. Final decisions regarding this initiative are expected by the fall of 2010.

Integrate the budgeting and acquisition process of digital technologies within the wider process of the acquisition of technology – campus wide, in order to integrate such technologies with existing technologies and to ensure that those are also updated accordingly. The Computing and Technical Services group has developed an “evergreen plan” to identify the resources required to keep our existing information technologies resources current. They have identified in excess of \$350,000 per annum that is required to carry this out. By contrast the total capital budget funding available, including funds required for new initiatives, is slightly over \$200,000. As noted elsewhere one of the challenges facing the College is the identification of sufficient capital resources to keep information technology, teaching and administrative equipment, and the facility current.

Expand input and output resources and digitize library holdings where effective and as copyright allows. This has been underway now for the last two years and it is anticipated that the collection will be fully digitized by the end of the time period covered by this plan.

Migrate from traditional labs to shared professional-level facilities. This has been under active development for some time. In the fall of 2008 the College acquired a laptop “cart” containing 22 notebook computers; in effect a computer lab on wheels. It was developed as a pilot project as both a stand-alone project but also to study the effects of a program that would see all students in a given classroom utilizing machines. Given the success of this pilot project the College will be expanding its use and application of the laptop carts in 2010 and future years. An additional cart is being planned for purchase for the fall of 2010.

Reaction to other action items contained in the plan will be developed. Given the rapid pace of change still associated with information technology, it can be expected that the plan itself will be revised in the next couple of years.

Information Assurance

As part of the audit process associated with the fiscal year end (June 30, 2007) the Office of the Auditor General (OAG) made a series of sweeping recommendations to the College related to information technology. The College responded by contracting the services of a consulting firm to carry out an information assurance audit and Control Objectives for Information and Related Technology (CoBiT) assessment, and they presented their findings in the spring of 2008. The recommendations contained therein were comprehensive and necessitated a multi-year approach in order to achieve substantial success.

In response to the information assurance audit and related recommendations, the College has undertaken a number of initiatives over the past two years.

- A needs assessment of the College was completed in 2008 by staff of the College's Computing and Technical Services department. Representatives from all departments were interviewed regarding the current state of their information technology uses (what are the various processes within their departments and how are they carried out, i.e. computerized versus manual, and if software, what type and how does it integrate with other systems within the College). Findings were presented to those departments to a) ensure that they had documented the processes properly, and b) to obtain feedback as to what they saw, from a departmental perspective, as the ranking of priorities within their department. The findings were then summarized into an Information Assurance and Technology Plan (IAP) that included a high level project plan with identified priorities.

The IAP was presented to members of the senior administration to enable them to gain a College-wide perspective on the information technology priorities for the College over the short and long term. The proposed plan and identified projects integrate effective IT governance with IT operations in the context of ACAD's size and culture. The plan essentially will improve IT service delivery (control and operations) over the next three to five years. Benefits expected from the plan include a greater demonstration of regulatory compliance, enhanced College reputation through improved service delivery, and more timely, accurate and complete information through better business and IT integration, performance management, and improved project costing and planning.

- Over-arching policy and related procedures have been developed to complement the College's Technology Plan and associated controls for improved IT security and risk management. These have now been approved and will be used by the College community to develop awareness and understanding of the new procedural structure and content. A vulnerability assessment is expected to be completed in the fall of 2010.
- With the adoption of the Plan in 2009 by senior management, implementation of a number of key short to medium term projects have been initiated or completed including the development of a college-wide intranet system that was launched in 2010. Other projects have included the near completion of an endowment management system, a faculty laptop refresh program completed in 2010, the integration and go-live of the Alberta Post-secondary Application System in 2010, and

a system integration project for improved information management completed in 2009. Capital priorities for additional projects will be established by the College over the period of this plan to be consistent with the identified priorities within the IAP.

Additionally we are cooperating fully with the Department of Advanced Education and Technology as they work with colleges to implement an Institution Information and Technology Management Control framework. As well the College continues to explore the potential advantages of a centralized administrative system with six other AACTI institutions.

The College has taken a leadership role in responding to the concerns raised by the Auditor General nearly two years ago. We are pleased to note that in the Report of the Auditor General of Alberta in April of 2009 we were cited as one of two institutions in the province who had “made significant progress resolving problems and improving controls this past year.” We expect the implementation of the response to the information assurance audit and CoBiT assessment to be complete by the end of June 2011.

4. ADDRESSING EXTERNAL DEVELOPMENT OPPORTUNITIES

Strategic Goal: EXTERNAL

To position the institution as an important contributor to cultural development in our community and society, and to craft a role for the institution as a catalyst for creative development within regional, provincial, national, and international communities.

Challenge 1: Expanding community engagement with the College

We continue to reach out to the external community through our event programming, and we will continue to do so in the years to come. In the past year, the College held the fourth annual President’s ACAD Smart Night, as well as an intensive series of visiting artist lectures to which the community was invited. We will continue to focus on creating a dialogue within the Calgary region and the Province of Alberta and beyond as to our evolving community and the relationship of the arts to the collective experience. Within the next year, we look forward to our next iteration of the Stirring Cultures series, as well as other forms of increased programming for our external community.

The ACAD President’s Circle will also continue through the next three years. The President’s Circle membership re-opens each June, with the start of another year of exciting programming for our members. The President’s Circle memberships serve to fund important activities at ACAD, such as those in support of internationally recognized visiting artists and designers.

The Illingworth Kerr Gallery will continue to expand its increasingly high-profile exhibition and publication programs to expose the region to some of the most significant artists of today. These exhibitions will continue to be profiled nationally and internationally through developing more traveling exhibitions, an expanded publication program, and expanded collaborations with provincial, national and international partners. The development of these traveling exhibitions and partnerships are being designed to bring added revenue streams to off-set the funding

challenges for the gallery in maintaining its ambitious program of academic and community engagement.

The Extended Studies Department continues to develop and expand community programming, providing not only opportunities for community engagement but by providing alternative pathways to assist non-traditional learners in attaining degrees over an extended time frame to accommodate the personal and family commitments of this group of students.

Challenge 2: Continuing revenue generating activities related to ancillary operations

Traditionally ACAD has been somewhat restricted in its ability to bring new revenue streams to the table. Predominantly the ancillary operations consist of the Bookstore and Extended Studies. In the case of the bookstore it is operated on a break-even basis, although it effectively carries out the purchasing function for the College, which would result in additional costs for the institution if it did not exist. The Bookstore actually generates limited revenue from book sales; their predominant revenue streams come from sale of program supplies to students and internal “sales” to departments within the College. Most new revenue streams examined to date would effectively flow from students and it is an implicit guideline that the College will not unfairly impact the total cost of attendance at Alberta College of Art + Design through the introduction of larger gross margins. It is logical, however, that should a move to a new facility take place, we would explore other possible arrangements to see if the potential existed to deliver the service more effectively.

In the case of Extended Studies the experience within that area over the last several years points to a picture of increasingly profitable operations. Extended Studies has been successful in recent years realizing gains from what might be considered to be “low-hanging fruit” in terms of efficiencies and new programs, but as we move forward ACAD will need to formalize its appetite for risk surrounding potential new programs as we explore some of those opportunities. For example the enrolment of community members non-degree registrants) in Extended Studies credit courses has essentially been flat for the past few years at around 170. This presents an opportunity for improvement. While we do not budget a net contribution from that area as of yet, as we move forward we will continue to explore potential programs that would either generate a net income or realize other objectives, such as enhancing the institution’s reputation amongst potential students. In this regard, and of some concern, is the growing number of credit registrations by degree program students over the past two years. Plans to increase access by students to regular semester programs are currently being developed for 2010 -2011.

For the past many years the cafeteria operations have been in the hands of the Alberta College of Art + Design Student Association (ACADSA). The operations will however be returning to the College effective the fall of 2010. The College has entered into a five year service contract with an operator to provide the required service based on reimbursable costs plus a management fee. This model will provide stability and consistency in fees with flexibility and control over service delivery to the College.

Challenge 3: Continuing revenue-generating activities related to fund development

We have had tremendous success in recent years attracting individual and corporate investment in the College. During the past four years we have received in excess of \$3.3 million from the government in Access to the Future program matching funds. That is significant for an institution of our size. It is a question, given the recent downturn in the economy, whether we can continue to achieve that level of support, although we will work diligently to do so.

One of the priorities for the College has been the development of a sustainable donor cultivation and management structure. As articulated in recent plans, staffing challenges related to an extremely vibrant economy has slowed down this process somewhat but there is a feeling that critical staffing is now in place so over the next few years the new infrastructure will be increasingly realized. Over the last year a detailed study of the advancement software was undertaken and the College has settled on a software tool that will replace the Microsoft Access based system currently in place, and we expect that the implementation of this software will be completed during the 2009/10 fiscal year. This software will help ACAD communicate better with our supporters and strengthen our relationships with high-value donors. The new system will support planning by allowing ACAD to maintain a single, up-to-date view of our constituents, identify high value prospects and strategically plan for ACAD's growth in the Advancement area.

Challenge 4: Developing community awareness of the College.

We continue to build relationships with our external community through increased media contact, external ACAD newsletters and invitations to the community to join in our on-campus events and programming. ACAD has also focused considerable energies on developing communications mechanisms for our internal community of faculty, staff and students, efforts which will continue through the next three years. Most notably, we continue to develop monthly newsletters to share events, notices and announcements of awards and accomplishments by our faculty and students. The communications strategy employed in this relationship development is based on the board-approved communications strategic plan developed in 2008.

Challenge 5: Maintaining contact with our Alumni

Every time ACAD loses contact with a student after graduation, we lose the potential for a lifetime of support – money that student might have donated to support ACAD if only we would have kept in touch. Alumni relations continues to be an ongoing challenge, made more difficult by the great distance between our home here in Calgary, and the lives of many of our graduates. With our new system in place, ACAD will be able to track alumni, stay better connected with potential friends and supporters, communicate effectively and cost efficiently, and avoid mistakes with non-supporters.

5. ADDRESSING THE DEVELOPMENT OF OUR INTERNAL COMMUNITY

Strategic Goal: ETHOS

To establish and sustain a respectful and inclusive environment that fosters diversity, individual empowerment and personal progress, within the context of a premier cultural institution.

Challenge 1: Staffing and recruitment related to ACAD Administration

During the past two years the College continued to be engaged in multiple recruitment activities for key management and exempt positions. Positions filled included the Provost and Vice-President, Research + Academic Affairs, the Senior Vice President, Finance & Corporate Services, the Senior Financial Analyst, the Assistant Registrar, the Vice-President for Advancement, the Director of Communications, the Director of Advancement and Alumni Relations, the Manager of Advancement Services, the Director of Student Experience, the Director of Financial Operations, the Manager, Security + Access Control and the Student Advisor. Effective May 2009, the planned transition to our new Vice-President, Student Experience + Admissions position was also completed. The incumbent previously fulfilled the role of Vice-President, Research + Academic Affairs. This move recognizes the need to commence the important work of designing a truly comprehensive student experience at ACAD that supports artist and designer education seamlessly, without barriers.

Going forward, new repositioning within Academic Affairs will be undertaken to support the growing complexity and demands of the College's academic administrative needs. This will include the recruitment of a new Dean of Instructional Resources to collaborate with the current Dean of Undergraduate Studies. Reporting to the Provost and Vice President, Research & Academic Affairs, this new position will inspire an engaged faculty and promote further enhancement of a strong academic strategic plan including, setting the direction for creative research and innovative and global approaches to programmatic and instructional development. The Dean, working with a committed team, will promote a dynamic and forward-thinking educational experience for the student body and will contribute to a responsive and collaborative teaching and learning environment by managing faculty affairs, including resources and budgets, in accordance with the College's mandate, vision and goals.

A revised Management/Exempt Performance Planning and Evaluation protocol was developed, distributed and put into effect over the course of 2008-2009 and is now fully functional. Our protocol was developed to provide a collaborative and collegial method to bring out the best efforts of people and direct those efforts towards meeting the goals of the College. It incorporates the concepts of coaching, supporting and developing, review and evaluation and it is manifested through a directed partnership between managers and employees.

In 2009 the College's current President notified the Board of Governors of his intention to step down and pursue other career aspirations. His contributions and leadership to the College have

been instrumental over the past six years in positioning the College for success. A search for his replacement is currently underway and the Board is confident that a new President will be hired that will be equally dynamic and visionary in supporting the College's Mandate, Mission, and Goals, and providing the essential leadership to address the challenges and opportunities outlined in this plan. With the successful recruitment of a new President, ACAD will be positioned to move into the future with a fully staffed management/exempt complement.

Employee retention will continue to be a major focus for the College. We believe the College is somewhat at risk of maintaining its competitive position for the attraction and retention of its management/exempt complement as well as some key support positions, given current budget constraints and the acceleration in hiring within the private sector. With the uncertainty of lower post-secondary funding levels in the future the real risk is now how these funding levels may impact the College's ability to attract and retain key employees. In times of economic uncertainty there is a benefit to publicly-funded institutions with regard to recruitment. However, while personal security issues are important to employees, changing demographics also leads us to be cautious in accepting that security issues are paramount for high-performing employees.

To mitigate employee retention risk, we will maintain the pace of planning and developing transformative training and development opportunities for our employees. Additional one – time dollars have been allocated specifically for this purpose to ensure that the target outcomes positively impact the College in areas that demand critical staff skills and support. Examples of such need are leadership and management skills training, communication skills training, conflict resolution skills, and change management awareness and understanding. It is anticipated that these initiatives will directly impact employee engagement and positively impact employee retention.

With uncertainty ahead of us in terms of our ability to continue to address adequate compensation levels for the management group in particular, ACAD will also be seeking opportunities to enhance and address employment issues in particular. For example, the ACAD climate survey will now be used to provide the opportunity to identify and address employee engagement issues critical for continuing success and look for those initiatives to translate into high retention rates. The management/exempt group has been identified as the group primarily responsible within the College to analyze three years of benchmark data gathered from this survey and to develop strategic action plans for change that will address issues identified.

As another initiative intended to facilitate and influence long term engagement and retention of new employees, the College has revised and implemented the New Employee Orientation Program. Newly hired regular employees participate in an orientation program with other new employees throughout their first year with the College. Small group facilitated learning sessions and a series of "lunch and learn" sessions have been designed to reinforce the engagement and learning of new employees. The response has been positive. The College will undertake an assessment during the summer of 2010 to evaluate and re-design as required the protocol now in place.

Challenge 2: Staffing and recruitment related to ACAD Faculty and Staff

Throughout the past three years, the College has continued to support the strategy of growing a permanent faculty through a vigorous recruitment agenda by searching for new permanent faculty members. This year, 2010, placed us in Year 3 of a three year growth plan with the addition of four new hires. While our current multi-year growth is nearing completion with the continued offering of the College's Early Retirement Program, the College will see continuing need to maintain a robust permanent faculty hiring plan. This strategy allows the College to identify and plan for an orderly succession. ACAD has also continued an annual search for sessional/replacement and extended studies temporary faculty.

Competitive recruitment pressures continue within some of our markets, particularly in the areas of media arts and digital technologies. The College undertook numerous specific recruitment activities throughout 2009-2010 directed at hiring permanent and sessional instructors as well as several support positions. Since 2008-2009 twenty –five faculty positions have been recruited with fourteen recruitment actions occurring for support staff. Activity related to instruction is not expected to decline significantly given the number of retirements forecast unless the College faces continuing and serious budget declines.

Collective Agreement Negotiations

ACAD settled with both the Alberta Union of Public Employees (Local 071/006) and with the Alberta College of Art + Design Faculty Association through 2008-2009. Both settlements covered a two year period ending June 30, 2010. Negotiations with both parties have begun now in 2010 to settle on new agreements for the future. Given the current funding climate for post-secondary institutions, the recent and dramatic change in the economy and other fiscal pressures facing the College the negotiations are expected to be challenging. However the importance of reasonable settlements remains of significant importance for the morale of all staff and for the fiscal health of the College.

Challenge 3: Fostering diversity within the ACAD Campus

The Diversity Advisory Committee (DAC) is a standing committee reporting directly to the President. Members of the Diversity Advisory Committee include representation from all employee groups and the Students' Association.

The Diversity Advisory Committee (DAC) provides leadership to ACAD in developing a community that is diverse, respectful, inclusive and equitable. To this end, it will facilitate the organization and/or promotion of processes, projects and events that will increase awareness and understanding of discriminatory and harassing behavior and systemic discrimination, and provide members of the College community with the tools necessary to initiate individual and systemic change.

The Committee continues to provide links between our external community partners and members of the ACAD community through educational opportunities.

Challenge 4: Systemic Change at ACAD

Over the past year or so, much emphasis has been placed on working with the Academic Division and focusing project support and effort to facilitate opportunities for curriculum review and development and teaching and learning strategies to support an inclusive and respectful environment within a framework of global perspectives. Considerable time and effort has also been dedicated to facilitating training and development opportunities to link with our overall training and development opportunities and to create sustainable practices for the future. Knowledge, behaviors, responsibilities and accountabilities in terms of a respectful workplace have been targeted to managers and staff throughout the year in each and every offering.

Completion of a planned Systemic change initiative arising from prior year grants received from the Multiculturalism Program of the Department of Canadian Heritage, and the Alberta Community Development's Human Rights, Citizenship and Multiculturalism Education Fund, placed a diversity competency lens over the College's practices, building action and accountability into the valuing of diversity. The work undertaken through the project will be continued by all members of the College community while accountabilities for changing directions and continuing efforts will continue to be assumed by the management group within the College.

Each year the College extends a day long planning session to all faculty and staff to explore change initiatives, and innovative practices and themes that present opportunities for critical inquiry and leadership at the College. In 2010, for example, topics included academic strategy, teaching and learning in the 21st century, the Student Experience, and the role of the institution. These topics and others are important benchmarks to promote system change initiatives at the College.

OUTCOMES AND PERFORMANCE MEASURES 2010 - 2014

1. OUTCOMES AND PERFORMANCE MEASURES

Enrolment

Enrolments at ACAD are restricted by our 1970's facility, which was constructed to accommodate approximately 750 students versus the 1,100 that we presently enjoy. From 1997/98 to 2008/09, FLE's have grown from 742 to 985, an increase of 243 FLE or 33%. Increases in 2010-2014 will be largely dependent on a move to a new facility and the development of an enrolment management plan that is scheduled for completion in the coming year, and the transitioning to Master level programs at the College.

Graduate Satisfaction

Our 2006 Graduate Satisfaction Survey, released during the summer of 2008, had a response rate of 55% (108 of 195 graduates responded to the survey). Provincially, 89% were very satisfied or satisfied with the quality of the teaching in their programs, and 91% were very satisfied or satisfied with the overall quality of their educational experience.

Employment Rate

Our 2006 Graduate Employment survey had a response rate of 55% (108 of 195 Program completers responded to the survey). Of those who responded, 93% were either employed or self-employed, the same as in the previous survey of 2004. New survey data is not yet available to assess trends .

2. ADMINISTRATIVE EXPENDITURES

Administrative Expenditures compared to Institutional Expenditures

ACAD administration expenditures as a percentage of total institution expenditures are higher than they would be in a larger institution. ACAD, as a small College, is not able to take advantage of economies of scale available to larger institutions. The establishment of an efficient and effective administrative infrastructure to support programming and students is essential for every institution, and there are core functions required in every institution regardless of size. Many of the positions at the College are "one of" positions, requiring either very specific or very broad skill sets. Also, utilities and facility operation expenditures such as security and caretaking continue to increase to form a larger percentage of the total expenditure budget.

PROJECTIONS AND FORECASTING 2010 - 2014

1. FINANCIAL AND BUDGET INFORMATION: 2010-2014 OPERATING BUDGET ESTIMATES

Alberta College of Art + Design Statement of revenue and expense 2010 – 2014 Business Plan (fiscal year ended)

	2014 Estimate	2013 Estimate	2012 Estimate	Board Approved 2011 Budget	Board Approved 2010 Budget	2009 Actual
Revenue:						
Operating grants	12,383,025	12,081,000	12,081,000	12,081,000	12,150,490	12,423,078
Tuition and fees	5,631,476	5,548,252	5,466,258	5,385,476	5,039,605	4,768,956
Extended Studies	860,300	851,782	843,349	834,999	834,999	853,728
Bookstore sales	820,473	804,385	788,613	773,150	745,000	757,483
Sales, rentals and services	343,340	336,608	330,008	323,537	247,305	294,486
Donations, gifts in kind/ fundraising events	249,600	249,600	249,600	249,600	380,000	435,059
Scholarships	155,000	155,000	155,000	155,000	155,000	199,181
Investment income	200,000	200,000	200,000	200,000	380,000	276,580
Earned capital contributions	986,000	986,000	986,000	986,000	806,000	862,842
	21,629,214	21,212,628	21,099,828	20,988,762	20,738,399	20,871,393
Expense:						
Salaries, benefits and allow ances	14,972,672	14,679,090	14,391,265	14,109,083	13,905,029	12,752,908
Supplies and services	5,205,155	5,103,093	5,003,033	4,904,934	4,827,200	5,253,737
Bookstore - cost of sales	403,259	395,352	387,600	380,000	404,000	484,304
Fundraising projects	249,600	249,600	249,600	249,600	380,000	506,600
Scholarships	155,000	155,000	155,000	155,000	210,000	270,325
Amortization & Loss (gain) on asset disposal	1,226,000	1,226,000	1,226,000	1,226,000	986,000	1,207,360
	22,211,686	21,808,135	21,412,497	21,024,617	20,712,229	20,475,234
Excess of revenue (expense), for the year	(582,472)	(595,508)	(312,669)	(35,855)	26,170	396,159
Transfer (to)/from internally restricted net assets	350,000	350,000	350,000	189,000	(1,950,000)	565,446
Acquisition of internally funded capital assets,	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(530,742)
Amortization of internally funded capital assets	240,000	240,000	240,000	240,000	180,000	285,552
Increase (Decrease) in Unrestricted Surplus	(342,472)	(355,508)	(72,669)	43,145	(2,093,830)	716,415
Surplus/Deficit, beginning of year	363,456	718,964	791,633	748,488	2,842,318	2,125,903
Unrestricted surplus (deficit), end of year	20,984	363,456	718,964	791,633	748,488	2,842,318
Internally Restricted net assets, end of year	2,455,716	2,805,716	3,155,716	3,505,716	3,694,716	1,744,716

2. KEY ASSUMPTIONS UNDERLYING BUDGET PROJECTIONS

Budget Projections have been prepared based on the following assumptions:

Revenues

- Annual operations grant increase of 0% for 2012 and 2013, and at the rate of inflation, 2.5%, for the final year
- Tuition increases based on the provincial regulations allowing increase equal to inflation – 1.5% assumed
- No change in student enrolment, based on facility limitations
- Other revenues based on historical activity and generally limited to assumed rate of inflation
- Earned capital contributions based on estimated capital expenditures of externally-sourced funds

Expenditures

- Salaries, benefits and allowances are increased by a standard percentage based on anticipated increases in benefit rates, grid movements, step increases and wage settlements. This category also reflects a planned increase in the number of new faculty positions each year and revisions to the complement of full-time faculty reflective of early retirements, replacements and compliance with our full-time faculty ratio
- Supplies and services increased by a standard range of 2% based on historical activity, with no allowances for extra-ordinary increases in utility rates
- Cost of sales is based on margin rate of sales
- Amortization based on estimated annual capital expenditure and age of assets

Net Assets

- The Board is committed to an objective of a balanced budget based on revenue before expenditures and transfers from internally restricted funds. Remedial budget action will be contemplated before a budget will go forward for the years 2012 to 2014 that would allow such a deficit
- The change in internally restricted net assets reflects use of annual allocations of internally restricted funds for purposes approved by the Board, primarily for projects or initiatives of a limited term or capital nature
- Internally restricted net assets will be allocated from available surplus annually as operating surplus allows

3. CASH FLOW 2009– 2010

Alberta College of Art + Design statement of Cash Flows

	Budget 2010	Actual 2009
Operating activities:		
Excess of revenue over expense	\$ 26,170	\$ 396,159
Non-cash transactions:		
Earned Capital Contributions	(806,000)	(862,842)
Amortization	986,000	1,207,360
Loss on disposal of capital assets	-	-
	<u>206,170</u>	<u>740,677</u>
Changes in non-cash working capital	<u>(500,000)</u>	<u>1,605,134</u>
Cash generated from operating activities	<u>(293,830)</u>	<u>2,345,811</u>
Investing activities:		
Purchase of capital assets:		
Internally funded	(350,000)	(248,121)
Externally funded	(400,000)	(680,732)
Debt Funded	22,000	(106,453)
Decrease (increase) in non-current cash and investments	<u>(1,500,000)</u>	<u>(136,124)</u>
Cash used in investing activities	<u>(2,228,000)</u>	<u>(1,171,430)</u>
Financing activities:		
Increase in capital contributions receivable	-	54,162
Capital contributions received	400,000	328,162
Long-term Lease	12,000	68,231
Payment on Capital Lease	(17,000)	(22,775)
Endowment Contributions	<u>1,700,000</u>	<u>191,959</u>
Cash provided from financing activities	<u>2,095,000</u>	<u>619,739</u>
Net increase (decrease) in current cash and investments	(426,830)	1,794,120
Current cash and investments, beginning of year	<u>11,288,925</u>	<u>9,494,805</u>
Current cash and investments, end of year	<u>\$ 10,862,095</u>	<u>\$ 11,288,925</u>

4. TUITION FEE PROJECTION

1. Tuition Fee Policy Compliance

In 2009/2010 ACAD students paid credit tuition of \$143.08 per credit regardless of course load. For 2010/2011, the consultation process, mandated by the Minister, took place with student government.

2. Tuition Fees As Approved by the Board for 2010–2014

At the February 24th 2010 Board meeting the Board of Governors approved the following tuition fee increases on a per-credit basis for the 2010-2011. The remaining years are projected assuming an inflation rate similar to the rate used for financial projections for the 2010 increases:

Domestic Tuition

2010/2011	to \$145.23 per credit
2011/2012	to \$147.40 per credit
2012/2013	to \$149.61 per credit
2013/2014	to \$151.85 per credit

International Tuition

2010/2011	to \$466.56 per credit
2011/2012	to \$480.56 per credit
2012/2013	to \$494.97 per credit
2013/2014	to \$ 509.81 per credit

5. ENROLMENT

Enrolments at ACAD are restricted by our 1970's facility, which was constructed to accommodate approximately 750 students versus the 1150 students that we presently enjoy. The College has undertaken a Facilities Utilization Study that, in conjunction with the a plan to extend course scheduling over a longer period during the day as well as including Saturday into regular degree programming, will allow the facilities to accommodate the College's planned growth to 1100 FLE's by 2011. The consequent growth projections to 1247 FLE's by 2013 assume an expansion of the current facilities.

ACAD ACCESS GOALS: INCREASES IN FLE

BLACK indicates historical data **RED** indicates projections

Retention goals for enrolments

- Goal for First Year Studies retention - 79% by 2011 (average FYS retention over six years for AICAD 2nd quartile schools)
- Goal for degree completion - 69% by 2012

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
	%	%	%	%	%	%	%	%	%	%	%
FYS1 retention	75.60	74.50	71.00	71.10	70.20	71	73	75	77	79	79
2nd Yr retention	93.7	78.5	81.1	82.6	80.6	82.1	84	87	91	95	95
3rd Yr retention		91.5	92.5	94	91.7	96	92	94	96	96	96
4th Yr Completion			91.8	89.8	97.2	96	96	96	96	96	96

Headcount/FLE Growth through Retention

- Retention Goals applied to current enrolments & projected into the future
- FLE calculations assumed to increase from .84 of headcount to .85 with success of advising initiatives

400 (316) = Enrolments entering (Retained Enrolments)

Yellow = Current years
Green = Transition
White = Retention Goal Achieved

	2004	2005	2006	2007	2008	2009	2010	2011
FYS Entry + FYS2			395	405 (284)	396 (280)	414 (302)	400 (300)	400 (308)
2nd Yr				280 (224)	284 (233)	280 (249)	302 (262)	300 (273)
3rd Yr				240 (192)	224 (215)	233 (214)	249 (234)	262 (252)
Completed				197 (22)	192 (163)	215 (206)	214 (205)	234 (225)
Total Head count	1106	1111	1124	1122	1096	1142	1165	1196
Total FLE			944.16	942.48	920.64	959.28	984.425	1010.62

FLE calculation = Head count X
 .84 progressing to Head count
 X .85

0.84 0.84 0.84 0.84 0.85 0.85

	2012	2013	2014	2015	2016	2017
FYS Entry + FYS2	400 (316)	400 (316)	400 (316)	400 (316)		
2nd Yr	308 (293)	316 (300)	316 (3009)	316 (3009)		
3rd Yr	273 (262)	293 (281)	300 (288)	300 (288)		
Completed	252 (242)	262 (251)	281 (270)	288 (276)		
Total Head count	1233	1271	1297	1304	1304	1304
Total FLE	1048.05	1080.35	1102.45	1108.4	1108.4	1108.4
<i>FLE calculation = Head count X .84 progressing to Head count X .85</i>						
	0.85	0.85	0.85	0.85	0.85	0.85

80 Additional Home Studios
96 Additional Home Studios

Transfer Students

- Calculated at 10% growth to 2015
- Enrolments in Yellow included in preceding Headcount/FLE Growth

	2005	2006	2007	2008	2009	2010	2011
FYS	0	0	0	0	0	0	0
2nd Yr	20 (16)	10 (8)	17 (13)	18 (15)	8 (6)	14 (11)	15 (12)
3rd Yr	11 (10)	16+24 (36)	8+9 (15)	13+13 (25)	15+14 (21)	9+17 (24)	11+19 (29)
Completed		10 (9)	36 (35)	15 (14)	25 (14)	21 (20)	24 (23)
Total Head count		0	0	44	37	61	69
Total FLE = Head count X .84 progressing to Head count X .85		0	0	36.96	31.08	51.545	58.305

	2012	2013	2014	2015	2016	2017
FYS	0	0	0			
2nd Yr	16 (13)	18 (14)	22 (18)			
3rd Yr	12+21 (33)	13+23 (34)	14+25 (37)			
Completed	29 (28)	33 (32)	34 (33)			
Total Head count	78	87	95	99	99	99
Total FLE = Head count X .84 progressing to Head count X .85	66.3	73.95	80.75	84.15	84.15	84.15

20 Additional Home Studios
19 Additional Home Studios

Artstream

- Goal of doubling enrolments by 2013

	2005	2006	2007	2008	2009	2010	2011
Total Head count	27	22	22	21	20	24	28
Total FLE = Head count X .42	11.34	9.24	9.24	8.82	8.4	10.08	11.76

	2012	2013	2014	2015	2016	2017
Total Head count	37	44	44	44	44	44
Total FLE = Head count X .42	15.54	18.48	18.48	18.48	18.48	18.48

Extended Studies Credit (Community)

- Goal of increasing enrolments by 5% per year

	2006	2007	2008	2009	2010	2011	2012
Total Head count	182	201	186	195	205	215	226
Total FLE = Head count X .11	20	22	20	21	23	24	25

	2013	2014	2015	2016	2017
Total Head count	237	249	261	274	288
Total FLE = Head count X .11	26	27	26	30	32

Pre-College Programs

- Goal of increasing enrolments by 50% by 2013

	2006	2007	2008	2009	2010	2011	2012
Total Head count	29	36	30	20	22	24	27
Total FLE = Head count X .1	2.9	3.6	3	2	2.2	2.4	2.7

	2013	2014	2015	2016	2017
Total Head count	29	32	35	39	43
Total FLE = Head count X .1	2.9	3.2	3.5	3.9	4.3

Projected FLEs

	2008	2009	2010	2011	2012	2013
Total with growth in Retention / Transfer	957.6	990.4	1036.0	1068.9	1114.4	1154.3
Total with growth in Artstream & Extended Studies	986.9	1022.2	1070.8	1106.8	1157.4	1201.8
Total with growth in 1% Calgary Region Population				1125.4	1171.9	1234.1
Total with growth in Graduate Programming				1130.4	1181.9	1252.1
<i>Annual growth year over year</i>		32.4	48.6	59.6	51.5	70.2

	2014	2015	2016	2017	
Total with growth in Retention / Transfer	1183.2	1192.6	1192.6	1192.6	
Total with growth in Artstream & Extended Studies	1232.3	1240.7	1245.2	1247.1	
Total with growth in 1% Calgary Region Population	1259.5	1273.0	1272.4	1279.4	
Total with growth in Graduate Programming	1285.5	1307.0	1314.4	1324.4	
<i>Annual growth year over year</i>		33.4	21.5	7.3	10.0

	2004	2005	2006	2007	2008	2009	2010
Actual FLE per LERS	938.98	943.09	962.72	971.85	985.00	1014	
Total Projected FLE	NA	NA	976.32	977.43	989.88	1022.2	1070.8

	2011	2012	2013	2014	2015	2016	2017
Actual FLE per LERS							
Total Projected FLE	1130.4	1181.9	1252.1	1285.5	1307.0	1314.4	1324.4

Total FLE Growth
324.5
Total Home Studios
292.5

	2009	2010	2011	2012	2013
1% growth in demand through 1% Calgary Region population growth	4.0	4.2	4.4	4.6	4.8
Growth through FYS retention		8.0	8.0	8.0	0.0
FYS			22 (17)		22 (17)
2nd Yr				17 (16)	
3rd Yr					16 (15)
Completed					
Total Head count			22	17.0	38

FLE calculation = Head count X .84 progressing to Head count X .85

18.6 14.5 32.3

	2014	2015	2016	2017
1% growth in demand through 1% Calgary Region population growth	5.0	5.1	5.1	
Growth through FYS retention	0.0	0.0	0.0	0.0
FYS		22 (17)		22 (17)
2nd Yr	17 (16)		17 (16)	
3rd Yr		16 (15)		16 (15)
Completed	15 (14)		15 (14)	
Total Head count	32	38	32	38

FLE calculation = Head count X .84 progressing to Head count X .85

27.2 32.3 27.2 32.3

15.5 Additional Home Studios
14 Additional Home Studios

Proposed MFA Programs

MFA (Craft)

	2011	2012	2013	2014	2015	2016	2017
1 yr							
2 yr							
<i>Head count & FLE</i>	<i>5</i>	<i>10.0</i>	<i>13</i>	<i>16</i>	<i>16</i>	<i>16</i>	<i>16</i>

16 additional home studios (2nd year)

2nd MFA Program*

	2011	2012	2013	2014	2015	2016	2017
1 yr							
2 yr							
<i>Head count & FLE</i>			<i>5</i>	<i>10.0</i>	<i>13</i>	<i>16</i>	<i>16</i>

16 additional home studios (2nd year)

3rd MFA Program*

	2011	2012	2013	2014	2015	2016	2017
1 yr							
2 yr							
<i>Head count & FLE</i>					<i>5</i>	<i>10</i>	<i>13</i>

16 additional home studios (2nd year)

*several proposals under consideration at this time.