
6°
REPORT TO THE COMMUNITY 2009
nscc

Quality of Life
Sustainability
Innovation
Learning
Flexibility
Economy

Contents

In keeping with NSCC's environmental stewardship practices, we've reduced the size and print run of this year's Report to the Community. Also, we couldn't possibly fit the many thousands of stories about the connections people have with NSCC in one book—that's what the internet is for! For more stories and a chance to share your own, visit **nscc.ca/report09.**

6°

NSCC 2009

Six degrees of separation. It's the theory that every single person in the world is separated by only six relationships. In this rapidly changing world, the idea that we are somehow all connected is at once comforting and empowering.

Our understanding of connectedness—of community—is strong here, in Nova Scotia. That will serve us well as the world's economy becomes more interdependent, more complicated and more competitive.

Applied education that connects us to work, innovation, families, communities, employers and our environment will lead to successful careers and a sustainable economy.

This is what Nova Scotia Community College delivers every day from one end of the province to the other. Together with communities, students, employees and employers, we are creating models for success. At NSCC, we call it responsible stewardship. As you explore the stories inside our Report to the Community, we invite you to consider, **are you connected?**

Cassie Myra
GRADUATE, NSCC SCHOOL OF TRADES AND TECHNOLOGY

Women Unlimited is a federally funded program that helps women to explore non-traditional careers.

180°

Turning Her Life Around

Every so often, I am absolutely amazed at how quickly my life has completely turned around. I had just been laid off from my seasonal job as a server in Hubbards when I found out I was pregnant. By the time summer came around again, I was too far along in my pregnancy to go back to work. So there I was; no benefits and no income. And I wanted so much more for my child. One day, after my son was born, I saw a TV ad for the Women Unlimited program offered at NSCC. It said, “Are you an underemployed woman? Would you consider a career as a skilled tradesperson?” It seemed to be talking directly to me. I called the Women Unlimited coordinator at NSCC’s Lunenburg Campus immediately. They encouraged me to apply and gave me all the information I needed to get the ball rolling.

An in-depth assessment showed that I was well suited for a career as an electrician. So that’s the path I followed. I started my training September 2, 2008—one year after my son was born. I graduated with honours in 2009 and got an apprenticeship position at the South Shore District Health Authority. I never thought I’d get so much joy being a tradesperson. Thanks to all the incredible support I received, I know I have lots of options. Maybe down the road, I’ll become an electrical engineer. The sky’s the limit—for me, and my son.

Dana Atwell

DIRECTOR, ENVIRONMENTAL POLICY & PROGRAMS, NOVA SCOTIA POWER INC.

NSCC's Centre for the Built Environment at the Waterfront Campus in Dartmouth will generate renewable energy research opportunities while placing sustainability at the heart of its learning programs.

90°

Taking Energy Solutions to New Heights

I have spent my career working in the energy field, searching for and encouraging the development of energy sources in an environmentally responsible manner. The truth is many environmental issues today are related to the harnessing and consumption of energy. I work in Environmental Policy & Programs for Nova Scotia Power. Nova Scotia Power is committed to achieving the Province's recently announced goal of using renewable energy sources to generate 25 per cent of Nova Scotia's total electricity needs by 2015. That's why we have developed a partnership with NSCC and invested $1.5-million in their Centre for the Built Environment. This radically new building features a green roof, bioswale, biowalls, solar and wind energy as well as a geothermal heating and cooling system. Every system is being measured so we can set benchmarks and then work to improve upon them. I have also been seconded to NSCC for the next two years and am excited to help them advance sustainable energy solutions.

Over the last ten years, NSCC has done more than $24-million worth of applied research —more than any other college in Atlantic Canada. The College is actively involved in finding energy solutions and in training students to design, build, and maintain the necessary infrastructure. This is a natural partnership for Nova Scotia Power and the province is fortunate to have a progressive educational institution like NSCC to work for a better tomorrow for Nova Scotia, Canada and the world.

Rhonda Drummond
GRADUATE, CONSTRUCTING THE FUTURE PROGRAM

The Black Business Initiative is working closely with NSCC to develop innovative programs for Nova Scotians of African heritage.

45°

Opportunity Rising

I've always been creative. In high school, I was really into drawing and poetry, and when I graduated, I worked for many years as a cook in the healthcare sector which I enjoyed. But I was always drawn to the trades, especially the construction industry.

So at the age of 44, I decided to go back to school. A friend e-mailed a brochure about a program called Constructing the Future. It offers training to African Nova Scotians interested in construction, and is supported by the Black Business Initiative and NSCC. Everything about it appealed to me, so I applied. I went for an assessment, and boom, I was in—and started almost immediately. Not only am I the oldest in the class, I'm also the only woman, but that's what makes it interesting. I can't tell you how much I'm enjoying it. We're all learning so much in such a short time. Our instructors take a personal interest in our success and go the extra mile to help us.

The first time I created and built something from start to finish, I looked at it and thought, "Yeah, I did that." It spurred me on to discover that I have a special passion for architecture. Maybe, down the road, I'll build that dream, too. With NSCC, I have more options than even I thought possible.

Jane Bernard
DIRECTOR OF HUMAN RESOURCES,
MEMBERTOU

NSCC is dedicated to developing new ways to educate and train the next generation of Nova Scotian leaders. Customized training opportunities support diverse groups to create a stronger future.

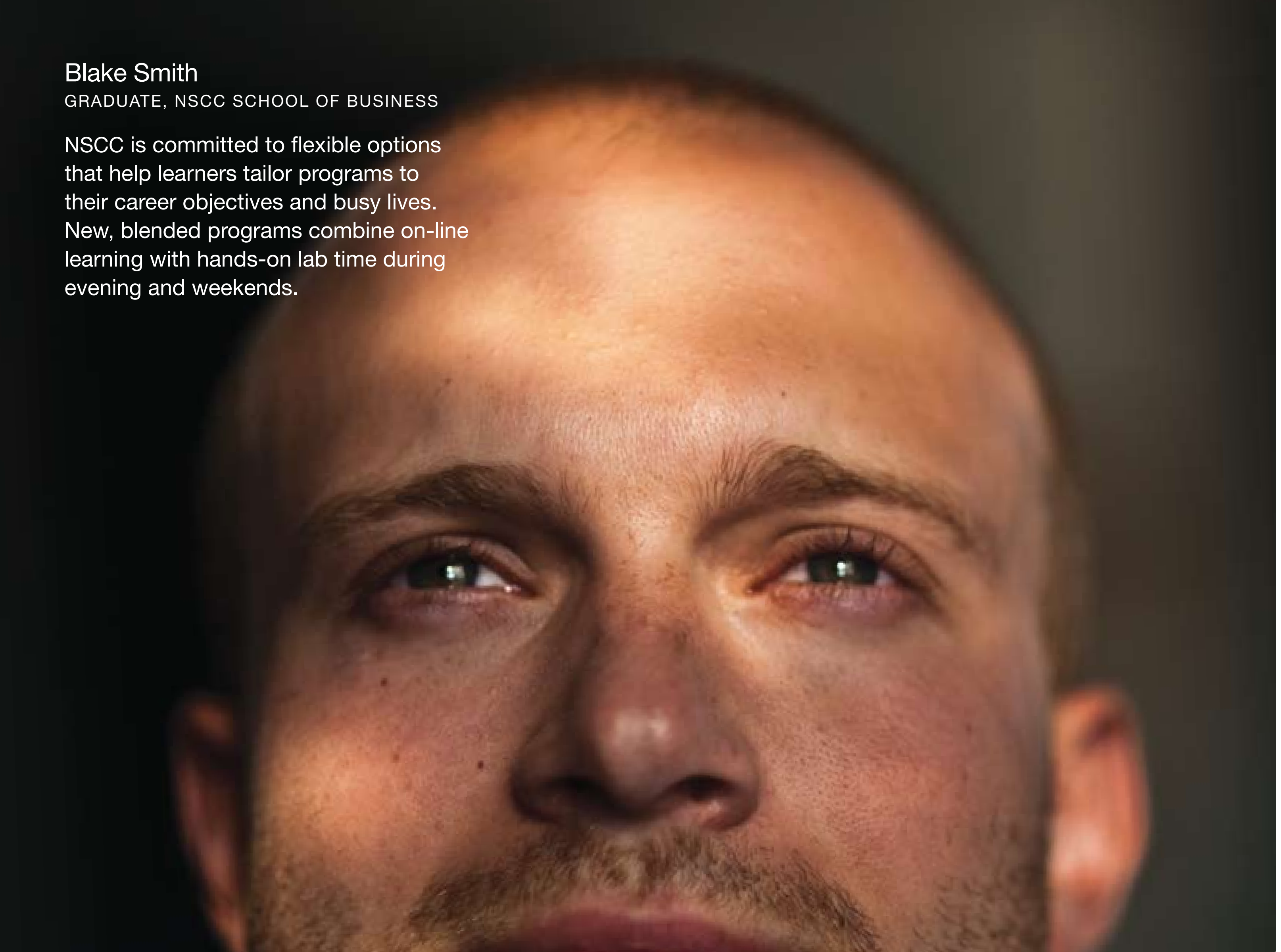
360°

Coming Full Circle

I have been working for Membertou for 29 years, and in that time I have seen wonderful leaders arise and bring prosperity to the community. But we need new leaders for tomorrow, and we want them to come from within the community.

We turned to NSCC to help us develop a Leadership and Supervision program specifically for us. They provided customized training and they understood that all of the students would also be working full time. So they made it possible for us to take evening classes in the Membertou Trade & Convention Centre. Over two years, my colleagues and I attended class once a week and completed our assignments between classes. We all learned a lot. I am so glad to see our staff get the training and education they need to become leaders.

And while the ten graduates are free to pursue a career wherever they want, I am also very pleased that they all stayed in Membertou. One of the graduates is a Band Councillor and I have seen her put the techniques she learned into practice at Council meetings. Membertou is an economic success story, not only for First Nations, but for Nova Scotia and Canada. Thanks to NSCC, we are better prepared to continue that success into the next generation.



Blake Smith
GRADUATE, NSCC SCHOOL OF BUSINESS

NSCC is committed to flexible options that help learners tailor programs to their career objectives and busy lives. New, blended programs combine on-line learning with hands-on lab time during evening and weekends.

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Where He Needed to Be

When I was taking Business Administration at NSCC, I wanted to specialize in Marketing. But that concentration wasn’t available in my hometown of Amherst. I would have to move to Pictou, Halifax or the Valley, which would be expensive. There had to be another way. So I looked at video conferencing on the web and thought, ‘that might work’. We could connect my computer to one on the instructor’s desk—he could see me and I could see him. And it wouldn’t cost anything.

I wrote to Bill Walsh, Dean of NSCC’s School of Business about my idea. Before long, faculty from the Pictou Campus met with me and my classmates. They had already explored the concept and shared a framework with us explaining how it could work. This experience says a lot about the spirit of innovation at NSCC. I graduated with my marketing concentration, and it means a lot to me to know that it mattered to NSCC that I got the education I needed.

Since then, other NSCC campuses and programs have incorporated web-based video conferencing as part of their learning options. I’m really proud that I helped that happen and I’m grateful that NSCC is the kind of place that embraces good ideas and puts them into action.

Lauren Scott
ADMINISTRATOR,
ROSECREST COMMUNITIES

The world and the global economy continue to evolve rapidly. Successful communities will be those who understand the way forward requires connectivity and collaboration.

6°

Six Degrees of Collaboration

When Rosecrest Communities secured a contract to provide long-term care in Enfield, we knew we would need 75 qualified continuing care assistants, very soon. Our commitment included hiring staff locally and training them in the community. After looking at our options, it was clear that NSCC was the best choice. Although the Continuing Care Assistant (CCA) program was traditionally offered on campus or at a long-term care facility, NSCC agreed to find a way to make it work. We knew what we needed and we had the support of NSCC. What we couldn't know was how this program would unite the community.

It started with NSCC's lead CCA instructor—she was already a resident of Enfield. The Elmsdale Legion stepped up and made their building available. Next, Bell Aliant Pioneers supplied the students with refurbished computers. But before classes could start, the Legion was severely damaged by flooding. I thought for certain this would be the barrier that stalled the program. Still, NSCC remained committed and the community pulled together. Local council made the East Hants Resource Centre available. The library in the Centre served as the computer lab, with staff providing computer training. The program's first class graduates in early October. This extraordinary level of cooperation demonstrates how communities can, and will, create success in today's economic reality. I know NSCC will be there to do its part whenever and wherever possible.

‘09

NSCC President Joan McArthur-Blair
with Chair of NSCC’s Board of Governors,
Sandra Greer

Forward Together

NSCC is at an important point in its history. More learners than ever before are coming to the College for the advanced skills training that will form the foundation of career and life success. On the other hand, more fully qualified Nova Scotians are unable to access that same training because the College is at capacity.

Employers are telling us they need more skilled workers now and into the next ten years. Long-term care providers, for example, need skilled tradespersons to build new facilities as well as skilled healthcare professionals to care for the clients who will live there. Innovation and flexibility will carry us a good part of the distance we need to travel in order to help those waiting for advanced skills training. Partnerships with the provincial government, industries and communities will get us even closer. And the responsible stewardship of NSCC’s financial, environmental and human resources by our Board of Governors will bring us home.

We know the continued collaboration of the College, the Board, and the Province will spark the change, growth and innovation needed to help more Nova Scotians find a fulfilling role in our shared future.

Joan McArthur-Blair
President

Sandra Greer
Chair

Deloitte.

Auditors’ Report

To the Board of Governors of the
Nova Scotia Community College

We have audited the statement of financial position of the Nova Scotia Community College as at March 31, 2009 and the statements of revenue and expenditures, cash flows and changes in net assets for the year then ended. These financial statements are the responsibility of the College’s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP

Chartered Accountants
Halifax, Nova Scotia
May 29, 2009

Statement of Financial Position

MARCH 31, 2009

		2009	2008
ASSETS			
Current			
Cash	$	31,647,231	$ 33,334,468
Accounts receivable (Note 4)		21,762,711	14,111,746
Inventory		914,415	872,722
Prepaids		1 ,653,902	509,529
		55,978,259	48,828,465
Capital assets (Note 5)		5,685,446	3,875,251
Foundation assets (Note 6)		4,201,588	3,643,691
Provincial Receivable - Future Health Benefits (Note 16)		20,328,071	18,357,805
	$	86,193,364	$ 74,705,212
LIABILITIES			
Current			
Accounts payable and accrued liabilities	$	25,360,212	$ 22,419,482
Deferred revenue (Note 7)		8,763,497	6,750,071
		34,123,709	29,169,553
Deferred revenue related to capital assets (Note 8)		2,420,713	2,484,307
Employee future benefit obligation (Note 16)		35,014,203	29,270,438
		71,558,625	60,924,298
Commitments (Note 14)			
NET ASSETS			
Invested in capital assets (Note 9)		3,264,733	1,390,944
Unrestricted		2,445,495	4,023,356
Restricted for Foundation purposes (Note 6)		4,201,588	3,643,691
Restricted for College development (Note 13)		4,722,923	4,722,923
		14,634,739	13,780,914
	$	86,193,364	$ 74,705,212

ON BEHALF OF THE BOARD

Joan McArthur-Blair
President

Sandra Greer
Chair

Statement of Revenue and Expenditures

YEAR ENDED MARCH 31, 2009

	2009	2008
Revenue		
Province of Nova Scotia (Note 10)	$ 118,541,266	$ 108,336,123
Government of Canada	9,100,000	9,053,747
Tuition and fees	20,968,369	19,536,418
Customized training	13,404,196	13,196,375
Amortization of deferred revenue related to capital assets	1,772,863	1,760,407
Other (Note 11)	21,654,425	19,625,517
	$ 185,441,119	$ 171,508,587
Expenditures		
Salaries and benefits	125,939,841	116,023,582
Operating supplies and services	28,323,722	28,871,808
Equipment, rentals and other administration	14,954,491	13,515,970
Utilities and maintenance	13,227,019	10,502,634
Amortization	2,700,118	2,240,958
	185,145,191	171,154,952
Excess of revenue over expenditures	$ 295,928	$ 353,635

Statement of Cash Flows

YEAR ENDED MARCH 31, 2009

NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES	2009	2008
Operating		
Excess of revenue over expenditures	$ 295,928	$ 353,635
Items not affecting cash:		
Amortization of deferred revenue related to capital assets	(1,772,863)	(1,760,407)
Amortization	2,700,118	2,240,958
Employee future benefit obligation	5,743,765	4,305,890
Long-term receivable - Province of Nova Scotia	(1,970,266)	(1,639,805)
Changes in non-cash working capital items (Note 12)	(3,882,875)	1,093,904
	1,113,807	4,594,175
Investing		
Purchase of capital assets	(4,510,313)	(1,721,399)
Financing		
Pensionable advance	–	555,557
Contributions related to capital assets	1,709,269	1,231,976
	1,709,269	1,787,533
NET CASH (OUTFLOW) INFLOW	(1,687,237)	4,660,309
CASH POSITION, BEGINNING OF YEAR	33,334,468	28,674,159
CASH POSITION, END OF YEAR	$ 31,647,231	$ 33,334,468

Statement of Changes in Net Assets

YEAR ENDED MARCH 31, 2009

	Invested in Capital Assets (Note 9)	Unrestricted	Restricted for Foundation Purposes (Note 6)	Restricted for College Development (Note 13)	2009 Total	2008 Total
Balance, beginning of year	$ 1,390,944	$ 4,023,356	$ 3,643,691	$ 4,722,923	$ 13,780,914	$ 12,107,308
Adoption of financial instruments accounting policy	–	–	–	–	–	(9,370)
Excess (deficiency) of revenue over expenditures	(927,255)	1,223,183	–	–	295,928	353,635
Investment in capital assets	2,801,044	(2,801,044)	–	–	–	–
Endowment contributions and interest	–	–	1,687,601	–	1,687,601	2,171,282
Endowment disbursements	–	–	(1,129,704)	–	(1,129,704)	(841,941)
Balance, end of year	$ 3,264,733	$ 2,445,495	$ 4,201,588	$ 4,722,923	$ 14,634,739	$ 13,780,914

Notes to the Financial Statements

MARCH 31, 2009

1. OVERVIEW OF OPERATIONS

The Nova Scotia Community College (the "College") was established as a post-secondary public education corporation under the authority of the Community College Act of Nova Scotia effective April 1, 1996.

The College, with thirteen campuses across the Province of Nova Scotia (the "Province"), is responsible for enhancing the economic and social well being of Nova Scotia by meeting the occupational training requirements of the population and the labour market.

The College has entered into a consent agreement with the Province that allows the College to construct facilities on land owned by the Province pursuant to the $123 million multi-year infrastructure investment announced by the Province on March 28, 2003. The investment will provide newer facilities, more space and revamped learning and student life areas across the Province. Ownership of the buildings, including the Dartmouth Waterfront Campus, will remain with the Province. Costs associated with the project will be managed by the College and flow through a liability account, which is subsequently reimbursed by the Province. The expenditures are netted against the funds receivable from the Province and have no effect on the statement of revenue and expenditures.

2. CHANGES IN ACCOUNTING POLICIES

The CICA has decided that not-for-profit organizations will not be required to apply Sections 3862, Financial Instruments – Disclosure, and 3863, Financial Instruments – Presentation, of the CICA Handbook which would otherwise have applied to the financial statements of the College for the year ended March 31, 2009. The College has elected to use this exemption and applies the requirements of Section 3861, Financial Instruments – Disclosure and Presentation.

On April 1, 2008, the College adopted the following recommendations of the Canadian Institute of Chartered Accountants ("CICA") Handbook:

Section 1535, Capital Disclosures, requires the disclosure of information about an entity's objectives, policies and processes for managing capital. The College has included this disclosure in Notes 18.

Section 3031, Inventories: This section provides more guidance on the measurement and disclosure requirements for inventories. This new section had no impact of the College's financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

Cash

Cash consists of cash on hand and amounts held by financial institutions, upon which interest is paid at commercial rates.

Financial Instruments

Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is dependent on their classification as described below. Their classification depends on the purpose, for which the financial instruments were acquired or issued, their characteristics and the College's designation of such instruments. Settlement date accounting is used.

Assets and liabilities	Classification	Measurement
Cash	Held for trading	Fair value
Provincial receivable – Future Health Benefits	Loans and receivables	Amortized cost
Accounts receivable	Loans and receivables	Amortized cost
Accounts payable and accrued liabilities	Other liabilities	Amortized cost

Capital Assets

Capital assets are recorded at cost. Capital assets are amortized on a straight-line basis over the following estimated useful life:

Computer equipment	3 years
Furniture and equipment	5 years
Leasehold improvements	2 to 10 years

Land and buildings that are owned by the Province are not reflected in the assets of the College. Improvements made to these buildings are therefore expensed in the year. Improvements made to buildings with leases in place are capitalized and amortized over their useful life or the term of the lease, whichever is less.

Inventory

Inventory consists of merchandise and supplies held for resale and are valued at the lower of weighted average cost and net realizable value. Administrative and program supplies and library periodicals are not inventoried.

Revenue Recognition

The College follows the deferral method of accounting for revenue. Tuition fees, residence fees and sales are recognized when the services are provided or the goods are sold. Funding for expenditures of future periods are deferred and recognized as revenue in the year in which the related expenditure is incurred. Funding received for capital assets are deferred and recognized as revenue on the same basis as the acquired capital assets are amortized.

Employee Future Benefits

The cost of post-retirement benefits earned by employees is actuarially determined using the projected unit method pro-rated on service and management's best estimate of salary escalation, retirement ages of employees and expected health care costs.

Use of Estimates

The preparation of financial information requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements as well as revenue and expenditures during the year. The accounts most subject to estimation and judgment include the allowance for doubtful accounts, amortization periods for capital assets, employee future benefits, and certain accrued liabilities. Actual results may differ from those estimates.

Contributed Services

The Province provides the College with buildings at thirteen campuses (in excess of two million square feet) and is responsible for the maintenance of the physical plant and building infrastructure, the benefit of which is not reflected in these financial statements because of the difficulty in determining the fair value.

4. ACCOUNTS RECEIVABLE

	2009	2008
Organizations	$ 2,982,508	$ 3,596,688
Student fees	389,572	1,019,538
Government funding	12,616,876	5,789,315
Development Project	4,136,854	2,509,333
Other	581,987	780,724
Harmonized Sales Tax	1,489,278	1,057,797
Allowance for doubtful accounts	(434,364)	(641,649)
	$ 21,762,711	$ 14,111,746

Included in accounts receivable is $34,808 (2008 – $70,453) due from the Nova Scotia Community College Foundation (the "Foundation").

5. CAPITAL ASSETS

	2009			2008
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	$ 8,830,387	$ 8 ,131,103	$ 699,284	$ 532,911
Furniture & equipment	16,615,816	13,468,835	3,146,981	2,970,563
Leasehold improvements	3,563,564	1,724,383	1,839,181	371,777
Management Information Systems	6,197,789	6 ,197,789	–	–
	$ 35,207,556	$ 29,522,110	$ 5,685,446	$ 3,875,251

6. FOUNDATION ASSETS

The Foundation is a non-profit organization controlled by the College. The assets represent donations and related interest restricted for scholarships, awards and other specified purposes. The Foundation works collaboratively with the College and the community to enhance the student experience by developing and implementing a framework to nurture support for current and future needs of the College.

The Foundation has not been consolidated in the College's financial statements. Financial statements of the Foundation are available upon request. Financial summaries as at March 31 and for the years then ended are as follows:

Nova Scotia Community College Foundation

	2009	2008
Results of operations		
Total revenue	$ 1,687,601	$ 2,171,282
Total expenditures	1,129,704	841,941
Excess of revenue over expenditures	$ 557,897	$ 1,329,341
Financial position		
Total assets	$ 4,289,652	$ 3,729,127
Less: Total liabilities	88,064	85,436
Total net assets	$ 4,201,588	$ 3,643,691

The Foundation uses fund accounting and follows the restricted fund method of accounting for contributions.

7. DEFERRED REVENUE

Deferred revenue represents the unearned portion of amounts received for specific purposes and is summarized as follows:

	2009	2008
Apprenticeship	$ 1,100,000	$ 661,041
Offshore operation	–	40,549
Skills development	1,345,182	214,698
Applied research	551,575	585,200
Customized training	1,865,140	2,415,774
Disability resources	875,472	861,513
Links programs	439,855	530,000
Other	2,586,273	1,441,296
	$ 8,763,497	$ 6,750,071

8. DEFERRED REVENUE RELATED TO CAPITAL ASSETS

Deferred revenue related to capital assets represents the unamortized portion of funding received from the Province of Nova Scotia and other sources for capital asset additions. The deferred revenue is amortized into revenue at a rate corresponding with the amortization rate for the related capital asset. The changes in the deferred balance are as follows:

	2009	2008
Beginning balance	$ 2,484,307	$ 3,012,738
Contributions received	1,709,269	1,231,976
Amortization of deferred revenue related to capital assets	(1,772,863)	(1,760,407)
Ending balance	$ 2,420,713	$ 2,484,307

9. NET ASSETS INVESTED IN CAPITAL ASSETS

	2009	2008
Capital assets, net of accumulated amortization	$ 5,685,446	$ 3,875,251
Deferred revenue related to capital assets	(2,420,713)	(2,484,307)
	$ 3,264,733	$ 1,390,944

10. REVENUE – PROVINCE OF NOVA SCOTIA

	2009	2008
Funding received	$ 119,541,266	$ 109,336,123
Portion related to capital assets	(1,000,000)	(1,000,000)
	$ 118,541,266	$ 108,336,123

11. OTHER REVENUE

	2009	2008
Other revenue is summarized as follows:		
Bookstore revenue	$ 4,599,145	$ 4,192,738
Food sales	1,945,454	1,796,318
Apprenticeship/Shop	3,392,679	3,445,199
Interest	863,347	1,489,195
Recoveries	4,443,530	2,868,559
Applied research	1,151,107	1,217,899
Lodging, rent and miscellaneous	5,259,163	4,615,609
	$ 21,654,425	$ 19,625,517

12. CHANGES IN NON-CASH WORKING CAPITAL

	2009	2008
Accounts receivable	$ (7,650,965)	$ 5,421,187
Inventory	(41,693)	(120,678)
Prepaids	(1,144,373)	(255,433)
Accounts payable and accrued liabilities	2,940,730	(4,940,466)
Deferred revenue	2,013,426	989,294
	$ (3,882,875)	$ 1,093,904

13. RESTRICTED FOR COLLEGE DEVELOPMENT

These funds have been internally restricted by the Board to ensure that the funds are used solely for College development projects.

14. COMMITMENTS

The College is committed to the following lease and maintenance agreement payments over the next five years.

2010	$ 1,010,770
2011	806,899
2012	780,555
2013	489,416
2014	398,303
	$ 3,485,943

15. PENSION PLANS

The Nova Scotia Community College contributes to two defined benefit pension plans administered by the Province of Nova Scotia. The College accounts for these pensions as defined contribution plans.

In the first plan, the Nova Scotia Public Service Superannuation Plan, the Province of Nova Scotia assumes the actuarial and investment risk. For this plan, the College matches employees' contributions calculated as follows: 7.4% (2008 – 7.4%) on the part of their salary that is equal to or less than the "year's Maximum Pensionable Earnings" ("YMPE") under the Canada Pension Plan ("CPP") and 9.6% (2008 - 9.6%) on the part of their salary that is in excess of YMPE. Under this plan, the College has recognized contributions of $6,388,634 (2008 – $5,728,381) for the year.

In the second plan, the Nova Scotia Teachers' Union Pension Plan, the Province of Nova Scotia along with the Nova Scotia Teachers' Union assumes the actuarial and investment risk. For this plan, the College matches employees' contributions calculated as follows: 8.3% (2008 – 8.3%) on the part of their salary that is equal to or less than the YMPE under the CPP and 9.9% (2008 – 9.9%) on the part of their salary that is in excess of YMPE. Under this plan, the College has recognized contributions of $9,560,242 (2008 – $8,829,612) for the year.

16. EMPLOYEE FUTURE BENEFIT OBLIGATION

College Service Award

An employee hired on or after August 1, 1998 who retires because of age or mental or physical incapacity shall be granted a College Service Award ("CSA") equal to 1% of the employee's annual salary for each year of continuous service to a maximum of 25 years. There are no employee contributions in respect of the plan. There is no distinct fund held in respect of the CSA benefits but sufficient cash is maintained to cover the obligation. The benefits are paid from unrestricted cash.

An actuarial valuation was completed as of March 31, 2009 and the College's obligation relating to these benefits was approximately $6,248,000 (2008 – $5,344,000). The benefit expense was $1,269,056 (2008 – $1,146,254). The benefits paid were $39,823 (2008 – $8,425). The next actuarial valuation is scheduled for March 31, 2010.

The significant actuarial assumptions adopted in estimating the College's obligation are as follows:

Future salary increase	6% per annum
Discount rate	0% per annum
Retirement age	20% upon attainment of age 55 and 80 points (age plus service); the remainder at 35 years of service or age 60, whichever is earlier

Non-Pension Retirement Benefits – NSGEU

In fiscal 2007/2008, the Province required the College to assume the future liability for non-pension retirement benefits for the College's non-teaching staff.

In 2008/2009, the College decided to create a separate fund that would be held in respect of the non-pension retirement benefits. This fund has sufficient cash to cover the obligations associated with this liability.

An actuarial valuation was completed as of March 31, 2009 and the College's obligation relating to these benefits was $8,438,132 (2008 – $5,568,633). The benefit expense was $723,155 (2008 – $547,828). The benefits paid were $103,043 (2008 – $97,022). The next actuarial valuation is scheduled for March 31, 2010.

The significant actuarial assumptions adopted in estimating the College's obligation are as follows:

Expected rate of return	0.80% per annum
Discount rate	2.00% per annum
Retirement age	20% upon attainment of age 55 and 80 points (age plus service); the remainder at 35 years of service or age 60, whichever is earlier

Non-Pension Retirement Benefits – NSTU

In 2007/2008, the Province decided to transfer to the College the future liability for the non-pension retirement benefits for the College's teaching and professional support staff. The Province also transferred a corresponding receivable that directly offsets the liability.

There is no impact on the excess of revenue over expenditures or net financial position of the College as a result of the transfers.

An actuarial valuation was completed as of March 31, 2009 and the College's obligation relating to these benefits was $20,328,071 (2008 – $18,357,805). The benefit expense was $1,192,000 (2008 – $1,136,000). The benefits paid were $251,000 (2008 – $262,000). The next actuarial valuation is scheduled for March 31, 2010.

The significant actuarial assumptions provided by the Province are as follows:

Expected rate of return	4.95% per annum
Discount rate	4.95% per annum
Retirement age	60% at earliest age eligible for unreduced pension, the remainder at earlier of age 60 with 10 years of service, 35 years of service and age 65

17. FINANCIAL INSTRUMENTS

Fair Value

The College evaluated the fair values of its financial instruments based on the current interest rate environment, related market values and current pricing of financial instruments with comparable terms. The carrying values of cash, accounts receivable, Provincial Receivable – Future Health Benefits and accounts payable and accrued liabilities are considered to approximate fair values due to their short-term maturity.

Credit Risk

Credit risk arises with the uncertainties of predicting the financial difficulties students and corporations may experience which could cause them to be unable to fulfill their commitments to the College. The College mitigates this risk by having a diversified mix of students and corporations thereby limiting the exposure to a single individual or corporation.
The College's credit risk is limited to the recorded amount of accounts receivable. The College performs a continuous evaluation of its accounts receivable balance and records an allowance for doubtful accounts as required. The amount of accounts receivable disclosed on the balance sheet is net of allowances for bad debts, estimated by management based on prior experience and their assessment of the current economic environment. Management considers there is no significant credit risk as at March 31, 2009.

18. CAPITAL MANAGEMENT

The College's objectives when managing capital are to maintain a capital structure that provides financial flexibility in order to preserve its ability to meet financial obligations. In managing its capital structure, the College monitors performance throughout the year to ensure working capital requirements and capital expenditures are funded from operations.
The College will make adjustments to its capital structure to meet the objectives of the broader strategy or in response to changes in economic conditions and risk.

STANDING LEFT TO RIGHT: **Suzanne Bona** Scotian Homes, **Dan Christmas** Membertou, **Margaret Brigley** Corporate Research Associates, **Faith Grove** NSCC Metro Student Representative, **James Surrette** Surrette Battery Co. Ltd., **Don MacDonald** Retired, **Clayton Bartlett** Roclan Industries, **Pat Seaward** NSCC Administrative Representative, **Janet Knox** Annapolis Valley Health, **Scott McKellar** NSCC Academic Representative

SEATED LEFT TO RIGHT: **Tami Mosher** NSCC Support Representative, **President Joan McArthur-Blair**, **Board Chair Sandra Greer** Amirix Systems, Inc., **Michael Kontak** Shaw Group, **Blake Smith** NSCC Provincial Student Representative

MISSING FROM PHOTO: **Tammy Holland** RBC, **David Saxton** Retired, **Rob Sobey** Lawtons Pharmacy Group, **Chris Huskilson** Emera

Degrees of Stewardship

NSCC's Board of Governors can see a bright future for Nova Scotia. The College's mission, after all, is to improve Nova Scotia's economy and quality of life through education and innovation.

Our governors understand the way forward to that better future means reaching out to industries, communities, employers and families. It means learning from and with each other along the way. The more voices we hear from, the richer the journey, the more powerful the stride. Getting there will require flexibility, accessibility, respect and collaboration—all pivotal NSCC values. To sustain us, we'll have to be solid financial stewards as we've been since our inception in 1996.

We'll get there—by degrees. We just have to stay connected.

nscc

In keeping with NSCC's environmental stewardship practices, we've reduced the size and print run of this year's Report to the Community.

For more stories and a chance to share your own, visit **nscc.ca/report09.**

nscc.ca