

**ANNUAL REPORT TO  
ALBERTA INNOVATION AND  
ADVANCED EDUCATION  
2014-2015**







## Table of Contents

Table of Contents.....	1
1.0 Accountability Statement .....	1
2.0 Management's Responsibility for Reporting .....	1
3.0 Message from the President.....	3
4.0 Operational Overview.....	5
5.0 Goals, Expected Outcomes and Performance Measures .....	6
Access and Quality .....	6
Progress on Goals and Initiatives.....	7
Research, Applied Research and Scholarly Activities .....	30
St. Mary's Commitment to Research and Scholarship .....	30
Progress on Research Goals .....	30
6.0 Financial and Budget Information .....	36
Amended 2014-2015 Budget.....	36
7.0 Internationalization.....	41
8.0 Information Technology.....	42
Appendix 1 - Audited Financial Statements.....	43





## 1.0 Accountability Statement

The St. Mary's University's Annual Report for the year ended March 31<sup>st</sup>, 2015 was prepared under the Board's direction in accordance with ministerial guidelines. All material economic, environmental or fiscal implications of which we are aware have been considered in the preparation of this report.

A handwritten signature in blue ink that reads "James T. McCoy".

James T. (Terry) McCoy, Chair, Board of Governors  
September 30, 2015

## 2.0 Management's Responsibility for Reporting

St. Mary's University's management is responsible for the preparation, accuracy, objectivity and integrity of the information contained in the Annual Report including the financial statements, performance results, and supporting management information. Systems of internal control are designed and maintained by management to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, are executed in accordance with all relevant legislation, regulations and policies, reliable financial records are maintained, and assets are properly accounted for and safeguarded.

The Annual Report has been approved by the Board of Governors and is prepared in accordance with Ministerial Guidelines.

A handwritten signature in blue ink that reads "Gerry Turcotte".

Gerry Turcotte, President and Vice-Chancellor  
September 30, 2015



THIS PAGE LEFT  
INTENTIONALLY  
BLANK



### 3.0 Message from the President

St. Mary's University continues to be one of the fastest-growing post-secondary institutions in Alberta, experiencing enrolment growth of 17% in the period covered by the present Annual Report, a similar increase to the year before. This is evidence of the need for a university such as ours that offers an alternative to the much larger institutions. As the only university in the south of Calgary, St. Mary's meets a critical demand from the booming population in this area, as well as drawing students from all areas of the city and province. Our small class sizes and more tailored attention to the individual result in a more dynamic learning environment where students and their professors connect in the lecture hall, in tutorials, in the laboratory and in the field. This provides exceptional learning opportunities for both student and instructor.

As a predominantly Liberal Arts and Sciences university, with a highly respected Bachelor of Education (Elementary) after-degree, St. Mary's has focused on delivering a world-class educational experience in our areas of expertise. We are not trying to be all things to all people; rather, we invest in our students and in our community, and seek to be the very best at what we do. The fact that over 40% of our students come to St. Mary's through word-of-mouth referrals is evidence that there is a high degree of satisfaction among our core stakeholders.

St. Mary's has established a series of foundational degrees in Arts, Science and Education since becoming a fully-fledged accredited university ten years ago. Over the last four years, St. Mary's has further refined our mission and focus toward areas of particular strength and opportunity. We completed a new five-year Strategic Plan in 2013, and our First Nations, Métis and Inuit (FNMI) Strategic Plan is now in its third year. Our Strategic Directions undertake to:

1. Promote and support a student-centred learning experience
2. Promote and support exceptional teaching and learning
3. Establish long-term sustainability
4. Establish and implement a comprehensive human resources plan focusing on the whole person: mind, body and spirit
5. Implement the university expansion plan
6. Preserve the integrity of the campus environment.

We have focused our attention on improving the student learning experience through: expanded services in our Learning Centre (Strategic Direction 1); the creation of innovative strategies to encourage and reward teaching and learning, given that we are



primarily a teaching-intensive institution (Strategic Direction 2); and the significant expansion of services supporting student, staff and faculty wellness (Strategic Direction 4).

We continued to make significant progress on our sustainability, our expansion plans, and on the preservation of the historic nature of our campus (Strategic Directions 3, 5 and 6 respectively). Our sustainability model is predicated on the development of a full complement of outstanding offerings to our students in our areas of expertise. The creation of degrees with majors in History, Liberal Arts, Psychology and Biology, has provided a four-year pathway to complement our initial three-year degrees. This was undertaken in response to the strong demand from students for majors in these subject areas. Indeed, we have now created a four-year pathway for all of our programs, and a degree path for all former transfer programs other than business. This has generated significant improvements in retention and enrolments.

The University's conspicuous success has generated both benefits and challenges for the institution. Needless to say, the enrolment boom has brought us increased attention from the community, which in turn has resulted in greater interest in St. Mary's and our initiatives. However, given the significant differential between the block provincial funding we receive and our enrolment growth, our expansion has strained our financial and physical capacities. A key challenge for the university will be ensuring that a ministry-led equity review is conducted so that universities, such as St. Mary's, that have continued to provide increased access for students and experienced unprecedented growth, are not penalized for their success through a funding model that does not take account of growth. Similarly, because St. Mary's does not receive any capital or infrastructure funding, we are unable to move quickly to provide new physical resources for our students. Given that our not-for-profit university is open to all students, and is a dynamic partner in the Campus Alberta system, it is important that strategic opportunities for capital funding be considered.

St. Mary's continues to set a strong path as a modern, engaged university, one that is deeply committed to access and opportunity for all students, including FNMI as well as non-traditional learners.

Sincerely,

Gerry Turcotte, PhD





## 4.0 Operational Overview

Most of the significant changes that affect St. Mary's — the drop in the price of oil, the subsequent economic downturn, the cut to St. Mary's provincial grant and deletion of previously awarded Targeted Enrolment Expansion (TEE) funding in the March 26, 2015 provincial budget — all occurred just before the end of the period under consideration in this report. These changes led to increased uncertainty going into the 2015-2016 fiscal year. The subsequent restoration of TEE funding and increase to St. Mary's provincial grant all occurred after March 31, 2015, the end date for this report. While the restoration of funding will have a significant, positive effect on our activities in 2015-2016, on which we will report next year, a number of decisions about programs and directions outlined in the 2014-2017 CIP were inevitably affected by the original funding cuts. As such, we have suggested a slowing down of the planned roll-out of in-demand programs, such as our BEd (Secondary) degree, and will not be asking for approval to begin offering these programs starting in September 2016.

In terms of this Annual Report, however, and as can be seen in Section 5 which follows, St. Mary's continued to work on the goals we set forth in the 2014–2017 Comprehensive Institutional Plan with enthusiasm and excellent results.

There was one quite notable change affecting St. Mary's during the 2014–2015 fiscal year. St. Mary's entered into a 20-year loan agreement with the City of Calgary for \$4,863,919 to make full and final payment of deferred development assessments owing to the City of Calgary on the Bannister Road campus site. Payment of these development assessments was required prior to any new development on the campus. The loan amount, which includes transaction costs, bears interest at a stated rate of 2.957% over the 20-year term in addition to an annual administration fee of 0.25% of the principal balance to the City of Calgary. Interest payable of \$48,480 as of March 31, 2015 is included in accounts payable and accrued liabilities in the Audited Financial Statements.

In reference to the City of Calgary loan agreement, St. Mary's is required to maintain a market value of investments in the pledged investment account at least equal to the principal balance on the loan. This has meant that careful planning around cash flow during times of reduced revenue will be necessary. The immediate impact of this was to prolong some deferred maintenance projects where possible.

Otherwise, St. Mary's University continues to pursue and deliver on its key goals with great success.

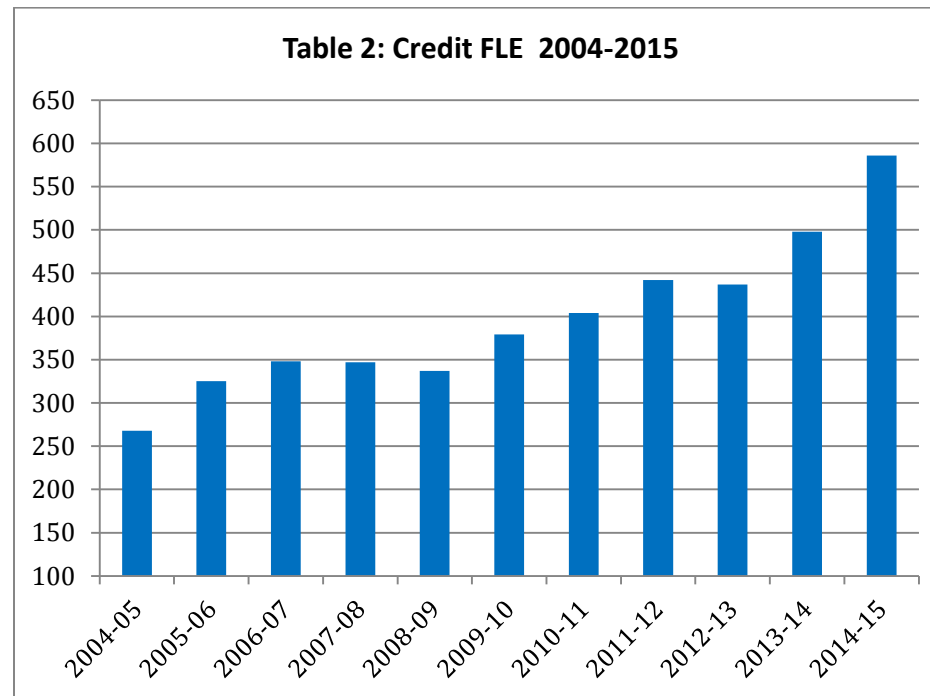


## 5.0 Goals, Expected Outcomes and Performance Measures

### Access

**Table 1: 2014-2015 Student Enrolment (FLE)**

	CIP enrolment projection 2014-15	Actual enrolment 2014-2015
<b>Total FLEs</b>	550	586
International FLEs	15	13





Progress on Goals and Initiatives

Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
Goal 1	<b>Recruit and Retain Well-Qualified Students with the Aim of Increasing Enrolment to a Stable Minimum of 700 FLE Students by 2016-2017.</b>	In progress	2016-2017	<p>As can be seen from Table 1, the enrolment projection for 2014-2015 was 550 FLE with 15 of them being international students. The total FLE count was 586 with 13 being international students.</p> <p>We are currently on track to meet our target of 700 FLEs by 2016-17. The lack of on-campus housing has affected our ability to recruit international students and we have decided to minimize efforts in this area until such time as we have a residence on campus. Plans are in place to build a residence that can accommodate 100 students.</p>
G1 -Priority Initiative 1	Establish a Strategic Enrolment Management Council to ensure all initiatives, processes, policies and services related to recruiting and retaining students are interconnected and cohesive.	Complete		A Strategic Enrolment Management Council was established in October 2014. The Council meets quarterly and has developed and approved terms of reference



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
G1 -Priority Initiative 2	Conduct ongoing evaluation and improvement of institutional recruitment strategies and activities including student surveys to gather feedback from students on their experience and identify areas of high student demand for future degree program development.	Ongoing		In 2014-15 a hybrid position that includes both recruitment and advising duties was created. This recognizes the interconnected nature of recruitment, career planning and program/course selection.
G1 -Priority Initiative 3	Continue to focus student marketing and recruitment in our defined geographic market within the City of Calgary and its periphery including the thriving communities of Okotoks, High River, Strathmore, Chestermere, Turner Valley, and Black Diamond.	Ongoing		During the year we have made additional visits to the schools in Southeast Calgary and surrounding areas. As a new initiative our varsity coaches have been actively involved in high school visits. We hired a new Women's basketball coach who teaches in one of our key feeder schools.
G1 -Priority Initiative 4	Build strong collaborative relationships with strategically selected secondary schools within our region, including establishing stronger connections with local high school principals, counsellors, teachers and parent groups.	Ongoing		A new initiative for 2014-15 was to work closely with local high schools to ensure that success stories of their graduates were reported back. This strategy has received very positive responses from school administrators, students, parents and counsellors. We have consulted broadly with representatives from local high schools on our recruitment publications.



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
G1 -Priority Initiative 5	Implement FNMI Strategic Plan and programs to attract and support FNMI students.	Ongoing		Our first ever FNMI Liaison Specialist was hired in June 2014. In 2014-15 the FNMI Advisory Council approved the Elders to serve in our <i>Elders on Campus</i> program and we launched the four key elements of our FNMI Partnership (Advisory Council, Liaison Specialist, <i>Elders on Campus</i> and <i>FNMI Scholars on Campus</i> ) on March 4, 2015. During the event we received the gift of a buffalo robe from our Blackfoot Elder, Casey Eagle Speaker
G1 -Priority Initiative 6	Cultivate relationships within the international, multicultural and faith communities of Calgary.	Ongoing		<p>In 2014-2015 we had various interfaith services and collaborations. We worked with Beth Tzedec Synagogue to bring a Sukkah on campus for a week to commemorate the Festival of Booths. The Sukkah highlighted the theme of social justice. We collaborated with The Canadian Council of Christian and Jews and the Beth Tzedec Synagogue to host Dr. Amy Jill Levine, a Jewish New Testament Scholar. We had two ceremonies on campus led by Elder Casey Eagle Speaker that were well attended by students, faculty and staff.</p> <p>On February 6, 2015, St. Mary's hosted a <i>Festa Italiana</i> at the Calgary Italian Cultural Centre. This sold-out event saw over two hundred people come out to enjoy Italian cuisine and culture, while also celebrating St. Mary's academic excellence.</p>



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
G1 -Priority Initiative 7	Explore new recruitment strategies for international students, including the development of institutional relationships with local school districts and selected Catholic secondary schools overseas that can serve as potential feeder schools in the future, and recruitment of international athletes.	Ongoing		In 2014-15 we established scholarships for international athletes to facilitate their transition to the university. The scholarship reduces international tuition fees to that of domestic students for two athletes per varsity team. As mentioned previously, our international recruitment efforts will intensify once we have on-campus housing.
G1 -Priority Initiative 8	Support a unique and defined marketing campaign to highlight our programs and build awareness of the unique benefits of attending St. Mary's University, with emphasis on the whole person, affordability and quality.	Complete		In 2014-15 we launched the 'Grow' campaign to help raise the profile of St. Mary's in Calgary and the surrounding areas. Our athletic teams have been profiled regularly in the local press and one athlete was featured on CTV as the athlete of the week.
G1 -Priority Initiative 9	Increase the number of science education programs such as Discovering Science, targeted at Junior and High School students to develop a greater interest in post-secondary education at an earlier age. Offer one dual credit course in 2014-15 in partnership with Calgary Catholic School District.	Complete		Discovering Science continued to be a fully subscribed program in 2014-15.  St. Mary's offered its first dual credit course with Bishop O'Byrne High School attended by 17 high school students. The students received credit for Advanced Acting 35 and for our introductory drama course, DRAM 201.



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
G1 -Priority Initiative 10	Review and streamline admissions, registration, and financial aid procedures and enhance the range and availability of online, self-serve options. The objective for 2014-15 is to have conditional admissions communicated to applicants within a week of receiving the application.	Complete		A thorough review of our admissions procedures was conducted. As a result we have successfully implemented revised procedures and practices that assist us in determining an applicant's admission status within three working days.
G1 -Priority Initiative 11	Increase financial support to students, including targeted groups, and increase the publicity regarding scholarship and bursary opportunities. The 'President's Circle Scholarship' pilot project will be expanded and made permanent.	Complete		<p>The Office of the Registrar increased the student awareness of the awards program and made the application process more accessible:</p> <ol style="list-style-type: none"> <li>1. Awards applications were made available on the University website.</li> <li>2. Awards application information posters were placed on bulletins boards throughout campus and advertised on the campus television screens.</li> <li>3. President's Circle Scholarship information was made part of the admissions process for all incoming high school applicants.</li> <li>4. President's Circle Scholarship recognition has been added to the annual student awards celebration.</li> </ol>



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
<b>Goal 1 Expected Outcomes and Indicators</b>	An overall increase in the number of student inquiries, admissions, and course registrations; an increase in new student inquiries and admissions from designated targeted high schools; an increase in the number of students receiving financial support; improved student retention; and an increase in the number of FNMI students enrolled at St. Mary's.			In 2014-15 the university awarded 16% more in financial support for students. Course registrations increased by 20% in 2014-15. Guidelines and procedures have been set for capturing inquiry data in Power Campus. The number of FNMI students increased by 50%.
<b>Goal 2 Improve Student Retention and Success through the Enrichment of the Student Learning Experience and Provision of Enhanced Student Supports</b>				
<b>G2 -Priority Initiative 1</b>	Streamline course registration, program planning and timetable planning to eliminate barriers that unnecessarily impede or complicate program completion times.	On-going		Draft degree planners were developed in March 2015. The next steps (2015-16) include consultation with faculty and the final approval of the degree planners. The planners will be accessible online and will help students manage their own program planning and course registrations. A plan was submitted by the Registrar (March 2015) to develop the entire annual timetable (Fall, Winter, and Spring) at the same time to assist students with course scheduling. The plan will be presented to faculty in 2015.





Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
G2 -Priority Initiative 2	Enhance current support systems for students, especially for those in their first year of studies at St. Mary's through the development of a transitions program. The program will include seminars (face to face and online), early alert and intervention program, learning contracts, discipline-specific tutoring support.	On-going		In 2014-15 we implemented the Academic Success Strategies program: students signed a learning contract as part of the New Student Orientation activities and were supported throughout the year with academic writing and discipline-specific mentoring. During the winter semester, we conducted an ongoing academic gap assessment with current students, faculty and staff to inform a consolidated First Year Experience Program
G2 -Priority Initiative 3	Offer on-campus access to transition and bridging programs (High School courses, Diploma Preparation courses, EAP, transition seminars, concurrent transition courses) in partnership with local program providers, such as Chinook Learning Services and St. Anne Academic Centre.	On-going		<p>The Success Strategies Series (S<sup>3</sup>) seminars were redesigned to support the Academic Success Strategies program. Discussions were advanced towards potential pathways and other transition programs, such as the first Academic Writing Institute. In coordination with the university's emphasis on developing robust and multiple pathways for student success, plans were developed to implement the first intensive summer Academic Writing Institute (AWI). The AWI will be open to students as both a strength-based and remedial program.</p> <p>Enhanced partnerships with local program providers are being explored.</p>



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
G2 -Priority Initiative 4	Implement a program to identify and support “at risk” students.	On-going		The Division of Student Services continues to work with faculty to gather information on their at-risk students so that we may contact them. All students admitted with probationary status have mandatory advising meetings in order to be able to register for courses. The recruitment and admissions staff will also continue to work with the Director of the Learning Centre to promote the First Year Experience Program and available supports and accommodations.
G2 -Priority Initiative 5	Strengthen the student advising program to provide a higher level of service to students at all levels of their academic career, including a greater emphasis on career planning and career transition. For 2014-2015 career planning will be a standard part of the advising process to help ensure a match between career goal and education plan. Also, the pilot-mentoring project will be launched for all students in their graduating year. In this program a student is matched with a professional in the community.	On-going	2015-2016	There was a delay in implementation of the full-scale professional mentoring project due to a key staff member being on leave, but it will be implemented in 2015-2016.



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
G2 -Priority Initiative 6	Expand the number and topics for student academic seminars to ensure students acquire the skills necessary to be successful in their academic programs.	Complete		The topics of academic seminars were revised to match current needs of our students. Participants will receive a certificate and it will be recorded in the co-curricular record.
G2 -Priority Initiative 7	Increase the number of opportunities that students have for participation in experiential learning projects and study abroad options.	In progress	2015-2016	<p>A comprehensive study on Service Learning and Experiential Learning was undertaken by a new faculty member with expertise in service learning and a contract employee with extensive experience in study abroad initiatives at post-secondary institutions. The resulting <i>Proposal for Community Service-Learning and Experiential Learning</i> (March 17, 2015) provides the foundation for creating the infrastructure, policy and forms needed for experiential learning and study abroad initiatives in development beginning in 2015-16.</p> <p>The planning for a study abroad trip was completed. <i>Art History 405: Rome from Constantinople to Caravaggio: Art, Architecture &amp; Transformation of the City, 312-1600</i> took place in May 2015 and exposed students to the dialogue between art and architecture in Rome, Florence and Ravenna.</p>



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
G2 -Priority Initiative 8	Celebrate the accomplishments of our students through reports to the community, expanded academic awards ceremonies, and expanded athletic awards and banquets.	Complete		Student athletes were profiled weekly in the Calgary Herald during the athletic season. Student successes were profiled in our Report to the Community and at our awards ceremonies.
Goal 2 Expected Outcomes and Indicators	Increased student participation in on-campus activities; decrease in attrition rates particularly among first year students; increased levels of student satisfaction with their learning experience.		2016-2017	<p>During 2014-2015 St. Mary's began to track metrics for these outcomes, so comparative data are not available for all outcomes. Student retention between Winter 2013 to Fall 2013 was 66.3%; this increased to 72.3% for Winter 2014 to Fall 2014.</p> <p>St. Mary's intends to conduct student satisfaction surveys and is deciding whether to use the National Survey of Student Engagement (US) or the Canadian Student Satisfaction Survey</p>
<b>Goal 3</b>				
<b>Increase Access and Support for Under-Represented Student Populations</b>				
G3 -Priority Initiative 1	Form a FNMI Advisory Council comprising FNMI community leaders and education experts.	Complete		The Council was formed at the end of March 2014. It includes the Director of Education at T'suu Tina, the Superintendent of Education at Siksika, the FNMI Liaison Officer/Trainer with Calgary Police Services, and an St. Mary's First Nations student.



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
G3 -Priority Initiative 2	Develop community partnerships and a support strategy specifically designed to meet the learning and transitional needs of FNMI students.	On-going		Developed an <i>Elders on Campus</i> program with a Blackfoot Elder and Métis Elder to support students, faculty and staff. Offered FNMI ceremonies to campus community once per semester. The <i>FNMI Scholars on Campus</i> program hosted a video screening of Making Treaty 7 in November 2014 and February 2015 to partners and community. The FNMI Partnership Launch on March 4, 2015 hosted 130 guests from FNMI agencies, post-secondary institutions and Elders from the Treaty 7 territory.
G3 -Priority Initiative 3	Develop a writing skills course as a three-credit transferable option for all students.	In progress	2016-2017	During 2014-15 we developed an Academic Writing Institute, offered August 31 to September 4, 2015. Registration to the institute reached a capacity of 25 students.
G3 -Priority Initiative 4	Increase access to online learning supports by purchasing transferable user licenses for utilizing lynda.com.	Complete		Transferable licences of lynda.com were successfully made available to students, faculty and staff who signed up for online instruction. One science course integrated online lynda.com training in its program.



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
G3 -Priority Initiative 5	Create an inclusive and supportive learning environment for students with disabilities through (i) increased faculty and staff awareness of policies and services related to students with disabilities; (ii) enhancing the availability of adaptive technologies; and (iii) providing support for accessing individual disability support grants.	On going		In 2014-15 we worked with faculty to improve the implementation of the academic accommodation letters process. We acquired more adaptive technology and continued to offer Universal Design for Learning oriented services. Students eligible for grants were informed and supported throughout the application process. In 2014-15, 48 students received academic accommodations.
G3 -Priority Initiative 6	Develop and offer a non-academic seminar series of at least four seminars per year focussed on health and wellness. These seminars will be free for students.	On going		In 2014-15 the university partnered with the Canadian Mental Health Association to offer four mental health seminars for faculty. Staff and students. Eight seminars on health, fitness and nutrition were offered through our Fitness Centre.
G3 -Priority Initiative 7	Implement a comprehensive mental health strategy in partnership with the Canadian Mental Health Association, Calgary Office and utilizing tools available through the Canadian Association of University and Student Services.	In progress	2015-2016	In 2014-15 the university implemented the major recommendations of the Mental Health Guide produced by the Canadian Association of University and College Student Services. The Guide will serve as a model for future service delivery in this area.



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
G3 -Priority Initiative 8	Continue offering Humanities 101 program designed to give a university level experience to disadvantaged and marginalized populations with two sessions per year.	Ongoing		Two terms of Humanities 101 were offered, with 60 enrolled students. An extensive training program was implemented for instructors and tutors in literacy assessment, trauma-informed support, and pedagogy for marginalised adult learners. An ESL tutor group was successfully piloted. Indigenous learners in Humanities 101 were supported through the Elders-in-Residence program and cultural teaching offered through the FNMI Office.
Goal 3 Expected Outcomes and Indicators	<b>An increase in the number of FNMI Students enrolled at St. Mary's University; increased faculty awareness of the learning support needs of students with disabilities; students with disabilities will be able to access the support services necessary to ensure their academic success; and an increasing number of HUM101.</b>			<b>The number of self-declared FNMI students increased by 50% compared to 2013-14. The Learning Centre sent the revised Accommodations Policy to all faculty members and it is available on our website. Faculty receive more detailed accommodations letters and are more actively engaged in the review and implementation of accommodations. The Humanities 101 numbers are stable with two course offerings per year.</b>



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
<b>Goal 4</b>				
<b>Enhance Student Engagement in Campus Community Life</b>				
G4 -Priority Initiative 1	Establish a Strategic Enrolment Management Council to provide input in the development of coordinated programs which will facilitate student engagement in the life of the campus community which goes beyond the classroom.	Complete		A Strategic Enrolment Management Council was established in October 2014. As noted earlier, the Council meets quarterly and has developed and approved terms of reference.
G4 -Priority Initiative 2	Complete the transition of St. Mary's men's and women's Cross Country running teams to competition in the Alberta Colleges Athletics Conference in the fall of 2014.	Complete		ACAC approved our application to enter Cross Country running teams. A new coach was hired in June 2014 and the team entered four meets during the season, including the CCAC Cross Country Nationals.





Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
G4 -Priority Initiative 3	Support the continuing development of the drama and choral programs through the funding of academic programs and regular public performances.	Ongoing		<p>The choral and drama programs continue to grow in student enrolment and community impact. The Drama production in March 2015, <i>Six War Years</i> involved an ensemble of 25 actors who used a progressive collective creation process to devise a unique and dynamic way of storytelling developed by influential Canadian theatre pioneers.</p> <p>The choral program continues to grow in size and rigour as marked by its commanding performance of Mozart's <i>Requiem</i> with an orchestra and an accompanying choral company, <i>Cum Vino Cantos</i>, held in April 2014. This was followed by a Winter Concert in December held on St. Mary's campus and a performance at Heritage Park at the President's Dinner.</p>
G4 -Priority Initiative 4	Hire a manager for the Fitness Centre who is qualified to offer specialized services to our learning community. The role will also focus on delivering fitness and nutrition seminars to students, faculty and staff as well as offering personal training through the Fitness Centre.	Complete		Rhonda Thiessen, who holds CSEP-CPT, NASM CES, PES GPTS, NCCP Club Coach, EIMC Level 1, and Bonfit Trained credentials, was hired as the Fitness Centre Manager and offers personal fitness training for faculty, staff and students. As we continue to grow, there will be a continuing focus on health and wellness initiatives, as well as additional fitness activities being offered through the Fitness Centre.



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
G4 -Priority Initiative 5	Support the expansion of student clubs through involvement with the administration of the Student Legislative Council.	Ongoing		Two new student clubs were formed in 2014-15, the Psychology Club and Friends of Humanities 101.
G4 -Priority Initiative 6	Engage students in the development and implementation of the university expansion plans.	Complete		There were two consultations on the expansion plans held with students. Student feedback on the plans was submitted to the Site Planning Committee.
G4 -Priority Initiative 7	Promote Campus Ministry activities through annual social justice themes and expanded options for student and staff participation in community service activities.	Ongoing		<p>The Social Justice Committee and the student-led Social Justice Club highlighted the theme of “land” through lunch and learn sessions and nature walks led by two science professors and raised money for two land-based charities. Students volunteered at Fr. Lacombe Care Centre, L’Arche and Our Lady Queen of Peace Ranch Christmas party. Students also participated in large numbers in a Pet League Access Society (PALS) event where dogs were brought to campus for animal therapy to relieve stress.</p> <p>Based on their skills and experience developed through the choral and drama programs, students developed and performed a musical cabaret as a fund-raiser for the Humanities 101 program for marginalised adult learners. This event drew community members and informed them about the performance programs at St. Mary’s as well as the initiatives to reach under-represented learners</p>



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
<p><b>Goal 4</b> Expected Outcomes and Indicators</p>	<p>Increased student participation in campus activities in the areas of community service, athletics, and the fine arts; higher student satisfaction rates with their St. Mary's experience; and higher student retention rates.</p>			<p>St. Mary's students continued to be involved in many extra-curricular activities. The Drama and Choral Music programs continued to expand and prosper (see G4-Initiative 3 above). One in five St. Mary's students volunteer and in addition to opportunities at the Father Lacombe Care Centre, Our Lady Queen of Peace Ranch, the YARD program, HUM 101 and other venues, students volunteered for the first time in 2014-15 at L'Arche. The Students for Social Justice Club, in keeping with their annual theme of "Land," raised money for the Ann and Sandy Cross Conservation Area, as well as for the Calgary Catholic Immigration Society. On the athletics side, St. Mary's launched a men's Cross Country varsity team during this our inaugural season in ACAC.</p>
<p><b>Goal 5</b> Promote Program Renewal and Development</p>				
<p>G5 -Priority Initiative 1</p>	<p>Implement the 120-credit BA in Liberal Studies degree approved by the Minister in 2013.</p>	<p>Complete</p>		<p>The 120-credit BA in Liberal Studies degree has been fully implemented, with the first cohort of graduating students enrolled in their final year and engaged in their interdisciplinary capstone research projects.</p>



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
G5 -Priority Initiative 2	Implement the 120-credit BSc in Biology degree.	In progress	2015-2016	The 120-credit BSc in Biology is ready to be fully implemented in September 2015 with the senior courses in development. An additional full-time, tenure-track faculty member Dr. Scott Lovell, Assistant Professor of Biology, was hired in July 2014 to support the degree.
G5 -Priority Initiative 3	Implement the 120-credit BA in History degree.	Complete		The 120-credit BA in History degree was implemented in September 2014, supported by the addition of a full-time tenure track faculty member in History, Dr. Carolyn Salomons.
G5 -Priority Initiative 4	Develop a 120-credit BA in Catholic Studies and Social Justice degree with a planned implementation date of September 2015.	In progress	2016-2017	The 120-credit BA in Catholic Studies and Social Justice degree is in its final stages of development. The addition of a new full-time tenure track faculty member with expertise in Catholic Studies, Social Justice and Service Learning, Dr. Peter Baltutis, has consolidated the degree's focus on Catholic Studies rooted in Social Justice. The proposed degree is being renamed BA in Social Justice and Catholic Studies with a planned proposal completion date of November 2015.
G5 -Priority Initiative 5	Develop a two-year after degree BEd in Secondary Education with a planned implementation date of September 2016.	On hold		With the funding uncertainty created by the March 26, 2015 provincial budget, it was decided to defer submission of this degree proposal despite strong industry and community demand. This decision will be revisited in the coming year.



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
G5 -Priority Initiative 6	Develop a 120-credit BA in Politics, Philosophy, and Economics (PPE) with a planned implementation date of September 2016.	On hold		With the funding uncertainty created by the March 26, 2015 provincial budget, it was decided to defer submission of this degree proposal despite strong industry and community demand. This decision will be revisited in the coming year.
G5 -Priority Initiative 7	Develop a 120-credit Bachelor in Management Studies with a planned implementation date of September 2016.	On hold		With the funding uncertainty created by the March 26, 2015 provincial budget, it was decided to defer submission of this degree proposal despite strong industry and community demand. This decision will be revisited in the coming year.
Goal 5 Expected Outcomes and Indicators	Increased retention of students who wish to complete their degree at St. Mary's; an increased number of new student applicants who designate St. Mary's as their first choice; an increased level of student satisfaction in program options available to them; and an enhanced level of satisfaction in the student learning experience.			<p><b>As described under Goal 2, during 2014-2015 St. Mary's began to track metrics for these outcomes, so comparative data are not available for all outcomes. Student retention between Winter 2013 to Fall 2013 was 66.3% and this increased to 72.3% for Winter 2014 to Fall 2014.</b></p> <p>St. Mary's intends to conduct student satisfaction surveys and is deciding whether to use the National Survey of Student Engagement (US) or the Canadian Student Satisfaction Survey.</p>



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
<b>Goal 6</b>				
<b>Encourage Excellence in Teaching and Learning</b>				
G6 -Priority Initiative 1	Employ the recently formed Teaching and Learning Committee to continue to identify strategies for encouraging and promoting excellence in teaching and scholarship at St. Mary's University.	Ongoing		<p>The Teaching and Learning Committee has been actively engaged in working with St. Mary's University's Learning Centre to establish principles of universal design for learning and a program for implementation of universal design to be undertaken over the next two years.</p> <p>The criteria for a Teaching Award were developed with plans to implement the award in the coming year. Research was undertaken to compare the nomination process to similar awards at other institutions and to institute a streamlined nomination process.</p>
G5 -Priority Initiative 2	Provide professional development opportunities for faculty to enhance their teaching and scholarship.	Ongoing		<p>The Director of Research organised several workshops for faculty to enhance their scholarship including: preparing and submitting manuscripts for academic presses and journals; applying for SSHRC grants; and research planning for new faculty. Further workshops were held for new faculty members about the tenure process and how to build successful scholarly portfolios.</p>



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
G5 -Priority Initiative 3	Encourage an informal mentoring system for the development and improvement of teaching.	Ongoing		Senior faculty members led an informal mentoring process with sessional faculty and the new tenure-track faculty. The mentoring included sharing course materials, regular subject area meetings during which course assignments were bench-marked and teaching strategies were shared, regular in-class teaching observations and evaluations, and the sharing of best teaching practices during faculty colloquia.
G6 -Priority Initiative 4	Recognize faculty members for their excellence in teaching through the establishment of an award for teaching excellence and a grant to encourage to innovation in teaching.	Ongoing		<p>The first Teaching Innovation Grant was awarded to Dr. Tara Hyland-Russell for her project "Activism in the Classroom: Building Capacity, Strengthening Community."</p> <p>The Teaching and Learning Committee has taken the lead on developing an award to recognise teaching excellence. The terms of the award have been developed and the nomination process is being finalised.</p>



Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
G6 -Priority Initiative 5	Find new ways to highlight and celebrate the contributions of faculty members in teaching and scholarship.	Ongoing		The first annual report on the state of research at St. Mary's was produced for distribution among faculty, donors, supporters of the university, potential sponsors of research, and the wider community. The quality, relevance and diversity of research and scholarship undertaken by faculty are impressive and the dissemination of the annual report further increased collaboration within the institution and in the broader scholarly community.
G6 -Priority Initiative 6	Encourage the integration of research into courses and enhance the research training of students.	Ongoing		<p>The Teaching and Learning Committee has been actively engaged in working with St. Mary's University's Learning Centre to establish principles of universal design for learning and a program for implementation of universal design to be undertaken over the next two years.</p> <p>The criteria for a Teaching Award were developed with plans to implement the award in the coming year. Research was undertaken to compare the nomination process to similar awards at other institutions and to institute a streamlined nomination process.</p>





Type	Description	Status	Expected Completion Date (from CIP)	Progress Made in the Last 12 Months
<p><b>Goal 6 Expected Outcomes and Indicators</b></p>	<p><b>Increased faculty participation in activities related to teaching excellence; increased retention of highly qualified faculty members; and increased student satisfaction with the classroom learning experience</b></p>			<p><b>St. Mary's has no difficulty attracting and retaining tenure-track or sessional faculty. Searches were conducted in the 2014-15 fiscal year for three new tenure-track positions, and three highly qualified candidates were hired to begin July 1, 2015. Faculty members employ many innovative pedagogical strategies, including flipped classrooms, with the encouragement and support of their peers. Anecdotal evidence indicates that students have a high level of satisfaction with their learning experiences.</b></p>



## Research, Applied Research and Scholarly Activities

### *St. Mary's Commitment to Research and Scholarship*

As a small undergraduate, liberal arts and sciences university, St. Mary's University seeks to create and sustain a strong culture of academic inquiry and innovation by celebrating the vital relationship between teaching and research, supporting the creation of high quality research by its faculty, adhering to the highest ethical standards, upholding academic freedom, facilitating collaborative and interdisciplinary research initiatives, and serving the welfare of humanity.

Despite the current uncertain provincial fiscal environment, St. Mary is committed to fulfilling the objectives of the *Alberta Research and Innovation Plan* by continuing to build research capacity among its faculty that focuses on targeted areas that fall within our institutional vision and mission, and that contribute to developing dynamic learning and innovation that serves the welfare of society and furthers the understanding of our world. In keeping with the *Campus Alberta Strategic Plan* St. Mary's University is committed to a learner-enabling system that empowers the learner, to delivering value for investment, and advancing knowledge that serves societal and economic objectives.

### *Progress on Research Goals*

The St. Mary's University Institutional Research Plan, approved in November 2011, identified four strategic goals to ensure that research is aligned with the broader mandate and mission of the University. These goals are:

1. to create an academic environment that supports and promotes research, as well as scholarly and creative activity;
2. to support faculty in the development of collaborative and interdisciplinary research initiatives and projects that reflect the mission of St. Mary's University and areas of institutional strength and expertise;
3. to support the integration of research and education and enhance the research training of students; and
4. to promote the exploration and dissemination of knowledge for the benefit of society.

To achieve these goals the following steps have been taken in the past year:



**Research Goal 1: To create an academic environment that supports and promotes research, as well as scholarly and creative activity.**

To fulfill this goal, St. Mary's created a Director of Research and Grants position on 1 January 2014. In the past year, the Director of Grants and Research has:

- produced the first annual report on the state of research at St. Mary's for distribution among faculty, donors, supporters of the University, potential sponsors of research and the wider community;
- organized a workshop for faculty on preparing and submitting manuscripts for academic presses and journals;
- organized a workshop for faculty on SSHRC grant submissions;
- maintained and updated a research information and resource file on the Faculty S-Drive; consulted with the Development Office on the launch of a new St. Mary's website and the inclusion of faculty profiles and research page;
- met with new faculty to discuss their research plans and needs and suggested faculty mentors;
- met with the Science Faculty and began the process of developing policies needed to apply for NSERC eligibility and discussed preparation of application to Canada First Research Excellence Fund;
- served as the point of contact for federal granting councils, government ministries, foundations, associations and industry which provide funding for faculty research;
- worked with the Vice President-Advancement to identify potential sources of funding and sponsorship;
- contributed to the preparation and assessment of Canada Summer Jobs applications to hire student researchers;
- chaired the St. Mary's Research Grants Committee and the David Lawless Research Award committee; sat as an ex officio member of the Professional Development Committee; and
- provided advice to the Vice-President Academic, Dean's Council, and Academic Council on matters relating to research and grant funding.

In 2014, St. Mary's established Faculty Research Grants to assist St. Mary's researchers to:

- conduct seed research projects which assist in the establishment of long-term research plans/programs and provide the basis for future applications for external funding;
- maintain ongoing research plans with modest funding requirements or for which few external funding opportunities exist;
- fund activities which generate specific research outcomes and lead to publishable results; and
- disseminate research results and establish collaborative networks nationally and internationally.



In the past year, Faculty Research Grants were awarded to Dr. Corrine Syrnyk for her project “Sharing knowledge, Seeding the Future: Investigating Infant Word Comprehension and the Nurture Approach” and to Dr. Tara Hyland Russell for her project “Well-Being and Social Skills among Participants in a Radical Humanities Program for Marginalised Adults.”

The success of these steps is evident in the following summary of research activity for the past academic year.

<b>Grants</b>		
St. Mary's Faculty Research Grants	2	\$4,875
St. Mary's Professional Development Grants	21	\$30,655
St. Mary's Teaching Innovation Grant	1	\$2,500
External Grants		
Canada Student Jobs	2	\$11,572
Alberta Parks	1	\$3,700
<b>Totals</b>	<b>27</b>	<b>\$41,730</b>
<b>Scholarship</b>		
Books authored, co-authored or edited		1
Chapters in a scholarly book		11
Articles in peer reviewed scholarly journals		14
Creative productions or presentations		1
Consulting projects or reports		1
Papers read at scholarly or professional conferences		19
Talks or lectures presented at other conferences and institutions		22
Book reviews published		7
Other types of scholarly or creative presentations or productions		1
Manuscripts completed, but not published		33
Academic conferences or articulation meetings attended		14



**Research Goal 2: To support faculty in the development of collaborative and interdisciplinary research initiatives and projects that reflect the mission of St. Mary's and areas of institutional strength and expertise.**

To further this goal, St. Mary's looks forward to several events that promise to provide forums to present research, to network with colleagues, and to strengthen external partnership.

- St. Mary's successfully applied to host the Pacific North West Conference of the American Academy of Religion in May of 2017. This conference will bring together scholars in Biblical Studies, Theology, Religious Studies, Cultural Studies and History to St. Mary's from across the Pacific North West and provide an opportunity for our faculty to present their research and network with scholars in their fields.
- St. Mary's has joined with Ambrose University, Mount Royal University and the University of Calgary in organizing a series of lectures and symposia exploring the legacy of the Reformation on the occasion of its 500<sup>th</sup> anniversary in 2017.
- Several faculty members have secured relationships with overseas institutions during upcoming sabbaticals. During the winter of 2016, Dr. Tara Hyland Russell will be pursuing her research interests in adult education among disadvantaged communities in collaboration with a colleague at the University of Canterbury in England. During his sabbatical in 2016, Dr. Norman Knowles will serve as a Visiting Fellow at Newman University in Manchester, England while carrying out research on indigenous missionaries employed by the Church Missionary Society in Rupert's Land between 1830 and 1900.
- continue to organize and host conferences, workshops, meetings and symposia at St. Mary's that bring together scholars from across the city, province, nation and world;
- establish teaching and research exchanges with other institutions to further faculty research, growth, networking and partnerships;
- establish interdisciplinary research institutes that reflect the strategic areas identified in the 2011 Institutional Research Plan (Ethics , Justice and Society; Cultures, Communities and Citizenship; Health, Wellness and Spirituality; Science, Pedagogy and the Environment).

**Research Goal 3: To support the integration of research and education and enhance the research training of students.**

The following steps have been taken in the past year to fulfill this goal:

- The past year's Faculty Retreat focused on the integration of learning outcomes into course development, course outlines, and student assessment.



- In 2014, St. Mary's University successfully applied for two student research assistant positions through the Canada Summer Jobs programs.
- Dr. Tara Hyland Russell and Dr. Corrine Syrnyk employed a student researcher to transcribe oral interviews in their longitudinal study of the impact of the Humanities 101 program on its students, staff, and community. Dr. Mary Ann McLean employed a student research assistant to gather information for her study of the impact of the invasive plant *Thesium arvense* in Fish Creek Provincial Park.
- Student research assistants were also used by the recipients of the 2014 St. Mary's Faculty Research Grants. Dr. Corrine Syrnyk was awarded a Faculty Research Grant for her project *Sharing Knowledge, Seeding the Future: Investigating Infant Word Comprehension and the Nurture Approach* and Dr. Tara Hyland Russell for her project *Well-Being and Social Skills among Participants in a Radical Humanities Program for Marginalised Adults*.
- The new four-year Bachelor of Arts with a Major in History has a required third year service learning course (HIST 391: Public History - Theory and Method) that provides students with hands-on experience in the practical application of historical skills and thinking.
- Each of the degree programs at St. Mary's requires the completion of a major research paper or project under the supervision of a faculty advisor and the presentation the findings at an end of year student conference.
- Exemplary student papers are published annually in *The Attic*, an anthology of student work that covers all disciplines.

**Research Goal 4: To promote the exploration and dissemination of knowledge for the benefit of society.**

In the past year, the following steps have been taken to promote the exploration and dissemination of knowledge for the benefit of society:

- The St. Mary's University Speaker's Series continues to create a link between the University and the wider community by offering a free public forum to guests of outstanding intellectual and ethical vigour to address topics of broad community interest. The past year's theme was "ways of storytelling." St. Mary's professor Dr. Linda Henderson spoke on "Photo Essays: Method and Memoir." Dogrib (Tlicho) First Nations writer, Richard Van Camp, captivated the audience with his world-renowned storytelling talent as he demonstrated the power of written narratives. In an entertaining and enlightening presentation, St. Mary's Writer-in-Residence, Eugene Stickland, spoke about his journey to becoming a playwright and journalist.
- St. Mary's cohosted a series of talks by internationally renowned biblical scholar, Amy Jill Levine with the Beth Tzedec Jewish Community.



- St. Mary's launched a new website including faculty profiles which include descriptions of research interests and current publications and activities.
- Produced an Annual Research Report and distributed to donors, supporters and community members.
- Updated the St. Mary's speaker's bureau and media contact list.



## 6.0 Financial and Budget Information

### Amended 2014-2015 Budget

The University Operating and Capital budget for the 2014-2015 fiscal year was approved by the Board of Governors on March 17, 2014. This budget was reported in the original 2014-2018 Comprehensive Institutional Plan. The Board of Governors subsequently approved an amendment to the 2014-2015 Operating and Capital budgets on June 6, 2015 to deploy additional grant revenue approved from the Targeted Enrolment Expansion Funding awarded for growth in the Bachelor of Education Program. For purposes of the Annual Report, comparisons to approved budget will be in reference to the 2014-2015 amended budget.

	CIP Budget 2014- 2015	Amended Budget 2014- 2015	Actual 2014- 2015	Variance	Explanation for variance
<u>REVENUES</u>					
Tuition & Student Fees	4,163,300	4,163,300	4,526,952	363,652	<b>Tuition fee</b> revenue was higher than budget by \$363,652 or 8.7% due to outstanding enrolment growth. This was an increase of 19.1% from the prior year. Enrolments have grown dramatically over the last few years in the Bachelor of Arts and Education programs due to St. Mary's growing reputation, strong demand for student-centered learning in small class sizes, and affordable tuition rates. St. Mary's also experienced growth in non-credit program including Sacred Arts, Discovering Science and the Graduate Certificate in Educational Leadership. It should be noted that the tuition rates proposed in the CIP were not changed; rather, the increase in this line relates strictly to the enrolment increase.





Government Grants	3,000,000	3,200,000	3,232,329	32,329	<p><b>Government grant</b> revenue exceeded the amended budget by \$32,329 or 1.0%, an increase of 8.4% from the prior year. St. Mary's was very pleased to be awarded Targeted Enrolment Expansion (TEE) Funding for the doubling of student enrolments in the Bachelor of Education After Degree Program. Conversely, St. Mary's was disappointed that TEE funding was not awarded for growth in the Bachelor of Arts Programs or the recently approved Bachelor of Science Program. <u>In fact, St. Mary's remains one of the lowest-funded post-secondary institutions in Alberta.</u> We are hopeful that the recently developed Grant Funding Model will support a more equitable allocation of grants to fund institutions such as St. Mary's that are meeting the Province's goal of increasing access to post-secondary education.</p>
Donations and Fundraising Events	1,972,200	1,949,200	1,516,316	(432,884)	<p><b>Donations and Fundraising Events</b> revenue was lower than budget by \$432,884 or 22.2%, a decline of 50.0% from the prior year mainly due to one-time bequest received in the prior year of almost \$1.1 million. In reference to the budgetary shortfall, the recent volatility in the local economy, combined with the lower price of oil, has made fundraising more challenging. We were encouraged by the temporary restoration of the Access to the Future grants in 2015. The availability of government grants to match private donations was a powerful incentive to charitable support for St. Mary's.</p>
Ancillary Services	414,500	437,500	511,196	73,696	<p><b>Ancillary Services</b> revenue surpassed the budget by \$73,696 or 16.8%, an increase of 17.9% from the prior year mainly due to an increase volume of the books sold in the bookstore to the growing base of students.</p>



Investment Income	867,000	867,000	987,010	120,010	<b>Investment Income</b> exceeded budget by \$120,010 or 13.8%; however, this was a decrease of 17.2% from the prior year. While the results were strong in the most recent years, investment income continues to be a challenging line item with historically-low interest rates and significant volatility in equity markets. University investment funds are managed by professional advisors under the oversight of the Finance Committee of the Board.
Rental & Miscellaneous Income	98,000	98,000	192,635	94,635	<b>Rental and Miscellaneous Income</b> exceeded budget by \$94,635 or 96.6%, an increase of 65.8% from the 2013-2014 fiscal year. St. Mary's uses opportunities to generate additional revenues by renting facilities available in the evenings and on weekends.
Earned Capital Contributions	325,000	325,000	348,041	23,041	<b>Earned Capital Contributions</b> were higher than budget by \$23,041 or 7.1%, an increase of 7.1% from the prior year. Earned capital contributions increase is due to higher amortization cost of deferred capital contributions. Thanks to support from many private donors, St. Mary's allocated donated funds towards capital acquisitions such as Site Panning Project, Biology Lab, Water Tower, as well as library books and computer equipment.
<b>TOTAL REVENUES</b>	<b>10,840,000</b>	<b>11,040,000</b>	<b>11,314,479</b>	<b>274,479</b>	



EXPENSES					
Compensation: Salaries	6,032,645	6,174,445	6,328,370	(153,925)	<p><b>Compensation</b> expenses had a very small budget overage of \$154,013 or 2.2%, an increase of 18.5% from the prior year. Compensation remained the highest expense item and reflected the focused investment in faculty and administrative staff positions to meet the need of our growing student body. On the academic front, important investments were made in four new full-time tenure-track faculty positions, additional part-time faculty and lab instructors. There were also a number of administrative staff positions added to fill needs in Advancement, Information Technology, Human Resources and Campus Recreation.</p>
Compensation: Employee benefits	900,724	900,724	900,812	(88)	Included in above.
Materials, supplies and services	1,991,131	2,039,331	1,963,491	75,840	<p><b>Materials, supplies and services</b> expenses were less than budget by \$75,840 or 3.7%; however, this reflects an increase of 9.6% from the prior year. St. Mary's has always had a tradition of careful budget management, and it is not unusual for this line item to end the year under budget, as faculty and staff manage their budgets cautiously. The line item reflects the additional costs of the name change to St. Mary's University in addition to professional development, technology maintenance and supplies for academic programs. The growth in this budget from the prior year reflected strategic investments to fund the new Bachelor of Science Degree in Biology, enhancements to technology and systems, additional resources for the St. Mary's Learning Centre, and the re-launching of the Humanities 101 Program.</p>



Scholarships, bursaries and awards	310,000	310,000	333,925	(23,925)	<b>Scholarships, bursaries and awards</b> exceeded budget by \$23,925 or 7.7%, an increase of 17.5% from the 2013-2014 fiscal year. This growth was due to outstanding success in attracting new students who were eligible for the President's Circle Scholarships (awarded to full-time students with a high school average of 80% or higher). Thanks to support from many private donors, St. Mary's has a very full array of scholarships and bursaries.
Maintenance and repairs	248,500	258,500	281,066	(22,566)	<b>Maintenance and repairs</b> expense exceeded budget by \$22,566 or 8.7%, a slight increase of 3.1% from the prior year. Variances to the budget and prior year are related to the increased expenses on security and buildings supplies and maintenance.
Utilities	193,800	193,800	192,135	1,665	<b>Utilities</b> ended the year below budget mainly due to saving on electricity and sewer services.
Cost of goods sold	301,200	301,200	373,448	(72,248)	<b>Cost of goods sold</b> was higher than budget by \$72,248 or 24.0%, an increase of 21.8% from the prior year. With the increase in enrolments of almost 20%, bookstore sales were very strong with a correlating increase to the cost of goods sold. The St. Mary's University Bookstore operates on a very slight profit margin. Though we are seeing growth in electronic options and textbook rentals, sales of traditional textbooks remain the primary item sold.
Amortization and accretion	862,000	862,000	832,867	29,133	<b>Amortization and accretion</b> expense was less than budget by 29,133 or 3.4%; however, this was an increase of 8.1% from 2013-2014. Amortization expense increase to prior year is related with \$1.4 million capital investments in fiscal year 2014-15 mainly in Biology Lab, Water Tower, classroom space, computer and science equipment, as well as library books and cafeteria expansion.
<b>TOTAL EXPENSES</b>	<b>10,840,000</b>	<b>11,040,000</b>	<b>11,206,114</b>	<b>(166,114)</b>	
<b>NET SURPLUS/(DEFICIT)</b>	<b>0</b>	<b>0</b>	<b>108,365</b>	<b>108,365</b>	



## 7.0 Internationalization

Until St. Mary's has a student residence on campus, it is focusing its internationalization efforts on externally hosted programs and partnerships. St. Mary's University is in its fifth year of partnership with Ukrainian Catholic University (UCU), an initiative that has resulted in three student exchanges to date. Further plans are in development for a travel study trip for St. Mary's students in 2016 to join UCU students at a summer session in Lviv, Ukraine, followed by travel to World Youth Day in Poland. A memorandum of understanding is currently in final stages of preparation between St. Mary's University and Zambia Catholic University (ZCU) in Ndola. This year the Director of Education from ZCU presented seminars on gender and leadership to the BEd students at St. Mary's. Future plans include the opportunity for St. Mary's BEd students to complete a specialized practicum course in Zambia. St. Mary's also has an existing exchange agreement with St. Mary's University, Twickenham.



## 8.0 Information Technology

St. Mary's is committed to providing students, faculty and staff with the technology and support they need. To that end, a new position was added to the Information Technology Department with a focus on Network Administration. St. Mary's made several investments in technology over the 2014-2015 fiscal year:

- Enhancement of the Institutional Dashboard to support academic planning including automated reporting of key indicators on enrolments, academic programs, admissions and demographics
- Provincial reporting has been enhanced by migrating to the new XML data format for Learner Enrolment Reporting System
- Renewal of student computer lab through the generous support of a private donor
- Further expansion of network infrastructure to support growth in enrolments and programs
- One-time grants received through the Targeted Enrolment Expansion Funding program enabled the expansion of technology resources for the Bachelor of Education after-degree program including:
  - Additional Smartboards to accommodate the doubling of the BEd program
  - Addition of Google Chromebooks for BEd students to them to be trained on Google Apps for Education, an online platform that promotes collaborative learning for students
  - Installation of video-conferencing for the BEd program to support connectivity with local school districts for collaborative projects, administrative meetings, and remote practicum placements
  - While these projects were well underway at the end of the 2014-2015 fiscal year, they will be fully complete in the 2015-2016 fiscal year
- Further enhancements were made to campus audio-visual resources to support instruction
- St. Mary's piloted a Moodle for their Learning Management System in Science and Business. Professors were able to leverage a more robust system to help enhance *asynchronous learning*.

Work will continue on the creation of a full slate of Information Technology policies and procedures.



**Financial Statements**

For the years ended March 31, 2015 and March 31, 2014

---

---

**AUDITORS' REPORT****To the Board of Governors of  
St. Mary's University:**

We have audited the accompanying financial statements of St. Mary's University, which comprise the statements of financial position as at March 31, 2015 and 2014 and the statements of operations, changes in net assets and cash flows for the years then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of these financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

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

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

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of St. Mary's University as at March 31, 2015 and 2014, and results of its operations and its cash flows for the years then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Calgary, Canada  
June 8, 2015

(Signed) "Crowe MacKay LLP"

Chartered Accountants





## Statements of Financial Position

For the years ended March 31, 2015 and March 31, 2014

	As at March 31, 2015	As at March 31, 2014
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and equivalents	\$ 541,289	\$ 832,141
Accounts receivable	114,052	19,490
Prepaid expenses and inventory	285,418	243,383
Short term investments - Note 3	1,993,565	1,358,173
	2,934,324	2,453,187
<b>Investments - Note 3</b>	18,262,769	17,286,554
<b>Capital assets - Note 4</b>	23,550,541	18,047,271
	\$ 44,747,634	\$ 37,787,012
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 408,915	\$ 232,947
Accrued vacation pay	210,768	171,022
Deferred revenue	611,140	515,102
Current portion of long term loan - Note 5	181,404	-
Current portion of future retirement obligations - Note 7	35,143	35,143
Deferred contributions - Note 8	649,057	295,439
	2,096,427	1,249,653
<b>Long term loan - Note 5</b>	4,682,515	-
<b>Asset restoration obligations - Note 6</b>	183,454	179,361
<b>Future retirement obligations - Note 7</b>	339,014	325,000
<b>Deferred contributions - Note 8</b>	844,278	511,772
<b>Deferred capital contributions - Note 9</b>	4,312,444	4,181,932
	12,458,132	6,447,718
<b>NET ASSETS</b>		
<b>Unrestricted</b>	7,569,910	7,970,384
<b>Invested in capital assets</b>	14,374,177	13,865,338
<b>Restricted for endowment purposes - Note 10</b>	10,345,415	9,503,572
	32,289,502	31,339,294
	\$ 44,747,634	\$ 37,787,012

Approved by the Board of Governors:

"James T. McCoy" \_\_\_\_\_  
Chair, Board of Governors

"Gerry Turcotte" \_\_\_\_\_  
President



## Statements of Operations and Change in Unrestricted Net Assets

For the years ended March 31, 2015 and March 31, 2014

	2015	2014
<b>REVENUE</b>		
Tuition fees	\$ 4,526,952	\$ 3,800,785
Provincial government grants	3,232,329	2,982,329
Donations and fundraising events	1,516,316	3,036,442
Ancillary services	703,831	546,824
Interest and investment income - Note 3	987,010	1,191,396
Amortization of deferred capital contributions - Note 9	348,041	324,947
	<b>11,314,479</b>	<b>11,882,723</b>
<b>OPERATING EXPENSES</b>		
Salaries	6,328,370	5,292,125
Employee benefits	900,812	806,798
Materials, supplies and services	1,963,491	1,791,594
Scholarships, bursaries and awards	333,925	284,241
Maintenance and repairs	281,066	272,532
Utilities	192,135	194,016
Cost of goods sold	373,448	306,606
Amortization and accretion	832,867	770,700
	<b>11,206,114</b>	<b>9,718,612</b>
<b>EXCESS OF REVENUE OVER EXPENSE</b>	<b>108,365</b>	<b>2,164,111</b>
Investment in capital assets	(993,665)	(156,242)
Net amortization of capital assets	484,826	445,753
<b>CHANGE IN UNRESTRICTED NET ASSETS FOR THE YEAR</b>	<b>(400,474)</b>	<b>2,453,622</b>
<b>UNRESTRICTED NET ASSETS, BEGINNING OF YEAR</b>	<b>7,970,384</b>	<b>5,516,762</b>
<b>UNRESTRICTED NET ASSETS, END OF YEAR</b>	<b>\$ 7,569,910</b>	<b>\$ 7,970,384</b>



**Statements of Changes in Net Assets**  
For the years ended March 31, 2015 and March 31, 2014

	2015				2014
	Unrestricted	Invested in Capital Assets	Endowment Fund	Total	Total
<b>NET ASSETS, BEGINNING OF YEAR</b>	\$ 7,970,384	\$ 13,865,338	\$ 9,503,572	\$ 31,339,294	\$ 28,634,562
Excess (deficiency) of revenue over operating expense	593,191	(484,826)		108,365	2,164,111
Transfer from deferred contributions - Note 8			184,727	184,727	29,757
Investment income - Note 3			1,018,334	1,018,334	765,072
Endowment grants to operations			(441,296)	(441,296)	(416,298)
Endowment contributions			80,078	80,078	162,090
Investment in capital assets	(993,665)	993,665		-	-
<b>NET ASSETS, END OF YEAR</b>	\$ 7,569,910	\$ 14,374,177	\$ 10,345,415	\$ 32,289,502	\$ 31,339,294

*The accompanying notes are part of these financial statements.*



## Statements of Cash Flows

For the years ended March 31, 2015 and March 31, 2014

	2015	2014
<b>Operating Activities</b>		
Excess of revenue over operating expense	\$ 108,365	\$ 2,164,111
Add (deduct) non-cash items:		
Amortization and accretion	832,867	770,700
Amortization of deferred capital contributions	(348,041)	(324,947)
Loss on investments	99,709	83,838
Unrealized gain on investments	(325,206)	(528,444)
Deferred contributions recognized in donation revenue	(238,265)	(171,030)
Future retirement obligation	50,000	75,000
Net change in non-cash working capital <sup>2</sup>	73,395	30,937
	252,824	2,100,165
<b>Financing activities</b>		
Endowment contributions	80,078	162,090
Deferred contributions and grants received	1,109,116	96,237
Capital contributions <sup>1</sup>	449,365	228,065
	1,638,559	486,392
<b>Investing activities</b>		
Acquisitions of capital assets <sup>1</sup>	(1,438,937)	(380,314)
Payables relating to capital acquisitions	65,774	(90,153)
(Acquisitions) disposals of investments, net	(1,386,110)	(1,891,530)
Endowment investment income	1,018,334	765,072
Endowment grants to operations	(441,296)	(416,298)
	(2,182,235)	(2,013,223)
<b>Increase (decrease) in cash</b>	(290,852)	573,334
<b>CASH, BEGINNING OF YEAR</b>	\$ 832,141	\$ 258,807
<b>CASH, END OF YEAR</b>	\$ 541,289	\$ 832,141

**Supplemental cash flow information:**

<sup>1</sup>The statement of cash flows does not include donated capital assets of \$29,188, (2014 – \$448) and the payment of deferred acreage assessments by way of a long term loan of \$4,863,919 (2014 – \$0)

<sup>2</sup>Net change in non-cash working capital:

	2015	2014
(Increase) decrease in accounts receivable	\$ (94,562)	\$ 25,953
(Increase) in prepaid expenses and inventory	(42,035)	(17,758)
Increase in accounts payable and accrued liabilities net of amounts for capital	110,194	13,113
Increase (decrease) in accrued vacation pay	39,746	(16,195)
Decrease in future retirement obligation	(35,986)	(34,929)
Increase in deferred revenue	96,038	60,753
	\$ 73,395	\$ 30,937



Notes to Financial Statements

For the years ended March 31, 2015 and March 31, 2014

**1. Nature of Operations**

St. Mary's College was established by an Act of the Alberta Legislature in 1986. In 2014, permission was granted from the Province of Alberta to change the institution's name to St. Mary's University effective September 18, 2014. St. Mary's University ('St. Mary's') offers undergraduate degree programs and graduate certificate programs to students of all faith traditions. St. Mary's is a registered charity and is exempt from income tax pursuant to Section 149 of the Income Tax Act (Canada).

**2. Significant Accounting Policies**

**(a) Revenue recognition**

St. Mary's uses the deferral method of accounting for contributions. Restricted contributions, designated for specific purposes, are recognized as revenue in the year in which the related expense is incurred. Unrestricted contributions are recognized as revenue or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Revenue from fundraising events is recognized when the contributions are received. Revenue from fundraising events and advance ticket sales are recognized in the period in which the event occurs.

Contributions restricted for the purchase of capital assets that will be amortized are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired capital assets. Contributions restricted for the purchase of capital assets that will not be amortized are recognized as direct increases to the invested in capital assets balance.

Endowment contributions are recognized as direct increases in the endowments balance. Annual spending allocations from endowments are recognized as investment income in the year in which the related expenditures are incurred. Investment earnings on endowed funds in excess of the annual spending allocation are reported as direct increases in the endowments balance.

Revenue from sales in the bookstore is recognized at the time of sale. Revenue from rental of facilities is recognized in the period in which the facility is rented to an external party.

Amounts received for tuition fees and government grants are recognized as revenue in the period the related instructional services are provided.

**(b) Investments and investment income**

All investments have been classified as held-for-trading and are recorded at fair value based on quoted market bid prices at the close of business on the statement of financial position date. Contributions of publicly-traded securities are recorded at the closing market value on the date upon which they are transferred to St. Mary's. Investment income, including interest, dividends, income distributions, and realized and unrealized gains and losses, is recorded as earned when received. Short term investments include restricted and unrestricted cash balances, short term deposits and interest receivable.



Notes to Financial Statements

For the years ended March 31, 2015 and March 31, 2014

**2. Significant Accounting Policies (continued)**

**(c) Capital assets**

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair market value when fair market value is reasonably determinable. Capital assets are regularly assessed for impairment and re-valued as necessary. Amortization is provided on a straight-line basis over the estimated service of the lives of the assets, which are as follows:

Buildings	25 years
Library books and materials	10 years
Furniture and equipment	10 years
Computer equipment	5 years
Land and collections	Not amortized

**(d) Donations-in-kind, pledges and contributed services**

Donated materials are recognized in the financial statements at their estimated fair market value if determinable.

Pledges from donors are recorded when payment is received by St. Mary's or the transfer of property is completed. Volunteers contribute an indeterminable number of hours each year to assist St. Mary's in carrying out its mission of post-secondary and graduate education. The fair value of these services is not determinable and accordingly is not included in the financial statements.

**(e) Asset restoration obligation**

The fair value of an obligation for asset restoration is recorded in the period in which a legal obligation is incurred for the restoration of the asset arising from the acquisition, construction, development, and/or normal use thereof. The estimated asset restoration costs are capitalized as part of the carrying amount for the long-lived asset and amortized in accordance with the amortization policy of the asset. The value of the obligation is adjusted at the end of each fiscal period to reflect the passage of time and changes in the estimated future cash flows underlying the obligation. Actual costs incurred on settlement of the obligations are charged against the liability with any remaining difference recognized as a gain or loss to earnings in that period.

**(f) Future retirement obligation**

A liability has been established for the estimated future value of post-retirement benefits for executives based on the terms of employment contracts. Under the terms of the contract, post-retirement benefits will be paid over several years following retirement.

**(g) Use of estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of useful lives of capital assets for amortization, the amortization of deferred capital contributions, expected costs for asset retirement obligations, future employee benefits, and provisions for contingencies. Actual results could differ from those estimates.



**2. Significant Accounting Policies (continued)**

**(h) Financial instruments**

Financial assets and liabilities are initially recognized and subsequently measured based on their classification. Cash and cash equivalents, short term investments, and long term investments are measured at fair value. Gains and losses realized on disposal, unrealized gains and losses from market fluctuations and other investment income are reported in the Statement of Operations. All transactions costs for financial assets and liabilities are recorded as expenses. Other liabilities and receivables are measured at amortized cost using the effective interest rate method.

**(i) Credit, currency, market and liquidity risk**

*Credit Risk*

St. Mary's is exposed to credit risk for accounts receivable that is relatively low as the majority of balances are due from government bodies and ongoing facility renters. Credit risk for tuition is managed through strict payment deadlines, restriction of enrolment activities for students with delinquent balances and standard collection procedures.

*Currency Risk*

St. Mary's is exposed to currency risk on investments that are denominated in foreign currencies. St. Mary's does not use derivative instruments to reduce its exposure to foreign currency risk.

*Market Risk*

St. Mary's is exposed to market risk in investment earnings and long term investment values from fluctuations and volatility in publicly-traded equity markets and foreign currencies. Market risk consists of price risk, foreign currency risk and interest rate risk. To manage market risk, St. Mary's has established a target mix of investment types designed to achieve the optimal returns with reasonable risk tolerances through diversity in holdings.

St. Mary's entered into a long term loan agreement with a 20 year repayment term. Under the terms of the loan, St. Mary's must maintain unrestricted investments in a pledge account equal to the principal balance of the loan. St. Mary's must confirm holdings on a quarterly basis. St. Mary's is exposed to market fluctuations in the value of pledged securities and maintains an excess balance to ensure compliance with borrowing covenants.

*Liquidity Risk*

St. Mary's maintains a short term line of credit with a major Canadian chartered bank that is designed to ensure sufficient available funds to meet current and forecasted financial requirements. As at March 31, 2015, St. Mary's has available borrowing facilities of \$500,000, none of which had been drawn. St. Mary's must maintain a market value of \$1,500,000 in unrestricted investments at all times as security for this credit facility.

Under the terms of a long term loan agreement with the City of Calgary, St. Mary's must maintain unrestricted securities in a pledged account equal to the principal amount of the loan at all times during the 20 year repayment period. St. Mary's continues to earn investment income from pledged securities and actively manages cashflows to minimize liquidity risk.

**(j) Inventories**

Inventories are recorded at the lower of cost and net realizable value. Inventories that have been previously written-down are reversed if the economic circumstances have changed to support an increase in inventory value. Inventories recognized as an expense in the fiscal year ended March 31, 2015 are \$373,448 (2014 – \$306,606).



## Notes to Financial Statements

For the years ended March 31, 2015 and March 31, 2014

**2. Significant Accounting Policies (continued)****(k) Capital management**

St. Mary's ensures its continuing ability to pay current and future liabilities through maintaining a prudent base of capital, ensuring adequate liquidity, investment policies, spending policies and cash management procedures. St. Mary's must comply with externally-imposed covenants on its credit facilities and long term loan. St. Mary's is in compliance with all requirements as at and for the fiscal year ended March 31, 2015.

**(l) Accrued vacation pay**

Vacation entitlement is recorded as an expense at the time is earned by employees. Vacation entitlement is not accrued and reported for academic faculty members as they use all available entitlement on an annual basis.

**(m) Disclosure of allocated costs by Not-For-Profit organizations**

St. Mary's does not allocate general support and fundraising costs among functions.

**(n) Disclosure of related party transactions**

The Roman Catholic Bishop of the Diocese of Calgary is Chancellor of St. Mary's University. The Roman Catholic Diocese of Calgary made donations to St. Mary's University of \$113,412 in the fiscal year ended March 31, 2015 (2014 – \$123,605).

**(o) Borrowing costs**

Borrowing costs attributable to the acquisition, construction, or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are expensed in the period in which they are incurred.

**3. Investments and Investment Income (Loss)**

	March 31, 2015	March 31, 2014
Cash and interest receivable	\$ 1,352,594	\$ 654,008
Bonds	6,233,611	5,542,405
Publicly traded equities	12,434,431	12,228,076
Life insurance policy	235,698	220,238
	20,256,334	18,644,727
Less amounts reported as short-term investments	(1,993,565)	(1,358,173)
	\$ 18,262,769	\$ 17,286,554

Long term investments include externally restricted contributions received for endowment purposes of \$10,383,059 (2014 – \$9,653,725) and restricted donations for specific capital and operating initiatives of \$1,277,375 (2014 – \$738,105). Bonds consist of government and corporate bonds with average effective yield of 4.0% (2014 – 4.4%). Short term investments include cash balances and bonds maturing in the next fiscal year. The original cost of investments is \$16,959,558. The fair value adjustment is comprised of market fluctuations relating to the working capital and deferred contributions investment portfolios.





## Notes to Financial Statements

For the years ended March 31, 2015 and March 31, 2014

Investment income (loss)	2015			
	Unrestricted	Endowment Fund	Restricted Fund	Total
Interest and dividend income	\$ 794,195	\$ 319,490	\$ 4,451	\$ 1,118,136
Capital gains (losses)	(99,709)	67,659	(976)	(33,026)
Fair value adjustment	325,206	674,862	3,222	1,003,290
Less transaction costs	(32,682)	(43,678)	(261)	(76,621)
<b>Balance, end of year</b>	<b>\$ 987,010</b>	<b>\$ 1,018,333</b>	<b>\$ 6,436</b>	<b>\$ 2,011,779</b>

Investment income (loss)	2014			
	Unrestricted	Endowment Fund	Restricted Fund	Total
Interest and dividend income	\$ 778,395	\$ 398,807	\$ 4,714	\$ 1,181,916
Capital gains (losses)	(83,838)	(51,907)	(3,356)	(139,101)
Fair value adjustment	528,444	453,186	4,166	985,796
Less transaction costs	(31,605)	(35,014)	(369)	(66,988)
<b>Balance, end of year</b>	<b>\$ 1,191,396</b>	<b>\$ 765,072</b>	<b>\$ 5,155</b>	<b>\$ 1,961,623</b>

## 4. Capital Assets

	March 31, 2015		
	Cost	Accumulated Amortization	Net Book Value
Land	\$ 13,726,119	\$ -	\$ 13,726,119
Buildings	13,490,111	4,842,088	8,648,023
Library books and collections	2,175,447	1,565,464	609,983
Furniture and equipment	1,643,305	1,216,819	426,486
Computer equipment	1,535,610	1,395,680	139,930
	<b>\$ 32,570,592</b>	<b>\$ 9,020,051</b>	<b>\$ 23,550,541</b>

	March 31, 2014		
	Cost	Accumulated Amortization	Net Book Value
Land	\$ 8,786,152	\$ -	\$ 8,786,152
Buildings	12,379,424	4,296,697	8,082,727
Library books and collections	2,109,532	1,494,108	615,424
Furniture and equipment	1,531,836	1,115,396	416,440
Computer equipment	1,431,604	1,285,076	146,528
	<b>\$ 26,238,548</b>	<b>\$ 8,191,277</b>	<b>\$ 18,047,271</b>



## Notes to Financial Statements

For the years ended March 31, 2015 and March 31, 2014

**5. Long Term Loan**

On December 15, 2014, St. Mary's made full payment of \$4,812,389 in Development Assessments due to the City of Calgary through the arrangement of a non-revolving reducing term credit facility of \$4,863,919 from the City of Calgary. The loan amount, which includes transaction costs, bears interest at a stated interest rate of 2.957% over a twenty year term in addition to an annual administration fee of 0.25% of the principal balance to the City of Calgary. Interest payable of \$48,480 as of March 31, 2015 is included in accounts payable and accrued liabilities.

The loan is secured by unrestricted long term investments in a pledged account equal to the principal amount of the loan. St. Mary's must confirm the market value of the pledged account to the City of Calgary on a quarterly basis. The loan may be prepaid at any time without penalty.

Interest expense and administration fee on the long term loan of \$48,480 was capitalized. The aggregate amount of principal repayments required in each of the next five years and thereafter is as follows:

2016	\$	181,404
2017		186,807
2018		192,372
2019		198,103
2020		204,004
Thereafter		3,901,229
<b>Balance, end of year</b>	<b>\$</b>	<b>4,863,919</b>
Less current portion		181,404
<b>Long term loan balance, March 31, 2015</b>	<b>\$</b>	<b>4,682,515</b>

**6. Asset Restoration Obligations**

St. Mary's acquired land and buildings in 1999 for development and use as a post-secondary campus. At that time, it was discovered that certain buildings contained asbestos-based materials. An independent engineering report was obtained in 1999 and updated in 2006 and again in 2013 that estimated removal costs for asbestos-based materials. The estimated undiscounted costs to settle the asset restoration obligations for removal of asbestos from campus buildings is approximately \$191,500 and will be incurred over the next 18 years. A risk free rate of 2.49% and an inflation rate of 2% have been used to calculate the fair value of the obligations.

St. Mary's hires experts to conduct regular air quality testing to ensure occupant health and safety in accordance with provincial air quality standards.

	<b>2015</b>	<b>2014</b>
<b>Balance, beginning of year</b>	<b>\$ 179,361</b>	<b>\$ 175,368</b>
Asset restoration accretion	4,093	3,993
<b>Balance, end of year</b>	<b>\$ 183,454</b>	<b>\$ 179,361</b>



## Notes to Financial Statements

For the years ended March 31, 2015 and March 31, 2014

**7. Future Retirement Obligations**

A liability has been established for the estimated future value of post-retirement benefits for executive administrative leave and a Supplemental Executive Retirement Plan. Under the terms of the contract, post-retirement benefits will be paid over several years following retirement subject to vesting provisions. A whole life insurance policy is held to provide life insurance coverage for the family as well as assist in funding retirement obligations.

	2015		2014	
<b>Balance</b> , beginning of year	\$	360,143	\$	320,072
Retirement benefits paid		(35,986)		(34,929)
Accrued for future obligations		50,000		75,000
<b>Balance</b> , end of year		374,157		360,143
Less portion reported as short term		(35,143)		(35,143)
<b>Long term retirement obligations</b>	\$	339,014	\$	325,000

**8. Deferred Contributions**

Deferred contributions represent unspent externally restricted contributions and grants. The changes in the deferred contributions balance are as follows:

	2015		2014	
<b>Balance</b> , beginning of year	\$	807,211	\$	911,761
Grants, contributions, and donations received		1,587,669		324,749
Recognized as revenue		(238,265)		(171,029)
Transferred to endowment fund		(184,727)		(29,757)
Transferred to unamortized deferred capital contributions - Note 9		(478,553)		(228,513)
<b>Balance</b> , end of year		1,493,335		807,211
Less short-term deferred contributions		(649,057)		(295,439)
<b>Long term deferred contributions</b> , end of year	\$	844,278	\$	511,772

The balance consists of funds externally restricted for:

	2015		2014	
	Current	Long Term	Current	Long Term
Capital	\$ 473,158	\$ 191,255	\$ 117,833	\$ 285,755
Education program	500		2,600	-
Library enhancements		44,854	-	44,854
Scholarships and program enhancements	175,399	608,169	175,006	181,163
<b>Balance</b> , end of year	\$ 649,057	\$ 844,278	\$ 295,439	\$ 511,772

**Notes to Financial Statements**

For the years ended March 31, 2015 and March 31, 2014

**9. Deferred Capital Contributions**

Deferred capital contributions represent unamortized donations used to fund capital acquisitions. The amortization of deferred capital contributions is recorded as revenue in the statement of operations. The changes in deferred capital contributions balance are as follows:

	<b>2015</b>	<b>2014</b>
<b>Balance</b> , beginning of year	\$ 4,181,932	\$ 4,278,366
Additions from deferred contributions - Note 8	478,553	228,513
Amortization to revenue	(348,041)	(324,947)
<b>Balance</b> , end of year	\$ 4,312,444	\$ 4,181,932

**10. Endowment Fund**

Endowments consist of permanently restricted donations to St. Mary's, the principal of which is required to be maintained intact in perpetuity (externally restricted), as well as internal allocations by the Board of Governors (internally restricted). The investment income generated from endowments must be used in accordance with the various purposes established by the donors or the Board of Governors. A formal policy has been established with the objective of protecting the real value of the endowments by limiting the amount of spending allocations and reinvestment of unexpended income.

**11. Fundraising Expenses**

As required under the Charitable Fundraising Act of Alberta, St. Mary's incurred expenses of \$628,291 (2014 – \$554,860) for the purposes of soliciting contributions. Of these expenditures, \$412,363 (2014 – \$296,287) was paid as remuneration to employees of St. Mary's whose primary duties involve fundraising.

**12. Comparative Figures**

Certain 2014 figures have been reclassified to conform to 2015 financial statement presentation.

**Supplemental Schedule of Revenues and Expenses by Function**

For the years ended March 31, 2015 and March 31, 2014

	<b>2015</b>	<b>2014</b>
<b>REVENUE</b>		
Tuition fees	\$ 4,526,952	\$ 3,800,785
Provincial government grants	3,232,329	2,982,329
Ancillary services	703,831	546,824
Interest and investment income - Note 3	987,010	1,191,396
Amortization of deferred capital contributions - Note 9	348,041	324,947
	<u>9,798,163</u>	<u>8,846,281</u>
<b>OPERATING EXPENSES</b>		
Academics and library	4,140,527	3,517,315
President's office and board	599,858	599,759
Student and campus services	2,014,433	1,666,422
Facilities and technology	1,129,772	1,060,980
Finance and administration	1,024,683	782,493
Bookstore	457,242	388,517
Communications	378,441	377,566
Amortization and accretion	832,867	770,700
	<u>10,577,823</u>	<u>9,163,752</u>
<b>(Shortfall) of revenue over expense excluding fundraising</b>	<b>\$ (779,660)</b>	<b>\$ (317,471)</b>

**Supplemental Schedule of Net Revenues from Fundraising Activities**

For the years ended March 31, 2015 and March 31, 2014

	<b>2015</b>	<b>2014</b>
Revenues from donations and fundraising events	\$ 1,516,316	\$ 3,036,442
Endowment fund contributions	80,078	162,090
Deferred contributions	930,795	342,302
Less expenses for development office and fundraising events	(628,291)	(554,860)
<b>Net revenue from fundraising activities</b>	<b>\$ 1,898,898</b>	<b>\$ 2,985,974</b>

