

  
ST MARY'S  
UNIVERSITY

ANNUAL REPORT TO  
ALBERTA ADVANCED  
EDUCATION 2015-2016







## 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.....	2
4.0 Public Interest Disclosure (Whistleblower Protection) Act .....	4
5.0 Operational Overview.....	5
6.0 Goals, Expected Outcomes and Performance Measures .....	6
Access and Quality .....	6
Progress on Goals and Initiatives.....	7
Research, Applied Research and Scholarly Activities .....	23
St. Mary's Commitment to Research and Scholarship.....	23
Research Goals and Strategies .....	24
Research Goal 1: To create an academic environment that supports and promotes research, as well as scholarly and creative activity. ....	24
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. ....	26
Research Goal 3: To support the integration of research and education and enhance the research training of students. ....	27
Research Goal 4: To promote the exploration and dissemination of knowledge for the benefit of society. ....	28
Community Goals.....	29
7.0 Financial and Budget Information .....	30
8.0 Internationalization.....	37
9.0 Information Technology.....	38
Educational Resources .....	38



Enhanced Wireless Access .....	38
Infrastructure Upgrades.....	38
Bandwidth Upgrades .....	39
Institutional Dashboard .....	39
10. Capital Plan .....	40
Appendix 1 - Audited Financial Statements.....	41



## 1.0 Accountability Statement

St. Mary's University's Annual Report for the year ended March 31<sup>st</sup>, 2016 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, 2016

## 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, 2016



### 3.0 Message from the President

St. Mary's University has focused on creating a space for all learners in Alberta who are seeking a smaller, high-quality, but also affordable, Liberal Arts and Sciences university. Our goal has always been to be open to all; to focus on developing the whole person: mind, body and spirit; and to focus on social justice initiatives as a core feature of our university mission and vision. We can say that we have achieved all this and more. We have grown consistently since our earliest days, and recorded a growth of over 42% over the last four years alone. We have championed important programs for Calgary's most economically disadvantaged citizens, especially through our Humanities 101 program which is delivered free of charge. The program offers free tuition, free child-care, free food and transportation, to a growing number of citizens who have included refugees, homeless citizens, Indigenous Albertans, and recovering addicts and victims of violence. The value of this program has been recognized by a Life of Learning Award nomination from Calgary Learns.

St. Mary's also takes seriously our commitment to First Nations, Métis and Inuit peoples, and has worked diligently to develop a robust program both to support and increase our Indigenous student population, but also partner with First Nations and Métis communities on the development of strong initiatives. St. Mary's University has deliberately adopted a community-led model of working with Indigenous learners and communities. Our FNMI Advisory Council provides the leadership and decision-making for all major initiatives and we only develop projects in response to direct community invitations. We honour a relational model of respect, openness, reciprocity and accountability based on listening and dialogue.

While the university prides itself on its commitment to social justice and non-traditional learners, it is important to acknowledge the high quality of our major focus, which is the delivery of degrees in the Liberal Arts and Sciences, and an after-degree program in Education. This report demonstrates the achievements we've made in revising and developing our degrees and resources, improving research excellence, and also planning for new degrees. We have maintained our focus on small class sizes, and have improved the support we provide to students throughout their degree. We truly believe that we fulfil our mandate as defined in our Strategic Plan:

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.

St. Mary's University is a dynamic, contemporary university open to all. We pride ourselves on our commitment to social justice, to affordability, and to the highest standard of education.

Sincerely,

A handwritten signature in black ink, appearing to read "Gerry Turcotte". The signature is fluid and cursive, with a large initial "G" and "T".

Gerry Turcotte, PhD



#### **4.0 Public Interest Disclosure (Whistleblower Protection) Act**

Section 1 (k) of this Act states that a “public entity” means any agency, board, commission, Crown corporation or other entity designated as a public entity in the regulations.

As an Independent Academic Institution, St. Mary's does not fall under this definition.





## 5.0 Operational Overview

As with last year's report, it is important to stress the impact that the current economic downturn has had on our institution and our planning. As the Ministry knows and understands, St. Mary's is not only one of the fastest growing institutions in Alberta, but also the lowest funded, meaning that we experience financial challenges greater than other Campus Alberta partners. Despite the fiscal constraints under which St. Mary's operates, we remain committed to fulfilling our mission:

St. Mary's is an innovative teaching and research university that provides affordable, accredited and highly valued degrees in the Liberal Arts, Sciences and Education. Through the pursuit of knowledge and service to the community, we prepare our students to become lifelong learners, engaged citizens and compassionate members of society.

We have maintained our commitment to affordable tuition rates for all Alberta students, while at the same time providing small class sizes and individual attention, refusing to create profit-focused mega-classes. Our commitment to access, together with our self-funded support of programs for non-traditional and Indigenous learners, makes for a difficult reality in the context of the current economy. We continue to depend on donations to provide a portion of our operating "lights-on" funding.

The past year, St. Mary's focussed on recruitment, student success and retention, ensuring pathways and transitions support for students. Considerable progress was made on the goals and initiatives outlined in our 2015-18 Comprehensive Institutional Plan, with the specific results described in the next section.



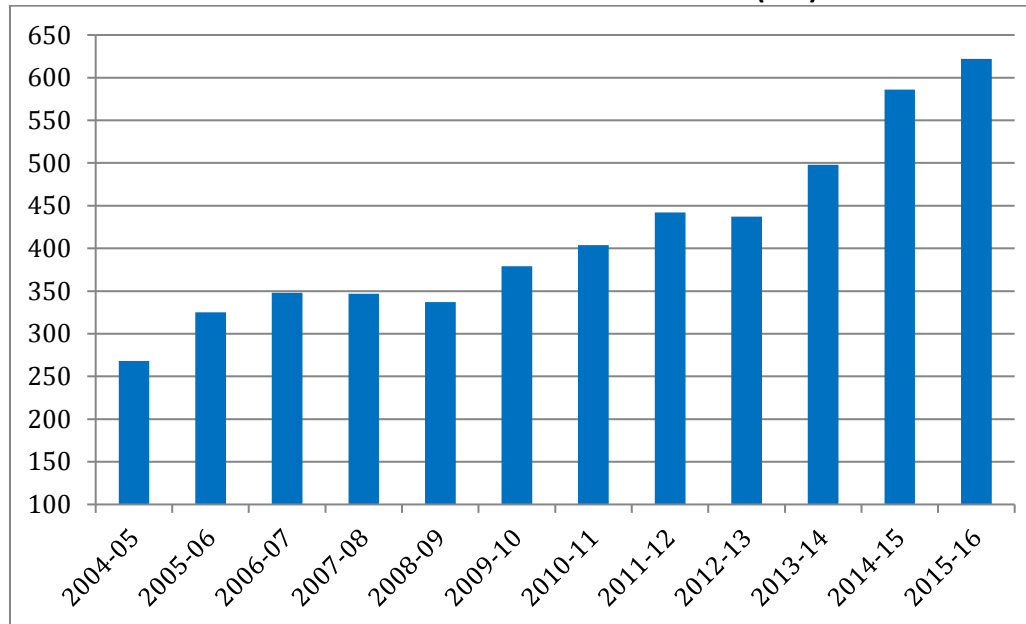
## 6.0 Goals, Expected Outcomes and Performance Measures

### Access and Quality

**Table 1: 2015-2016 Student Enrolment (FLE)**

	CIP enrolment projection 2015-2016	Actual enrolment 2015-2016
<b>Total FLEs</b>	675	622
International FLEs	25	9

**Table 2: 2004-2016 Student Enrolment (FLE)**





## Progress on Goals and Initiatives

Initiative	Description	Status	Progress made in the last 12 months
<b>GOAL 1: Recruit and Retain Well-Qualified Students with the Aim of Increasing Enrolment to a Stable Minimum of 725 FLE Students by 2017-2018</b>			
G1 -Priority Initiative 1	Establish Strategic Enrolment Management goals with annual goals for recruitment and retention. The recruitment goals for 2016-17 will be developed by August 31, 2015, in time for the start of the next recruitment season.	Complete	<ul style="list-style-type: none"> <li>Established office hours at St. Francis, Father Lacombe, St. Mary's, and other Calgary high schools.</li> <li>Advisors identified and contacted departed students who were close to degree completion to encourage return for degree completion. They explored and communicated recent degree changes and helped students navigate the shortest route to graduation.</li> <li>Advisors contacted current students who did not register for F16/W17.</li> <li>Contacted partner institutions (e.g. U of C ) to advise of our later application deadline and worked with other Campus Alberta institutions to facilitate program referrals for their waitlisted applicants.</li> </ul>
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 to identify areas of high student demand for future degree program development	Ongoing	<ul style="list-style-type: none"> <li>Redesigned the university's website with a focus on communicating to prospective students and their parents.</li> <li>In March 2016, a comprehensive survey of current BEd students was undertaken to gather feedback from students. Plans are underway to implement a graduate exit survey for students in all programs.</li> <li>Tracked inquiries about programs not currently offered.</li> </ul>
G1 -Priority Initiative 3	Focus student marketing and recruitment in our defined geographic market within the City of Calgary and its periphery	Ongoing	<ul style="list-style-type: none"> <li>Additional advertising in local community newspapers.</li> <li>Additional school visits to regional communities such as Okotoks and Chestermere.</li> </ul>



Initiative	Description	Status	Progress made in the last 12 months
G1 -Priority Initiative 4	Build strong collaborative relationships with ten strategically selected secondary schools within our region, including establishing stronger connections with local high school principals, counsellors, teachers and parent groups. There will be a minimum of three visits per year to the targeted schools. We will build extensive school profiles to help us better understand the local market and needs.	Ongoing	<ul style="list-style-type: none"> <li>• Formed a Transitions Committee to examine ways to more effectively support students transitioning from high school to university. Committee includes two high school counsellors and two high school students.</li> <li>• Developed posters specifically for local high schools.</li> <li>• Developed a student recruitment roster by identifying graduates from local high schools and involved them in direct high school recruiting events.</li> </ul>
G1 -Priority Initiative 5	Continue to implement the FNMI Strategic Plan and programs to attract and support FNMI students, with a goal of doubling our FNMI student population by 2018.	Ongoing	<ul style="list-style-type: none"> <li>• There were 27 FNMI students in 2015-16 and a goal of 50 has been set for 2018-19.</li> <li>• Developed a donation plan so that the FNMI program is sustainable and consistently funded.</li> <li>• Began discussions to build the next five-year FNMI strategic plan.</li> </ul>
G1 -Priority Initiative 6	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	<ul style="list-style-type: none"> <li>• New video produced and available for use in marketing.</li> <li>• Viewbook has been redesigned as described in the priority initiative.</li> </ul>



Initiative	Description	Status	Progress made in the last 12 months
G1 -Priority Initiative 7	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. We will offer a Discovery Science Summer day camp in 2016 with a goal of 25 participants.	Ongoing	<p>Discovering Science continued to be a fully subscribed program in 2015-2016 offered in the evenings from September 2015 to April 2016. 47 students attended the program on the university campus, expanding their exposure to post-secondary education at an early age.</p> <p>During Summer 2016, we will pilot a French Immersion Day Camp for children aged 6-14 in partnership with Francozone. This pilot will provide the model to offer Discovering Science as a Summer Camp.</p>
G1 -Priority Initiative 8	Offer one dual-credit course in 2015-16 and two dual credit courses in 2016-17 in partnership with the Calgary Board of Education (CBE).	Complete	<p>Due to the change in funding for dual credit offerings, we were unable to offer any dual credit courses in this period. Discussions with the local school boards and other post-secondary institutions have indicated this is an area of uncertain outcome at the current moment.</p>
G1 -Priority Initiative 9	Review and streamline admissions, registration, and financial aid procedures, and enhance the range and availability of online, self-serve options. The objective for 2015-16 is to have conditional admission status communicated to an applicant within 48 hours of receiving the application. This is especially important since 65% of our applicants apply to other universities.	Complete	<p>A comprehensive review of admission, registrations and financial aid processes was conducted and resulted in numerous process changes:</p> <ul style="list-style-type: none"> <li>• Application submissions are immediately acknowledged via an automated email to the applicant.</li> <li>• Every effort is being made to process applications within the first 48 hours of receipt.</li> <li>• Admission letters are mailed and emailed to the applicant.</li> <li>• Admissions letters were re-written and now bear the signature of the Registrar.</li> </ul> <p>An extensive communication plan has been implemented to assist in notifying applicants of next steps (see Priority Initiative 10 below).</p>



Initiative	Description	Status	Progress made in the last 12 months
G1 -Priority Initiative 10	Development a comprehensive communications plan for applicants with a goal of improving the conversion rate of 'offered admissions' to 'enrolled' from the current rate of 57% for Liberals Arts programs (2014 ASI submission) to 65% by 2018.	Ongoing	<p>A communication plan was implemented to assist applicants manoeuvre their way from application to their first day of class. Information in the form of letters and/or postcards is either mailed or emailed to the applicant.</p> <ul style="list-style-type: none"> <li>• Upon acceptance applicants receive an official acceptance letter and welcome package from the Registrar. The package contains a fold out map of the campus with numerous helpful hints about the campus and a postcard with information on accessing the <i>Academic Calendar</i> online.</li> <li>• A rigorous protocol is implemented to support students through the enrolment process.</li> <li>• Preliminary data indicates a conversion of applicants to enrolments of 62%.</li> </ul>
Goal 1 Expected Outcomes and Indicators	From these initiatives, we expect to see an overall increase in the number of student inquiries, admissions and course registrations, resulting in an increase in new students of 10% in 2015-16 and a further 10% in 2016-17; enrolments of 25 students in a dual-credit course in partnership with the Calgary Board of Education; and 30 FNMI students who have self-declared FNMI status		<ul style="list-style-type: none"> <li>• While we did not achieve the enrolment targets set in the CIP for 2015-16, we are still on track to meet our target of 725 FLEs by 2017-18. Preliminary enrolment data indicate an increase of 6% for 2016-17</li> <li>• 2015 Fall FNMI student enrolment was 27 and we expect an increase of 10% for 2016-17</li> <li>• The dual credit courses were not offered due to changes in dual credit funding</li> <li>• Work continues on developing robust systems for data capture.</li> </ul>



<b>GOAL 2: Improve Student Retention and Success through the Enrichment of the Student Learning Experience and Provision of Enhanced Student Supports</b>			
G2 -Priority Initiative 1	Streamline course registration, program planning and timetable planning to eliminate barriers that unnecessarily impede or complicate program completion times. By September 2016, we will have Program Planning Guides that can be used for program and course planning and will assist in timetable and course rotation planning	In progress	<p>Program Planning Guides have been created for all programs and will be added as links to our website.</p> <p>The 2016-17 Fall and Winter timetables were posted for student use before end of March 2016.</p>
G2 -Priority Initiative 2	Offer an Academic Writing Institute (pilot course August 2015) for incoming students to help ensure successful high school to university transitions with a goal of 25 participants.	Complete	<p>A 30-hour Academic Writing Institute pilot course was offered in August 2015 with 25 students registered. After two semesters, 82% of the students who participated in this pilot found it relevant to their academic work.</p> <p>It has been decided to offer the Academic Writing Institute again from August 29 to September 2, 2016. We are working to incorporate student feedback from the August 2015 course to improve this second offering.</p>
G2 -Priority Initiative 3	Expand on-campus access to transition and bridging programs (High School courses, Diploma Preparation courses, English for Academic Purposes (EAP), transition seminars, and concurrent transition courses) in partnership with local program providers, such as Chinook Learning Services and St. Anne Academic Centre.	In progress	<p>Student and counsellor feedback indicated we should develop and offer our own courses for transition purposes, thus high school equivalency courses have been developed for delivery in summer 2016.</p> <p>Courses will appear in the ACAT high school equivalency course chart and will be accepted by other Campus Alberta universities as equivalent to high school courses for admissions purposes.</p>
G2 -Priority Initiative 4	Develop annual retention plans for each degree program.	In progress	We have defined the required data elements and report features.





<p>G2 -Priority Initiative 5</p>	<p>Strengthen the student advising program to provide a higher level of service to students at all stages of their academic career, including a greater emphasis on career planning and career transition. For 2015-16, 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</p>	<p>In progress</p>	<ul style="list-style-type: none"> <li>• Offered career advising, including résumé review, Employability 101, dressing for success and interview etiquette, and career planning workshop.</li> <li>• Offered career information sessions.</li> <li>• Hosted Hiring and Volunteer Fair.</li> <li>• Offered faculty and alumni presentations to share stories of experiences making the transition from student to employed professional.</li> <li>• Creation of degree planners to help guide students through degree programs and allow better planning of courses offerings.</li> <li>• Included students and faculty mentors in New Student Orientation.</li> <li>• Collaborated with the Student Legislative Council to include promotion of Council and student clubs and campus recreation during student orientation.</li> </ul>
<p>G2 -Priority Initiative 6</p>	<p>Expand the number and topics for student academic seminars to ensure students acquire the skills necessary to be successful in their academic programs.</p>	<p>Complete</p>	<p>The number and topics for the success seminars were further expanded. Overall, 141 students attended 454 times one or more of 72 sessions of 28 different success strategies seminars.</p> <p>In its first year, 22 students have completed the Academic Success Certificate by attending 8 or more success seminars. Sixteen more students are close to achieving it by attending between 5 and 7 seminars. They will be able to complete the certificate during the next academic term.</p>



<p>G2 -Priority Initiative 7</p>	<p>Increase the number of opportunities that students have for participation in experiential learning projects and study abroad options.</p>	<p>In progress</p>	<p>Two Community Service Learning courses were piloted during Winter term 2016.</p> <p><i>Catholic Studies 311: Catholic Social Thought: A Vision for the World</i>, taught by Dr. Peter Baltutis, placed students with Bethany Care Centre, Catholic Family Services: Family &amp; Schools Together (F&amp;ST) program, L'Arche and The Mustard Seed.</p> <p><i>History 391: Public History: Memory and Method</i>, taught by Dr. Gayle Thrift, placed students at the Archives of the Roman Catholic Diocese of Calgary and Military Museums Archives. Assessment of the pilot indicates strong faculty and student support for further experiential learning projects.</p>
<p>G2 -Priority Initiative 8</p>	<p>Celebrate the accomplishments of our students through reports to the community, expanded academic awards ceremonies, and expanded athletic awards and banquets.</p>	<p>Ongoing</p>	<p>Student athletes continued to be profiled weekly in the <i>Calgary Herald</i> during the athletic season. Student successes were profiled in our <i>Report to Community</i> and at our awards ceremonies.</p>
<p>Goal 2 Expected Outcomes and Indicators</p>	<p>From these initiatives, we expect to see increased student participation in on-campus activities; a 10% increase in year-over-year retention; and increased levels of student satisfaction with their learning experience.</p>		<ul style="list-style-type: none"> <li>• We worked with our IT office to set retention benchmarks by program and to report on retention by program, term and year.</li> <li>• Developed graduate surveys that can be administered in conjunction with convocation each year starting in 2016.</li> <li>• 100% of students who participate in our Academic Success Seminars reported that they would recommend the seminars to other students.</li> <li>• Surveys of peer mentor program were administered and benchmarks established.</li> </ul>



GOAL 3: Increase Access and Support for Under-Represented Student Populations			
G3 -Priority Initiative 1	Expand the FNMI Advisory Council to include Inuit and Stoney representatives	In progress	We are still in the process of finding representatives from these communities.
G3 -Priority Initiative 2	Expand our "Elder on Campus" program to four Elders, with a new Elder from each of Tsuut'ina and Morley.	In progress	Received nominations in 2016 and expansion of the program will occur in 2016-17.
G3 -Priority Initiative 3	Expand the Peer Mentor program to include a mentor in each academic discipline.	Ongoing	New Peer Mentors were hired to cover all disciplines. Peer Mentors are nominated by faculty.
G3 -Priority Initiative 4	Offer an Indigenous Knowledge Camp in Summer 2015 involving faculty, staff and students. The goal is to evaluate the camp for potential as a 3-credit course in 2016.	Complete	In August 2015, St. Mary's held our first Indigenous Knowledge Camp on the land at The Crossing in Ghost River facilitated by Mike Lickers and Elder on campus, Casey Eagle Speaker. Four students, four staff and four faculty learned and worked together building relationship through ceremony, being on the land and building and participating in a sweat lodge together. There are plans to explore offering this in conjunction with pre-requisite in-class courses in spring and summer of 2017.
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	Ongoing	In 2014-15, 48 students received academic accommodations. In 2015-16 this increased to 57 with 16 students experiencing multiple (two or more) documented disabilities.  The process for setting up yearly accommodations has been streamlined and it is more student and faculty friendly. The <i>Faculty Manual</i> has been updated with our current procedures and laptop computers have been added to the Learning Centre study room.  All potentially eligible students are provided information and support for accessing grants.



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 and will include topics on achieving wellness in six key areas: mental, social, intellectual, spiritual, financial and physical health.	Ongoing	<ul style="list-style-type: none"> <li>• Offered a new program called Café Conversations, covering a wide range of mental health topics.</li> <li>• Offered two financial wellness seminars.</li> <li>• Offered self defense and yoga classes.</li> <li>• Developed partnership and offered activities as part of our <i>Exercise is Medicine on Campus</i> program.</li> </ul>
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	<ul style="list-style-type: none"> <li>• Worked with the Ministry, the Alberta Association of Sexual Assault centers and the Campus Alberta institutions to launch and participate in the 'I Believe You' campaign in September 2015.</li> <li>• Hosted two sessions in partnership with the Calgary Sexual Health Centre in 2015-16. These sessions focussed on issues of consent and healthy sexual practices.</li> <li>• Launched a new program called Café Conversations in partnership with CMHA. Hosted three sessions in 2015-16.</li> </ul>
G3 -Priority Initiative 8	Expand our on-campus counselling services by having a licensed counsellor on campus for one full day a week.	Complete	Provided office space and hired a counsellor to be on campus for one full day per week and more if needed.
G3 – Priority Initiative 9	Continue offering the Humanities 101 Program designed to give a university-level experience to disadvantaged and marginalized populations for two sessions per year.	Ongoing	<p>A new Program Coordinator was hired in January 2016. Previous experience with another Radical Humanities program will enable the coordinator to continue the success of the program and to further spread awareness of the program. Two courses were offered during 2015-16 with 60 participants.</p> <p><i>Humanities 101</i> was nominated for a Calgary Learns LOLA (Life of Learning Award).</p>



<p>Goal 3 Expected Outcomes and Indicators</p>	<p>From these initiatives, we expect to see an increase in the number of FNMI students who persist to degree completion, with a goal of six graduates in 2016. Increased faculty awareness of the learning support needs of students with disabilities will ensure students with disabilities are able to access the support services necessary to ensure their academic success. We also anticipate that the number of Humanities 101 completers who transition to university study will increase to 10%.</p>		<p>There were five FNMI graduates in 2016.</p> <p>Five of the <i>Humanities 101</i> students were Indigenous.</p> <p>Six <i>Humanities 101</i> students continued to further education after completing the program.</p>
<p><b>GOAL 4: Enhance Student Engagement in Campus Community Life</b></p>			
<p>G4 -Priority Initiative 1</p>	<p>Support the continuing development of the drama and choral programs through the funding of academic programs and regular public performances.</p>	<p>Ongoing</p>	<p>The Drama program hosted four public performances in the year-end production of <i>Wrecked</i> by Chris Craddock and <i>The Shape of a Girl</i> by Canadian playwright Joan Macleod.</p> <p>The choral program hosted two major performances: <i>Cabaret and Cabernet</i> in April provided musical entertainment to 500 attendees over wine and appetizers. A winter concert in December attracted 250 musical devotees.</p>
<p>G4 -Priority Initiative 2</p>	<p>Expand our personal fitness training services by utilizing practicum students from programs at other universities.</p>	<p>Complete</p>	<ul style="list-style-type: none"> <li>Hired a Mount Royal University student, enrolled in the Personal Fitness Trainer program, as a practicum student in our Fitness Centre.</li> </ul>
<p>G4 -Priority Initiative 3</p>	<p>Adopt the <i>Exercise is Medicine on Campus</i> program to expand student-led activities.</p>	<p>Ongoing</p>	<ul style="list-style-type: none"> <li>Offered several <i>Exercise is Medicine on Campus</i> activities for students, faculty and staff.</li> </ul>



G4 -Priority Initiative 4	Develop a comprehensive recreation plan for students that will expand the type and frequency of offerings with a goal of engaging an additional 20% of students in recreation and wellness activities.	On-going	<ul style="list-style-type: none"> <li>Expanded recreation activities to include kickball and pickle ball.</li> <li>Established a student-led outdoor adventure club.</li> </ul>
G4 -Priority Initiative 5	Support the expansion of student clubs through involvement with the administration of the Student Legislative Council.	Complete	A total of ten student clubs operated in 2015-16, an increase of three from the previous year.
G4 -Priority Initiative 6	Engage students in the development and implementation of the university expansion plans.	Complete	The Heritage Centre currently under construction incorporates the principles developed through two years of consultation with the St. Mary's community, including student input at every level of the site planning process.
G4 -Priority Initiative 7	Offer a one-day orientation session for the incoming Student Legislative Council, with training in Leadership skills and planning.	Complete	A one-day orientation session was offered in August 2015 and was attended by all elected Council members.



<p>G4 -Priority Initiative 8</p>	<p>Promote Campus Ministry activities through annual social justice themes and expanded options for student and staff participation in community service activities.</p>	<p>On-going</p>	<p>There is a very active Social Justice Committee made up of students, administrative staff and faculty as well as the S4SJ Club (Students for Social Justice).</p> <p>Some initiatives undertaken in the period covered by this report included:</p> <ul style="list-style-type: none"> <li>• support of Syrian refugee families.</li> <li>• S4SJ raised funds for Calgary Catholic Immigration Services</li> <li>• Volunteering with:             <ul style="list-style-type: none"> <li>• the Bannister Patch family outreach program of the Hull Child and Family Services</li> <li>• the Youth at Risk Program (YARD) with the Calgary Police Services</li> <li>• Our Lady Queen of Peace Ranch, a charitable facility and program located in Bragg Creek, Alberta dedicated to helping less fortunate young people and families,</li> <li>• Father Lacombe Care Centre</li> <li>• Bethany Care Centre</li> <li>• L'Arche</li> <li>• F&amp;ST – Families and Students Together – F&amp;ST is a prevention program based in schools.</li> </ul> </li> </ul>
<p>Goal 4 Expected Outcomes and Indicators</p>	<p>From these initiatives, we expect to see 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. We expect to have two new student clubs on campus and a more engaged Student Council.</p>		<p>Three new student clubs were formed in 2015-16 with support from the Student Legislation Council.</p> <p>Over 100 students participated in physical activities offered as part of our <i>Exercise is Medicine on Campus</i> program during 2015-16.</p>





<b>GOAL 5: Promote Program Renewal and Development</b>			
G5 -Priority Initiative 1	Develop a 120-credit BA in Social Justice and Catholic Studies degree with a planned implementation date of September 2016.	In progress	The Social Justice and Catholic Studies degree is in its final stages of development, with the committee meeting throughout the period of this report. The committee undertook to develop a degree that was rooted in interdisciplinary connections across the university and developed through a broad consultative and collaborative process that necessitated a significant time investment. We anticipate the submission of Part A in Fall of 2016.
G5 -Priority Initiative 2	Develop a MEd in Catholic Education Leadership that ladders on the current Graduate Certificate Education Leadership with a planned implementation date of September 2016.	In progress	Extensive consultation with area school boards, superintendents, and administrators, as well as an environmental scan of Alberta, revealed a desire for graduate education programs with foci supplementing Leadership. We have been engaged in several processes of consultation to determine how best to address the need for an MEd program in South Calgary. Concurrently, we have been engaged in dialogue with school boards, superintendents, administrators, Deans of other Education programs, TQS, and potential partners for laddering the GCCEL regarding the transferability of individual courses in the certificate. To make the laddering process as seamless as possible for learners, we will develop graduate Education programs as one coherent package. This work will continue through 2016-18.



<p>Goal 5 Expected Outcomes and Indicators</p>	<p>We expect these initiatives to meet current demand from students to build on areas of interest that do not currently lead to a degree outcome, and lead to an increase in student numbers and increased student satisfaction in program options available to them in the student learning experience.</p>		<p>Students are aware of the pending Social Justice Catholic Studies degree and are eagerly awaiting its implementation. Significant course renewal was undertaken this year in the Catholic Studies and Religious Studies courses in preparation for the new degree. This, in concert with the new faculty hire in Catholic Social Justice, has increased interest in the courses and the future program. As well, the community service learning course that was successfully piloted in Catholic Social Justice has raised interest among the students and is making the area more dynamic.</p> <p>Our attentiveness to the community dialogue around the potential MEd is supporting the student learning experience by insuring that any new program will be beneficial and sustainable in the long run. At this point, we are still in the consultative and market feasibility stage of the process.</p>
<p><b>GOAL 6: Encourage Excellence in Teaching and Learning</b></p>			
<p>G6 -Priority Initiative 1</p>	<p>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.</p>	<p>Ongoing</p>	<p>The Teaching and Learning Committee provided an important role in the dialogue about the role of student course evaluations in assessment of faculty teaching.</p> <p>The Teaching and Learning Committee led a session on successful pedagogical practices during the November Faculty retreat during which faculty shared examples of best practices and artefacts of student work.</p>



G6 -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> <p>In February 2016, St. Mary's hosted <i>Ookaskapaatassin -- Knowledge Sitters: Engaging Ethically in Research with Indigenous Communities</i>.</p>
G6 -Priority Initiative 3	Encourage an informal mentoring system for the development and improvement of teaching.	Ongoing	<p>The informal mentoring continues, with faculty sharing best practices and working in disciplinary groups to benchmark assignments. The faculty retreat in November focused on teaching excellence and highlighted innovative and effective pedagogy as faculty shared artefacts and student submissions.</p>
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 Teaching and Learning Committee worked diligently on redesigning and fine-tuning a St. Mary's University teaching award to be awarded annually.</p>
G6 -Priority Initiative 5	Find new ways to highlight and celebrate the contributions of faculty members in teaching and scholarship.	Ongoing	<p>Building on the impact of the first annual report on the state of research at St. Mary's (2015), a semi-annual publication was developed to publicise the teaching and scholarship new for distribution among faculty, donors, supporters of the university, potential sponsors of research, and the wider community. <i>Illuminate</i> was first issued in February 2016 and documents the quality, relevance and diversity of teaching, research and scholarship undertaken by faculty.</p> <p>Public book launches were held to celebrate the release of three faculty publications.</p>



<p>G6 -Priority Initiative 6</p>	<p>Encourage the integration of research into courses and enhance the research training of students.</p>	<p>Ongoing</p>	<p>St. Mary's University received grants to support 2 student research assistantships.</p> <p>Faculty are actively integrating their research including sex-gender stereotyping (Sociology), migratory patterns of songbirds in Alberta (Biology), resilience (Psychology), and Indigenous missionaries in Canada (History) into many courses.</p>
<p>Goal 6 Expected Outcomes and Indicators</p>	<p>From these initiatives, we expect to see increased faculty participation in activities related to teaching excellence; increased retention of highly qualified faculty members; and increased student satisfaction with classroom learning experience.</p>		<p>Evidence of increased faculty participation includes the faculty-initiated formation of "teaching squares," with faculty observing each other's teaching, providing feedback, and encouraging each other in excellence of pedagogy, increased requests for mentorship about teaching excellence, and increased benchmarking of learning outcomes in courses with multiple sections in a variety of disciplines. Over the last several years, we have hired excellent new tenure-track faculty, all of whom are highly engaged in teaching projects and the pursuit of teaching excellence. To date, we have retained all of these new faculty. Student course evaluations and surveys indicate a high degree of student satisfaction with the classroom learning experience, citing the engagement, enthusiasm, commitment, and expertise of faculty. Increasing our assessment of and support for teaching excellence continues to be a focus for the next year.</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.

St. Mary's University continues to build research capacity among its faculty and students and to support scholarship across diverse fields of inquiry. Our institutional vision and mission are deeply informed by social justice values and support sharing knowledge in and with community, building capacity across a diverse citizenry, and fostering innovative contributions in an increasingly complex and global world. Many of the faculty and institutional initiatives this year have worked to build foundations of relationship and dialogue in order to respectfully walk a path of reconciliation and rebuilding with Indigenous communities.

The Director of Research and the First Nations, Métis and Inuit Liaison organised *Ookaskaspaatassin — Knowledge Sitters: Engaging Ethically in Research with Indigenous Communities* that was hosted at St. Mary's University in February 2016. This conference featured Susan Zimmerman, the Secretariat on Responsible Conduct of Research Tri-Council Policy Statement in dialogue with Elder and Dr. Leona Makokis and Dr. Ralph Bodor from University nuhelot'jine thaiyots'j nistameyimâkanak Blue Quills about the values and ethics of working with and for Indigenous peoples in research. Keynote addresses and focus groups provided opportunity for deep learning and dialogue to provide foundational knowledge for faculty teaching and scholarship.

In November 2015, faculty and staff joined in a day of Cultural Safety and experiential learning through the Kairos Blanket exercise about Canada's colonial history, the impact on Canada's First Peoples, and the legacy that affects post-secondary education today. Faculty applied their learning in several courses in the winter term in Education, Psychology of Trauma and History. More broadly, the knowledge was applied across the university by front-line staff in facilities and admissions, as well as in the development of programs for Indigenous learners. In such a way we seek to integrate and apply scholarship and learning throughout the university, recognizing that true reconciliation will come only when we address systemic issues across institutions and society.



## G6 -Priority Initiative 5

### **Find new ways to highlight and celebrate the contributions of faculty members in teaching and scholarship.**

Building on the impact of the first annual report on the state of research at St. Mary's (2015), a semi-annual publication was developed to publicise teaching and scholarship news for distribution among faculty, donors, supporters of the university, potential sponsors of research, and the wider community. *Illuminate* was first issued in February 2016 and documents the quality, relevance and diversity of teaching, research and scholarship undertaken by faculty.

Public book launches and readings were held to celebrate the release of three faculty publications. Dr. Luke Bresky's co-edited critical edition of Nathaniel Hawthorne's *The Blithedale Romance* offers incisive literary analysis of the novel's central historical theme of reform, highlighting the novel's references to women's emancipation, antislavery, and Utopian socialism. Dr. Gerry Turcotte's *Small Things: Essays on Faith and Hope* is a collection of short essays on finding faith and hope in the minutiae of daily life. Eugene Stickland's *The Piano Teacher*, written while he was Writer-in-Residence at St. Mary's University, is the well-known playwright's first novel and quickly made it to the bestseller list. The readings used spoken word, music, and a combination of venues at the university and at local independent bookstores to engage meaningfully with the community.

### **Research Goals and Strategies**

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 and areas of institutional strength and expertise;
3. To support the integration of research and education and enhance the research training of students;
4. To promote the exploration and dissemination of knowledge for the benefit of society.

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

#### **Expected Outcomes and Performance Indicators**

The success of these initiatives is measured through:

- an increase in published research
- an increase in funding for research projects and initiatives



- an increase in research-related conferences and symposia

As **Director of Research and Grants**, Dr. Norman Knowles coordinated a wide range of initiatives to enhance the research culture. These included:

- producing two issues of *Illuminate*, a teaching and research newsletter for distribution among faculty, donors, supporters of the University, potential sponsors of research and the wider community;
- organizing a workshop for faculty on preparing and submitting manuscripts for academic presses and journals;
- organizing a workshop for faculty on SSHRC grant submissions;
- enhancing training opportunities for faculty in grant writing, publication opportunities and collaborative projects;
- administering the **St. Mary's University Faculty Research Grant** specifically designed as seed funding for research, to encourage grant applications and to champion publication efforts;
- preparing a Prospectus for the creation of a Centre of Excellence for Social Justice Research, Teaching, and Service.

The cultivation of scholarship through the above initiatives is yielding significant benefits through increased collaborative initiatives, more conference presentations and peer-reviewed publications, and more successful external research grant applications. Grant results include the following:

- A Canada Summer Job Grants was obtained for a project in Biology – Dr. Mary Ann McLean
- Dr. Norman Knowles received a Fellowship of Maple Leaf grant to support his sabbatical research, “Indigenous missionaries, catechists and teachers employed by the Church Missionary Society (CMS) in Rupert’s Land between 1840 and 1900.” During this period, he also processed the archival research conducted at the Church Missionary Society at the University of Birmingham in 2013; made presentations at Ripon College, Oxford and the Annual Meeting of the Fellowship of the Maple Leaf; and completed extensive research in the archives of Crowther Library, Oxford and Lambeth Palace Library in London.
- Dr. Scott Lovell received an Alberta Conservation Association Conservation, Community and Education Grant for *Vocal, morphological, molecular, and ecological interactions between white-crowned sparrow (Zonotrichia leucophrys) subspecies in secondary contact*, a project investigating changes in the migratory paths of Albertan songbirds and climate change
- Dr. Jennifer Garrison applied for a SSHRC Insight Research Grant for her project “Confessing Masculinity: Gender, Penance, and Futurity in Medieval English Literature”





*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 these goals, St. Mary's hosted two conferences and a Liberal Arts Roundtable this year and looks forward to several more events that promise to provide forums to present research, to network with colleagues, and to strengthen external partnerships.

- During his sabbatical in 2016, Dr. Norman Knowles served as a Visiting Fellow at Ripon College, Oxford University, England while carrying out research on indigenous missionaries employed by the Church Missionary Society in Rupert's Land between 1830 and 1900.
- *Ookaskapaatassin — Knowledge Sitters: Engaging Ethically in Research with Indigenous Communities* engaged over 100 researchers, practitioners, members of community agency, and policymakers in consideration of what constitutes ethical research in and with Indigenous communities
- *The Rouge Conference: Teaching for Democracy and Justice in an Age of Inequality* was hosted at St. Mary's University and highlighted St. Mary's expertise in social justice and education
- Liberal Arts Roundtable featuring four St. Mary's scholars and our elder-on-campus in public dialogue about *Laudato Si*, the papal encyclical on the environment
- St. Mary's is a partner in the PAKL research project at Bow Valley College on Indigenous Assessment that includes all Alberta post-secondary institutions, including the First Nations colleges
- 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.

**Next Steps:**

- 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.



In addition to the partnerships with other institutions noted above, this year we have been working on formalizing some international partnerships for purposes of student and faculty exchange. An MOU was signed with Katholische Universität Eichstätt-Ingolstadt in Germany to facilitate student and faculty exchanges between the two universities. We are currently developing the processes to support such exchanges. Additionally, the Vice-President Academic & Dean attended a luncheon at Government House in Edmonton in the winter to meet Mr. Josef Beck, Consul General of the Federal Republic of Germany, to pursue research and faculty exchange possibilities in Germany. The networking was valuable and connected St. Mary's University to existing partnerships and the expertise of other post-secondary institutions who are engaged in student and faculty internships and exchanges.

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

St. Mary's has prioritized the support of this initiative through the following:

- encouraging faculty to include the use of student research assistants in applications for both internal and external funding;
- seeking out new sources of external funding to support student research assistants;
- building the structure and process for Service Learning that will provide students with practical, hands-on experience in their disciplines.

This year, one student was funded for a Research Assistantships (RA) through Canada Summer Jobs Grants and one through an Alberta Conservation Association Conservation, Community and Education Grant:

- RA Biology, Dr. Mary Ann McLean (Canada Summer Jobs Grant), Thesium Project.

The invasive Eurasian agricultural weed, *Thesium arvense*, was first observed in North America in Montana in 1992 and in Canada in Fish Creek Provincial Park (FCPP) in 2001. Since then it has spread significantly through the western and central areas of the park and adjacent locations along Macleod Trail. Staff at FCPP and Calgary and provincial invasive species specialists are concerned about the spread of this species in the park, through the city and into agricultural lands. The RA observed and monitored two plots within the park and the weed's response to hand-pulling and the use of the herbicide Milestone. Data is being collected as part of a long-term project that will inform future response from local weed managers to this invasive species. Such experience is directly related to future employability for the RA and will greatly benefit future career paths.



- RA Biology, Dr. Scott Lovell (Alberta Conservation Association Conservation, Community and Education Grant), *Vocal, morphological, molecular, and ecological interactions between white-crowned sparrow (Zonotrichia leucophrys) subspecies in secondary contact* project. Investigating changes in the migratory paths of Albertan songbirds and climate change.

Faculty have been investigating new funding sources and have applied for a range of grants, including a Campus ABOER Initiative, Adoption Pilot Fund Request “Development of Online Formative Assessments & Making Publically Accessible Biology Lab Manuals.” Although unsuccessful, the grant application furthered the project development and provides valuable momentum moving forward for another application.

Two Community Service Learning courses were piloted during winter term 2016. *Catholic Studies 311: Catholic Social Thought: A Vision for the World*, taught by Dr. Peter Baltutis, placed students with Bethany Care Centre, Catholic Family Services: Family and Schools Together (F&ST) program, L’Arche and The Mustard Seed. *History 391: Public History: Memory and Method*, taught by Dr. Gayle Thrift, placed students at the Archives of the Roman Catholic Diocese of Calgary and Military Museum Archives. Assessment of the pilot indicates strong faculty and student support for further experiential learning projects. Student and instructor feedback showed practical, hand-on, and employment-related learning as a result of the service learning, as well as integration between the theoretical and practical components of the courses. The Experiential Learning Coordinator works very closely with faculty, helping them design and administer the service learning components, including vetting potential community partners and learning sites and providing the appropriate paperwork. With this support, more faculty are becoming interested in future service learning projects.

In Fall 2016, a process for developing experiential learning projects and study abroad courses will be rolled out to faculty.

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

In 2015–16, awareness of research being undertaken at St. Mary’s was significantly enhanced through:

- the publication of two issues of *Illuminate*
- 3 public book launches
- Regular promotion of scholarship at Community Advisory Committee and Board of Governors meetings



## Community Goals

### Objectives

St. Mary's University is committed to increasing our involvement in collaborative projects and networks with other Campus Alberta institutions as well as local and regional partners.

### Priority Initiatives

- a. Building on current social justice initiatives, and in collaboration with the campus ministry office, the Education program and Service Learning, students engaged in service opportunities through such agencies as Families and Schools Together Canada, the Bannister Patch family outreach program of the Hull Child and Family Services, the Youth at Risk Program (with the Calgary Police Services) and Our Lady Queen of Peace Ranch, a charitable facility and program located in Bragg Creek, Alberta dedicated to helping less fortunate young people and families, Father Lacombe Care Centre, Bethany Care Centre, and L'Arche.
- b. The Service Learning Coordinator developed the forms, policies, and assessment framework to support the above community social justice initiatives and worked with two faculty to integrate the service learning opportunities within their pilot courses in order for students to gain academic recognition for these activities.
- c. St. Mary's University has been involved in a number of collaborative initiatives with FNMI communities using St. Mary's recently developed, comprehensive FNMI Strategic Plan.
- d. The 'Elders in Residence' and FNMI 'Scholars on Campus' Programs were expanded and the FNMI Liaison Specialist continued to develop collaborative relations with First Nations communities.
- e. We offered two sessions of *Humanities 101* in the year, a program designed to give a university-level experience to disadvantaged and marginalized populations.
- f. Strengthened existing partnerships with community organizations such as Friends of Fish Creek Provincial Park and the Canadian Parks and Wildlife Society (CPAWS) in the development of course offerings in environmental management and pursued a pilot project between St. Mary's University and a local elementary school to engage students in environmental stewardship.
- g. Pursued more partnerships with international universities for students and faculty exchanges: signed an MOU with Katholische Universität Eichstätt-Ingolstadt in Germany; in discussion with Calgary Study Abroad about partnerships in Taiwan; planning to send a BEd student to the Ukraine for a summer practicum teaching English at a summer camp for university students.



## 7.0 Financial and Budget Information

St. Mary's University faced significant budgetary challenges during the 2015-2016 fiscal year. As the 2015-2016 fiscal year budget was being finalized in March 2015, St. Mary's was advised that the Provincial Targeted Enrolment Expansion (TEE) grants of \$493,000 previously approved had been revoked as part of the initial Alberta Provincial Budget in March 2015. This represented a funding cut of 16% from the grants promised in the funding letter in the prior year. Faced with a cut of this magnitude, the revenue targets for tuition and student fees, private donations, and investment income were increased to more ambitious estimates to make up this revenue shortfall. The TEE grants had been approved to fund the doubling of students in the Bachelor of Education program. We were extremely grateful for the Bill 3 funding announcement in which the TEE grants were restored along with a 2% increase to general operating grants. As a rapidly growing University, St. Mary's has not yet been granted operating funding to recognize all approved programs and enrolment growth. As such, the restoration of the TEE funding for the Bachelor of Education program, along with the 2% grant increase, provided very welcome financial relief for our faculty, staff and University community.

As the 2015-2016 fiscal year unfolded, there was considerable pressure on St. Mary's at a time when very serious challenges were arising in the local economy. Although the restoration of TEE grants provided a needed economic boost, there were budgetary pressures on donations and investment income due to the substantial drop in oil prices, extreme volatility in equity markets and financial stress in Calgary and Alberta. Though St. Mary's was successful in attracting a growing base of new students, actual tuition revenue fell short of the very ambitious estimates that had been set. At the same time, the volatility in equity markets, combined with historically low interest rates, made it impossible to achieve the investment income that had been projected in the budget process. Finally, the very serious economic challenges in the Calgary economy made it more difficult to raise donations. Having established strong relationships with many longstanding supporters, St. Mary's continued to have an impressive base of support however there was a marked shift toward designated gifts with many donors directing donations toward campus facilities expansion to accommodate the growing student body.

In the Fall of 2015, St. Mary's recognized the risk of a significant shortfall in operating revenue and took steps to mitigate the risk of an operating deficit. Meetings were held with the faculty and staff as well as with the Finance Committee and the full Board of Governors. Departments were asked to review budgets, achieve efficiencies, and identify budgetary savings opportunities. We are truly thankful to our faculty and staff for their support of savings initiatives including cuts to professional development, reductions to budgets for advertising, travel and select program expenditures. As part of a soft hiring freeze, some vacancies due to leaves or resignations were



left unfilled as a savings initiative. Finally, a salary freeze was approved for July 1, 2016. We are very pleased to have addressed the budgetary challenges without the need to make cuts to programs or staffing and ended the year with a modest deficit of only \$163,259.

In reviewing the detailed Variance Analysis below, please note that the CIP budget figures reflect some reclassifications for particular revenues and expenses that were made in the Audited Financial Statements. These adjustments have been noted in the table.

	CIP Budget 2015-16	Actual 2015-16	Variance	Explanation for variance
<b>REVENUES</b>				
Tuition & Student Fees	5,261,130	5,115,231	(145,899)	<b>Tuition fee</b> revenue was lower than budgeted by \$145,899 or 2.9%, as the ambitious 15% enrolment increase targets were not met. Although tuition revenue fell short of the 2015-2016 budget, this was an increase of \$588,279 or 11.5% from the prior year. The revenue increase resulted from enrolment growth and a modest tuition rate increase of 4% for the Bachelor of Science and the Bachelor of Art programs.
Government Grants	2,940,776	3,554,691	613,915	The budget for <b>Government grant</b> revenue was established when the Targeted Enrolment Expansion (TEE) funding of \$493,000 was revoked in the March 25, 2016 Alberta Provincial Budget. The budget for this line item was not amended when the TEE funding was restored in June 2015 and a 2% increase instituted. The decision not to amend the budget was made as a deficit was anticipated (and indeed the year ended with a \$163, 259 deficit.)



Donations and Fundraising Events <sup>1</sup>	2,154,844	1,513,840	(641,004)	<p><b>Donations and Fundraising Events</b> revenue was lower than budget by \$641,004 or 42.3%; however, the amount is comparable to the prior year. With the revocation of TEE grant funding in the March 2015 Provincial budget, St Mary's set ambitious targets for donations and fundraising revenues. The continuing volatility in the local economy, combined with the lower price of oil, has had an impact on the wealth of many of our donors, and has made fundraising more challenging. Many donors have shifted their interest towards designated gifts, including new building, scholarships or particular programs, such as <i>Humanities 101</i> and our First Nations, Métis, and Inuit programs. Donations for capital projects and endowments are not included in this figure. (Note 1: The CIP Budget presented fundraising events on a net revenue basis reporting \$2,036,844 for Donation and Fundraising Events.)</p>
Ancillary Services <sup>2</sup>	513,300	472,103	(41,197)	<p><b>Ancillary Services</b> revenue was lower than budget by \$41,197 or 8.7%, and lower than prior year by \$39,093 or 8.3% mainly due to declining bookstore sales. Ancillary services also includes the Fitness Centre that provides services to students, staff and faculty, and to the community. (Note2: CIP Budget of \$484,300 for Ancillary Services does not include budget of \$29,000 for the Fitness Centre. It was recorded under Miscellaneous Income.)</p>





Investment Income	904,450	145,209	(759,241)	<b>Investment Income</b> had a budget shortfall of \$759,241 and was lower than the prior year by \$841,801. Investment income was challenged by historically-low interest rates and significant volatility in equity markets, with significant swings in valuation throughout the year. This environment of uncertainty is expected to continue. The Board Finance Committee actively oversees University investments held under management of three professional firms. On direction from the Finance Committee, investment managers have shifted the focus towards yield from dividends and interest to support a sustainable income flow to the University.
Rental & Miscellaneous Income	150,500	209,062	58,562	<b>Rental and Miscellaneous Income</b> exceeded budget by \$58,562 or 28.0%, an increase of 7.9% from the 2014-2015 fiscal year. St. Mary's has been able to generate additional revenues by renting facilities during evenings and weekends when they are not needed for University instruction.
Earned Capital Contributions	325,000	313,810	(11,190)	<b>Earned Capital Contributions</b> were lower than budget by \$11,190 or 3.6%, and lower by 10.9% to the prior year. This amount is expected to grow in 2016-2017 when the donor-funded Heritage Centre Building is completed.
<b>TOTAL REVENUES</b>	<b>12,250,000</b>	<b>11,323,946</b>	<b>(926,054)</b>	



	CIP Budget 2015-16	Actual 2015-16	Variance	Explanation for variance
<b>EXPENSES</b>				
Compensation: Salaries	6,809,801	6,567,084	242,717	<b>Compensation</b> expenses were lower than budgeted by \$242,717 or 3.6%; this reflects an increase of 3.8% from the prior year. The increase from the prior year includes annual step increases and a 2% cost of living increase for faculty and staff. Also, two new full-time faculty positions in the Education program were added to support the doubling of enrolment in that program. There is also a new full-time faculty position in Psychology to support extraordinary growth in that area. With the challenges in place for several revenue targets during the fiscal years, a soft hiring freeze was implemented as a budgetary savings measure. As a result, savings were realized due to the deferral of hiring for several vacant faculty and staff positions due to leaves and attrition.
Compensation: Employee benefits	1,028,678	979,302	49,376	Included in above.
Materials, supplies and services <sup>3</sup>	2,121,710	1,965,759	155,951	<b>Materials, supplies and services</b> expenses were less than budget by \$155,951 or 7.4%, a decrease of 0.1% from the prior year. Given the budgetary pressures on revenue targets for tuitions and student fees, donations, and investment income, several measures were taken to reduce spending. St. Mary's initiated a budget review in which departments were asked to make cuts to non-compensation expenses and focus on opportunities to streamline administrative tasks with adjustments to business functions, technology automation, bulk purchasing, collaboration and partnerships. Savings were achieved in many areas including professional development, travel, advertising and promotion expenses.
<sup>3</sup> Note that the submitted CIP Budget of \$2,005,211 for materials, supplies and services does not include fundraising expenses.				



Scholarships, bursaries and awards	347,811	262,541	85,270	<b>Scholarships, bursaries and awards</b> were less than budget by \$85,270 or 24.5%, a decrease of 21.4% from the 2014-2015 fiscal year. This decrease was due to fewer students eligible for the President's Circle Scholarships and general scholarships. Thanks to support from many private donors, St. Mary's has a very robust pool of scholarships and bursaries.
Maintenance and repairs	235,500	249,111	(13,611)	<b>Maintenance and repairs</b> expense exceeded budget by \$13,611 or 5.8%; however, this was a decrease of \$31,955 or 11.4% from the 2014-2015 fiscal year. While Security expenses declined from the prior year, the costs for ground and elevator maintenance, as well as general repairs and building supplies, were higher than prior year and exceeded the budget.
Utilities	196,600	191,312	5,288	<b>Utilities</b> ended the year below budget mainly due to saving on telephone and lower costs for natural gas.
Interest on long-term debt	336,000	150,213	185,787	<b>Interest on long-term debt</b> was lower than budget by \$185,787 or 55.3%. On December 15 <sup>th</sup> , 2014, the City of Calgary released loan proceeds of \$4.8 million to fund Municipal deferred development costs owing to the City of Calgary. The loan has an interest rate of 2.957% over the 20-year term along with a modest administrative fee to the City of Calgary. The loan is secured by unrestricted long-term investments in a pledged account equal to the principal amount of the loan. For budgeting purposes, the full principal and interest costs were included. However, under GAAP, the audited financial statements report only the interest and loan administration fees.
Cost of goods sold	348,900	314,351	34,549	<b>Cost of goods sold</b> was lower than budget by \$34,549 or 9.9%, a decrease of 15.8% from the prior year. This decrease is correlated with the lower revenue in the St. Mary's University Bookstore, which operates on a very slight profit margin.



Amortization and accretion	825,000	807,532	17,468	<p><b>Amortization and accretion</b> expense was less than budget by \$17,468 or 2.1%, a decrease of 3.0% from the 2014-2015 fiscal year. This expense consists of the cost of buildings, equipment and capital items amortized over the useful life of the related assets. The decrease in amortization is due to some assets that have been fully amortized and not replaced in the 2015-2016 fiscal year.</p>
TOTAL EXPENSES	12,250,000	11,487,205	762,795	
<b>NET SURPLUS/(DEFICIT)</b>	0	(163,259)	(163,259)	

As can be seen from the financial statements above, St. Mary's ended the 2015-2016 fiscal year with a small deficit of \$163,259 on a budget of \$12,250,000.



## 8.0 Internationalization

St. Mary's University is engaged in the long-term strategic planning of internationalization that takes into account the size, capacity, and resources of our university. This initial phase is focused on building the relationships, processes, and internal structure to support international efforts while we work toward creating student residences on campus for housing of international students.

In the past year, we have focused on building relationships with new international partners, strengthening the current partnerships and developing the infrastructure at St. Mary's University to support international projects.

In addition to the existing agreement with the Ukrainian Catholic University in Lviv, Ukraine, in winter 2016 we signed a Memorandum of Understanding with Katholische Universität Eichstätt-Ingolstadt in Germany for student and faculty exchanges and collaborative research; and have been in on-going discussion with Taiwan about student and faculty exchanges. Other prospective partnerships are under discussion.

The Experiential Learning Coordinator has developed the processes and forms to support international projects and has facilitated information sessions and the interviewing of candidates for an Education practicum at an ELL Summer Camp in the Ukraine for Summer 2016 and has coordinated and provided support to the Biology instructor for the international field study component of *Tropical Biology* that will occur in Belize in February 2017. The Coordinator will continue to take an important role in facilitating international student exchanges and travel study courses.

The *Travel Study Handbook* has been completed and will be presented to Faculty in Fall 2016 along with the process to develop new travel study courses. Timetabling of faculty teaching assignments will be tailored to accommodate travel study courses.

Faculty have been supported in international knowledge dissemination through Professional Development Grants that allow them to travel to international conferences, share their findings with colleagues, and develop international collaborations.

Web-based and print communications and marketing materials are being developed to promote St. Mary's International initiatives and to support the current and prospective partnerships.



## 9.0 Information Technology

St. Mary's continued to make investments in technology to provide students, faculty and staff with the resources they need to be successful. Several enhancements were implemented to further enhance campus technology.

### Educational Resources

One-Time Funding from the Targeted Enrolment Expansion Program was granted to fund new educational technology to support expansion in the Bachelor of Education Program. Enhancements included new video-conferencing technology, additional Smartboards, and the purchase of Google Chromebooks to enable access to mobile resources for Education. Students in the BEd program have benefited from exposure to state of the art educational technologies and many have gone on to become the technology experts in their schools.

Funding from the Access to the Future program has been dedicated to expansion audio-visual resources on throughout campus. This project includes the upgrade to audio-visual podiums in classrooms (projectors, computers, document cameras) as well as the installation of theatre lighting in McGivney Hall and the Heritage Centre.

The Library continues to expand the selection of online journals and library resources to support learning and research.

### Enhanced Wireless Access

During the 2015-2016 fiscal year, a new Wi-Fi system was installed across campus to enhance coverage, increase internet speed and enable security management. Many students now rely on mobile devices such as laptops, phones and tablets to access course materials, complete assignments and communicate with professors. The new Wi-Fi system has been a tremendous benefit to students, faculty and staff in improving wireless communications across campus.

### Infrastructure Upgrades

St. Mary's implemented a new backup system in the 2015-2016 fiscal year. Funded from internal capital budgets, the new system provides a more reliable and automated platform for backups and is part of overall disaster recovery planning.



## Bandwidth Upgrades

During the 2015-2016, St. Mary's a new fibre internet connection was installed on campus. With higher demand from students and increased demand for classroom technology, the increase in bandwidth has been beneficial in providing a more reliable and responsive internet connection for the benefit of both academic and administrative users. This more robust and dedicated fibre line to the campus provides the needed foundation for future campus expansion.

## Institutional Dashboard

The Institutional Dashboard system has played an important role in a variety of areas including enrolment planning, facilities usage, timetable generation and student recruiting. With support and guidance from the Strategic Enrolment Management Committee, work is continuing on a number of new dashboards to support evidenced-based decision making and enable the University to better monitor trends and performance. We hope to eventually expand the dashboard system to include other systems such as financial measures to enable full institutional analysis.



## 10. Capital Plan

During the 2015-2016 fiscal year, St. Mary's completed a comprehensive Site Planning Process to set the stage for major capital expansion. The Site Planning Process involved extensive consultations with faculty, staff, students and the community. The long term plans include new buildings for academics, residence, athletics and student gatherings.

Although not in the timeframe covered by this report, we are pleased to announce that construction on the new Heritage Centre began in June 2016. This new building is an addition to the existing Heritage Buildings and provides extensive space for teaching, performances, and gatherings. With retractable seating, this space has the flexibility to be an intimate learning environment or expand to accommodate groups of up to 110 attendees. The new building has been equipped with a full audio-visual system and theatre lighting for drama and choir performances. With its location adjacent to the Water Tower and Le Fort Centre, the Heritage Centre will quickly become the heart of the campus providing students with a bright and comfortable setting in which to collaborate, study, and enjoy the café. The new Heritage Centre will be officially opened in November 2016, as St. Mary's celebrates its 30<sup>th</sup> Anniversary.

A number of other capital improvements were completed during the year including Biology equipment additions, classroom renovations and upgrades, and risers for the choir.





**Financial Statements**

For the years ended March 31, 2016 and March 31, 2015

---

---

## Independent 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, 2016 and 2015 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, 2016 and 2015, 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.

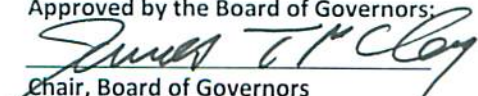


Statements of Financial Position

For the years ended March 31, 2016 and March 31, 2015

	As at March 31, 2016	As at March 31, 2015
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and equivalents	\$ 592,132	\$ 541,289
Accounts receivable	33,281	114,052
Prepaid expenses and inventory	283,078	285,418
Short-term investments - Note 3	4,117,617	1,993,565
	5,026,108	2,934,324
Investments - Note 3	17,788,780	18,262,769
Capital assets - Note 4	23,510,636	23,550,541
	\$ 46,325,524	\$ 44,747,634
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 353,249	\$ 408,915
Accrued vacation pay	203,338	210,768
Deferred revenue	671,574	611,140
Current portion of long term loan - Note 5	186,807	181,404
Current portion of future retirement obligations - Note 7	8,801	35,143
Deferred contributions - Note 8	2,928,527	649,057
	4,352,296	2,096,427
Long-term loan - Note 5	4,495,708	4,682,515
Asset restoration obligations - Note 6	187,649	183,454
Future retirement obligations - Note 7	388,870	339,014
Deferred contributions - Note 8	380,030	844,278
Deferred capital contributions - Note 9	4,406,617	4,312,444
	14,211,170	12,458,132
<b>NET ASSETS</b>		
Unrestricted	7,359,325	7,569,910
Invested in capital assets	14,421,503	14,374,177
Restricted for endowment purposes - Note 10	10,333,526	10,345,415
	32,114,354	32,289,502
	\$ 46,325,524	\$ 44,747,634

Approved by the Board of Governors:

  
Chair, Board of Governors

  
President



## Statements of Operations and Change in Unrestricted Net Assets

For the years ended March 31, 2016 and March 31, 2015

	2016	2015
<b>REVENUE</b>		
Tuition fees	\$ 5,115,231	\$ 4,526,952
Provincial government grants	3,554,691	3,232,329
Donations and fundraising events	1,513,840	1,516,316
Ancillary services and miscellaneous revenue	681,165	703,831
Interest and investment income - Note 3	145,209	987,010
Amortization of deferred capital contributions - Note 9	313,810	348,041
	<u>11,323,946</u>	<u>11,314,479</u>
<b>OPERATING EXPENSES</b>		
Salaries	6,567,084	6,328,370
Employee benefits	979,302	900,812
Materials, supplies and services	1,965,759	1,963,491
Scholarships, bursaries and awards	262,541	333,925
Maintenance and repairs	249,111	281,066
Utilities	191,312	192,135
Interest on long-term debt	150,213	-
Cost of goods sold	314,351	373,448
Amortization and accretion	807,532	832,867
	<u>11,487,205</u>	<u>11,206,114</u>
<b>(SHORTFALL) EXCESS OF REVENUE OVER EXPENSE</b>	(163,259)	108,365
Investment in capital assets	(541,048)	(993,665)
Net amortization of capital assets	493,722	484,826
<b>CHANGE IN UNRESTRICTED NET ASSETS FOR THE YEAR</b>	(210,585)	(400,474)
<b>UNRESTRICTED NET ASSETS, BEGINNING OF YEAR</b>	7,569,910	7,970,384
<b>UNRESTRICTED NET ASSETS, END OF YEAR</b>	<u>\$ 7,359,325</u>	<u>\$ 7,569,910</u>



**Statements of Changes in Net Assets**  
For the years ended March 31, 2016 and March 31, 2015

	2016				2015
	Unrestricted	Invested in Capital Assets	Endowment Fund	Total	Total
<b>NET ASSETS, BEGINNING OF YEAR</b>	\$ 7,569,910	\$ 14,374,177	\$ 10,345,415	\$ 32,289,502	\$ 31,339,294
Excess (deficiency) of revenue over operating expense	330,463	(493,722)	-	(163,259)	108,365
Transfer from deferred contributions - Note 8	-	-	-	-	184,727
Endowment investment income - Note 10	-	-	(4,887)	(4,887)	1,018,334
Endowment grants to operations - Note 10	-	-	(260,613)	(260,613)	(441,296)
Endowment contributions - Note 10	-	-	253,611	253,611	80,078
Investment in capital assets	(541,048)	541,048	-	-	-
<b>NET ASSETS, END OF YEAR</b>	\$ 7,359,325	\$ 14,421,503	\$ 10,333,526	\$ 32,114,354	\$ 32,289,502



## Statements of Cash Flows

For the years ended March 31, 2016 and March 31, 2015

	2016	2015
<b>Operating Activities</b>		
Excess of revenue over operating expense	\$ (163,259)	\$ 108,365
Add (deduct) non-cash items:		
Amortization and accretion	807,532	832,867
Amortization of deferred capital contributions	(313,810)	(348,041)
Loss on investments	123,489	99,709
Unrealized loss (gain) on investments	305,298	(325,206)
Deferred contributions recognized in donation revenue	(214,535)	(238,265)
Future retirement obligation	49,856	50,000
Net change in non-cash working capital <sup>2</sup>	60,669	73,395
	655,240	252,824
<b>Financing activities</b>		
Endowment contributions	253,611	80,078
Deferred contributions and grants received	2,029,757	1,109,116
Capital contributions <sup>1</sup>	402,558	449,365
Repayment principal on long term debt	(181,404)	-
	2,504,522	1,638,559
<b>Investing activities</b>		
Acquisitions of capital assets <sup>1</sup>	(758,007)	(1,438,937)
Payables relating to capital acquisitions	(6,562)	65,774
Acquisitions of investments, net	(2,078,850)	(1,386,110)
Endowment investment income	(4,887)	1,018,334
Endowment grants to operations	(260,613)	(441,296)
	(3,108,919)	(2,182,235)
<b>Increase (decrease) in cash</b>	50,843	(290,852)
<b>CASH, BEGINNING OF YEAR</b>	\$ 541,289	\$ 832,141
<b>CASH, END OF YEAR</b>	\$ 592,132	\$ 541,289
<b>Non-cash transaction:</b>		
<sup>1</sup> The statement of cash flows does not include donated capital assets of \$5,425, (2015 - \$29,188) and the payment of deferred acreage assessments by way of a long-term loan of \$181,404 (2015 - \$4,863,919).		
<sup>2</sup> Net change in non-cash working capital:		
	2016	2015
Decrease (increase) in accounts receivable	\$ 80,771	\$ (94,562)
Decrease (increase) in prepaid expenses and inventory	2,340	(42,035)
(Decrease) increase in accounts payable and accrued liabilities net of amounts for capital	(49,104)	110,194
(Decrease) increase in accrued vacation pay	(7,430)	39,746
Decrease in future retirement obligation	(26,342)	(35,986)
Increase in deferred revenue	60,434	96,038
	\$ 60,669	\$ 73,395





Notes to Financial Statements

For the years ended March 31, 2016 and March 31, 2015

**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, 2016 and March 31, 2015

**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 on-going 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.

In 2014, St. Mary's entered into a long-term loan agreement for \$4,863,919 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 at all times. 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, 2016, 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 \$1,000,000 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, 2016 are \$314,351 (2015 - \$373,448).



## Notes to Financial Statements

For the years ended March 31, 2016 and March 31, 2015

**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, 2016.

**(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 \$113,396 in the fiscal year ended March 31, 2016 (2015 - \$113,412).

**(o) Change in Accounting Estimate**

During the year, St. Mary's made a change to the Accounting Estimate to report borrowing costs as an expense. Formerly, borrowing costs applicable to the acquisition, construction, or production of qualifying assets were added to the cost of those assets until such time as they were substantially ready for their intended use.

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

	2016	2015
Cash and interest receivable	\$ 3,238,116	\$ 1,352,594
Bonds	5,811,087	6,233,611
Publicly traded equities	12,614,330	12,434,431
Life insurance policy	242,864	235,698
	21,906,397	20,256,334
Less amounts reported as short-term investments	(4,117,617)	(1,993,565)
	\$ 17,788,780	\$ 18,262,769

Long-term investments include externally restricted contributions received for endowment purposes of \$10,556,715 (2015 - \$10,383,059) and restricted donations for specific capital and operating initiatives of \$2,734,426 (2015 - \$1,277,375). Bonds consist of government and corporate bonds with average effective yield of 3.4% (2015 - 4.0%). Short-term investments include cash balances and bonds maturing in the next fiscal year. The original cost of investments is \$18,373,724. 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, 2016 and March 31, 2015

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

	<b>2016</b>		<b>2015</b>	
Interest and dividend income	\$	336,546	\$	354,399
Capital losses		(123,489)		(99,709)
Fair value adjustment		(305,298)		325,206
Less transaction costs		(23,163)		(32,682)
Endowment grants to operations		260,613		439,796
<b>Balance, end of year</b>	<b>\$</b>	<b>145,209</b>	<b>\$</b>	<b>987,010</b>

**4. Capital Assets**

	<b>2016</b>		
	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net Book Value</b>
Land	\$ 13,726,119	\$ -	\$ 13,726,119
Buildings	13,654,800	5,394,066	8,260,734
Heritage Centre, work in progress	335,376	-	335,376
Library books and collections	2,206,510	1,628,823	577,687
Furniture and equipment	1,722,560	1,322,228	400,332
Computer equipment	1,688,659	1,478,271	210,388
<b>Balance, end of year</b>	<b>\$ 33,334,024</b>	<b>\$ 9,823,388</b>	<b>\$ 23,510,636</b>

	<b>2015</b>		
	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net Book Value</b>
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>Balance, end of year</b>	<b>\$ 32,570,592</b>	<b>\$ 9,020,051</b>	<b>\$ 23,550,541</b>



## Notes to Financial Statements

For the years ended March 31, 2016 and March 31, 2015

**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 \$43,390 (2015 - \$48,480) as of March 31, 2016 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.

The aggregate amount of principal repayments required in each of the next five years and thereafter is as follows:

2017	\$	186,807
2018		192,372
2019		198,103
2020		204,004
2021		210,081
Thereafter		3,691,148
<b>Balance, end of year</b>	<b>\$</b>	<b>4,682,515</b>
Less current portion		186,807
<b>Long term loan balance, March 31, 2016</b>	<b>\$</b>	<b>4,495,708</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>2016</b>	<b>2015</b>
<b>Balance, beginning of year</b>	<b>\$ 183,454</b>	<b>\$ 179,361</b>
Asset restoration accretion	4,195	4,093
<b>Balance, end of year</b>	<b>\$ 187,649</b>	<b>\$ 183,454</b>



## Notes to Financial Statements

For the years ended March 31, 2016 and March 31, 2015

**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.

	2016	2015
<b>Balance</b> , beginning of year	\$ 374,157	\$ 360,143
Retirement benefits paid	(36,486)	(35,986)
Accrued for future obligations	60,000	50,000
<b>Balance</b> , end of year	397,671	374,157
Less portion reported as short term	(8,801)	(35,143)
<b>Long term retirement obligations</b>	<b>\$ 388,870</b>	<b>\$ 339,014</b>

**8. Deferred Contributions**

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

	2016	2015
<b>Balance</b> , beginning of year	\$ 1,493,335	\$ 807,211
Grants, contributions, and donations received	2,437,740	1,587,669
Recognized as revenue	(214,535)	(238,265)
Transferred to endowment fund	-	(184,727)
Transferred to unamortized deferred capital contributions - Note 9	(407,983)	(478,553)
<b>Balance</b> , end of year	3,308,557	1,493,335
Less short-term deferred contributions	(2,928,527)	(649,057)
<b>Long term deferred contributions</b> , end of year	<b>\$ 380,030</b>	<b>\$ 844,278</b>

The balance consists of funds externally restricted for:

	2016		2015	
	Current	Long-Term	Current	Long-Term
Capital	\$ 2,785,930	\$ 191,755	\$ 473,158	\$ 191,255
Education program	8,100	-	500	-
Library enhancements	-	44,955	-	44,854
Scholarships and program enhancements	134,497	143,320	175,399	608,169
<b>Balance</b> , end of year	<b>\$ 2,928,527</b>	<b>\$ 380,030</b>	<b>\$ 649,057</b>	<b>\$ 844,278</b>



## Notes to Financial Statements

For the years ended March 31, 2016 and March 31, 2015

**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:

	2016	2015
<b>Balance</b> , beginning of year	\$ 4,312,444	\$ 4,181,932
Additions from deferred contributions - Note 8	407,983	478,553
Amortization to revenue	(313,810)	(348,041)
<b>Balance</b> , end of year	\$ 4,406,617	\$ 4,312,444

**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.

If in any year the investment income earned on endowments is insufficient to fund the spending allocation, the spending allocation may be funded from the cumulative capitalized income. However, for individual endowment funds without sufficient cumulative capitalized income, endowment principal may be used in that year. The amount is expected to be recovered by future investment income. The aforementioned provisions apply unless the endowment agreement stipulates a specific limit on the annual spending allocation, in which case the spending allocation is limited to comply with the terms of specific endowment agreement.

The composition of endowment is as follows:

	2016	2015
<b>Balance</b> , beginning of year	\$ 10,345,415	\$ 9,503,572
Endowment contributions	253,611	80,078
Transferred from deferred contributions - Note 8	-	184,727
	10,599,026	9,768,377
Endowment investment income:		
Interest and dividend income	315,527	319,490
Capital gains (losses)	(272,310)	67,659
Fair value adjustment	3,999	674,862
Less commissions	(52,103)	(43,677)
Total endowment investment income	(4,887)	1,018,334
Endowment funds before transfer to operations	10,594,139	10,786,711
Endowment transfer to operations	(260,613)	(441,296)
<b>Balance</b> , end of year	\$ 10,333,526	\$ 10,345,415



---

**Notes to Financial Statements**

For the years ended March 31, 2016 and March 31, 2015

---

**11. Fundraising Expenses**

As required under the Charitable Fundraising Act of Alberta, St. Mary's incurred expenses of \$607,230 (2015 - \$628,291) for the purposes of soliciting contributions. Of these expenditures, \$385,004 (2015 - \$412,363) was paid as remuneration to employees of St. Mary's whose primary duties involve fundraising.

**12. Subsequent Event**

Subsequent to year-end, St. Mary's signed a contract for the construction of the Heritage Centre. Construction is currently in progress with completion expected in September 2016. Construction cost will be funded by deferred contribution.

**13. Contingent Development Costs**

Upon future development of the campus, St. Mary's will be responsible to reimburse the Fr. Lacombe Home Society for a portion of costs previously incurred for surface and utility improvements on Providence Way SE adjacent to the University boundary. At this time the estimated costs are undeterminable.

**14. Comparative Figures**

Certain 2015 figures have been reclassified to conform to 2016 financial statement presentation.

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

For the years ended March 31, 2016 and March 31, 2015

	2016	2015
<b>REVENUE</b>		
Tuition fees	\$ 5,115,231	\$ 4,526,952
Provincial government grants	3,554,691	3,232,329
Ancillary services	472,103	511,196
Amortization of deferred capital contributions - Note 9	313,810	348,041
Rental and miscellaneous revenue	209,062	192,635
Interest and investment income - Note 3	145,209	987,010
	<b>9,810,106</b>	<b>9,798,163</b>
<b>OPERATING EXPENSES</b>		
Academics and library	4,600,215	4,270,798
Student and campus services	1,853,783	1,867,329
Facilities and technology	1,111,421	1,105,301
Finance and administration	970,096	1,049,155
Amortization and accretion	807,532	832,867
President's office and board	620,995	586,159
Ancillary Services	447,373	487,773
Communications	318,347	378,441
Interest on long-term debt	150,213	-
	<b>10,879,975</b>	<b>10,577,823</b>
<b>(Shortfall) of revenue over expense excluding fundraising</b>	<b>\$ (1,069,869)</b>	<b>\$ (779,660)</b>
Donations and fundraising events revenue	1,513,840	1,516,316
Advancement and fundraising events expenses	(607,230)	(628,291)
<b>(Shortfall) excess of revenue over expense</b>	<b>\$ (163,259)</b>	<b>\$ 108,365</b>

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

For the years ended March 31, 2016 and March 31, 2015

	2016	2015
Revenues from donations and fundraising events	\$ 1,513,840	\$ 1,516,316
Endowment fund contributions	253,612	80,078
Deferred donations	2,426,516	930,795
Less expenses for development office and fundraising events	(607,230)	(628,291)
<b>Net revenue from fundraising activities</b>	<b>\$ 3,586,738</b>	<b>\$ 1,898,898</b>