



ANNUAL REPORT

2021-2022



miyo wâhkôhtowin - good relations

This Cree phrase expresses the positive value and richness of experience that stems from interconnectedness and relationships. This worldview represents the individual and the community, and encompasses the foundation of all we do at Saskatchewan Polytechnic.

We honour this principle in every interaction, institutional practice, procedure, policy, and service we provide to learners, faculty, staff, alumni and our communities. We work together to create an inclusive, collaborative and respectful environment in which everyone can grow, thrive and lift each other up.



TABLE OF CONTENTS

LETTER OF TRANSMITTAL	3
MESSAGE FROM CHAIR	4
MESSAGE FROM PRESIDENT & CHIEF	
EXECUTIVE OFFICER	5
INSTITUTIONAL CONTEXT	10
STATISTICS	14
MANAGEMENT DISCUSSION AND ANALYSIS	22
FINANCIAL STATEMENTS	42

We would like to acknowledge that Saskatchewan Polytechnic is situated on Treaty 4 and Treaty 6 territories and the ancestral lands of the Cree, Saulteaux, Dene, Dakota, Lakota and Nakoda peoples and the traditional homeland of the Métis.

LETTER OF TRANSMITTAL

400–119 4th Avenue South
Saskatoon, SK S7K 5X2

September 28, 2022

The Honourable Gordon S. Wyant, K.C.
Minister of Advanced Education
Government of Saskatchewan
Room 307, 2405 Legislative Drive
Regina, SK S4S 0B3

Dear Minister Wyant:

On behalf of the board of directors of Saskatchewan Polytechnic, and in accordance with the provisions of *The Saskatchewan Polytechnic Act*, I am pleased to submit the annual report and audited financial statements of Saskatchewan Polytechnic for the fiscal year ended June 30, 2022.

Respectfully,

Mitchell Holash, K.C.
Chair, Saskatchewan Polytechnic Board of Directors

MESSAGE FROM THE CHAIR

Through the 2021-22 academic year, Saskatchewan Polytechnic opened campuses to students and employees returned to the workplace. This phased transition was successfully navigated with adjustments as required by changes in the COVID-19 landscape. On behalf of the Board of Directors, I commend senior leadership, faculty and staff for the tremendous work done to ensure a safe, secure, high quality learning experience for students through the COVID-19 pandemic.

Having students back on campuses to connect in person was a most welcome and visible reminder that the core of our strategic plan is to lead the rise of polytechnic education through our mission to inspire success in every learning journey. Saskatchewan Polytechnic excelled in its work to meet strategic themes and priorities outlined in Leading the Rise: Strategic Plan 2020-2025.

The 2021-22 Annual Report is significant providing details on these accomplishments and on many student successes through an unusual and unpredictable year that required strong priority setting and truly dedicated effort to ensure success in every learning journey.

Sincerely,

Mitchell Holash, K.C.
Chair, Saskatchewan Polytechnic Board of Directors

MESSAGE FROM THE PRESIDENT AND CHIEF EXECUTIVE OFFICER

2021-22 was significant for Saskatchewan Polytechnic. Students and employees demonstrated resiliency, adaptability, and compassion during a time of uncertainty and changing circumstance due to COVID-19. In September 2021, a phased return to campuses began, and vaccinations against COVID-19 and masks were required. The transition was completed during Winter term 2022. Saskatchewan Polytechnic successfully met our number one priority of providing a safe, secure environment, while delivering a quality learning experience.

Faculty and staff rose to the challenge. Saskatchewan Polytechnic's historical legacy of being a nimble, agile institution, responsive to the needs of learners, business, industry and government partners and the Saskatchewan economy was strengthened through the work demanded of us during COVID-19.

Teams throughout Saskatchewan Polytechnic remained dedicated to moving Leading the Rise: Strategic Plan 2021-2025 forward. Plans and initiatives were implemented, and key performance indicators were met to support the following Leading the Rise themes: evolving our academic culture, enriching the learner experience, enhancing programming, innovating in teaching, and delivery and embracing community partnerships.

Work continued on five-year strategies and ongoing initiatives, such as the Indigenous Student Success Strategy, Strategic Enrolment Management, and digitization of processes and services, among others. Saskatchewan Polytechnic approved the Innovation in Action: Academic Plan 2021-2026 and the Global Engagement Plan to further define the work and objectives of the strategic plan: Leading the Rise 2020-2025.

In 2021-22, Saskatchewan Polytechnic developed and launched new partnerships, memorandums of understanding, applied research projects, along with new and expanded program offerings, learning opportunities and student experiences. It was a memorable year, with the Saskatchewan Polytechnic team working together to ensure both a safe and a successful learning journey for every student.

Sincerely,

Dr. Larry S. Rosia
President & CEO

Who We Are

Saskatchewan Polytechnic serves students through applied learning opportunities on Treaty 4 and Treaty 6 Territories and the homeland of the Métis. Learning takes place at campuses in Moose Jaw, Prince Albert, Regina and Saskatoon and through extensive distance education opportunities. Programs serve every economic and public service sector. As a polytechnic, the organization provides the depth of learning appropriate to employer and student need, including certificate, diploma and degree programs, and apprenticeship training. Saskatchewan Polytechnic engages in applied research, drawing on faculty expertise to support innovation by employers, and providing students the opportunity to develop critical thinking skills.

Our purpose: We empower a better Saskatchewan

Our vision: To lead the rise of polytechnic education

Our mission: Inspire success in every learning journey

Our values:



Respect

We support every learning journey, whether for our students, colleagues or industry partners. And so we show our care for one another and our workplace. We foster an open and inclusive environment that embraces diverse cultures, heritages and opinions. We honour, learn from, work with and support each other as one team.



Integrity

We are leaders in the global polytechnic community, and as such we are honest and fair in all we do. We are committed to being accountable and transparent. We are truthful with one another. We hold ourselves to high standards of ethical behaviour and take responsibility for our actions.



Sustainability

We aim to empower a better future by leading the rise of polytechnic education. Therefore, we work, live and learn in a socially and environmentally responsible manner. We support the health, safety and overall well-being of our learners, employees and partners. We are conscientious stewards of our resources and continuously look for entrepreneurial and creative ways to strengthen and improve our institution.



Excellence

We aim to inspire success in every learning journey, which in turn inspires each of us to go above and beyond expectations to achieve the highest levels of quality — in our teaching, our programming, our learning and our services. We are able to do this by maintaining high standards, strong competencies, committed partnerships and by being responsive and accessible.

2021-2022 Highlights

JULY 2021 – Partnering with Cowessess First Nation on the Remote Sensing of Residential School Cemeteries

Remote sensing technologies were used together with traditional ground penetrating radar to locate 751 unidentified and unmarked grave sites. The Marieval Indian Residential School at Cowessess First Nation in southern Saskatchewan operated from 1899 to 1997 with adjacent ground used as a community cemetery. Existing headstones were removed in the 1960s, and the graves were unmarked/unidentified.

The project is ongoing. An extensive search of records and interviews with Elders is helping to associate names with some of the graves. Geographic information systems were used to create digital, online, interactive maps of the cemetery, with story maps to come. The story maps will be used to preserve some of the oral history of residential schools and by community members to organize virtual ceremonies with friends and families.



OCTOBER 2021 - Collaborating with industry to meet the agriculture sector's need for multi-skilled workers

The cross-discipline design of the new Agriculture and Food Production diploma program will provide learners with foundational, technical, environmental and managerial skills, ranging from farm management, agriculture machinery, agricultural technology, crop production and livestock production. The program will be delivered at Moose Jaw campus beginning in September 2022.

Saskatchewan Polytechnic would like to acknowledge the work of Jamie Hiltz, dean, School of Mining, Energy & Manufacturing, School of Natural Resources & Built Environment and Department of Co-operative Education in bringing this program and many other programs and learning opportunities to fruition. Jamie was instrumental in moving the institution forward and left Saskatchewan Polytechnic a better place. He will be missed (1959-2022).



SEPTEMBER 2021 - Adding to Indigenous visual identity

New Indigenous art was commissioned in support of creating an inclusive, respectful and welcoming campus where Indigenous students have a sense of belonging. Created by Dakota artist Chantel Yuzicappi, from Standing Buffalo First Nation in Treaty 4 Territory, the artwork tells Saskatchewan Polytechnic's story. Each image has deep significance. Education is the new buffalo. The relationship between students and teachers is represented through the star. Student success and growth is celebrated by the Dakota flower.



OCTOBER 2021 – Making a sustainable development commitment in signing SDG Accord

The global initiative to further the United Nation's Sustainable Development Goals is led by the Alliance for Sustainability Leadership in Education and supported by Colleges and Institutes Canada (CICan). The SDG accord is the post-secondary sector's collective response to advance the critical role that education has in delivering 17 global targets for reducing inequality, ending poverty and hunger, improving health and education, protecting the planet and enabling innovation and meaningful work for prosperity by 2030.

JANUARY 2022 - Receiving top ranking on Canada's Top 50 Research Colleges list

Saskatchewan Polytechnic received a first-place ranking for college research income growth and second for completed research projects. The first-place rank is based on the \$7.2 million of sponsored research income generated in 2019-2020; an increase of over 300 per cent from the previous year. The institution also received second place for number of applied research projects completed in 2019-2020 with 245 projects completed.



JANUARY 2022 – Delivering training as a Microsoft Global Training Partner

As one of the only Microsoft Global Training Partner for higher education in Canada, Saskatchewan Polytechnic is uniquely positioned to accelerate digital skilling and transformation among post-secondary peers and Canadian industry leaders. As a Microsoft Global Training Partner, faculty share their knowledge and experience with educators around the world. The exclusive in-house expertise and mentorship, when equipped with Microsoft tools and technologies, positions Saskatchewan Polytechnic to assist other post-secondary institutions across Canada and abroad to build capacity and grow their own proficiencies in Microsoft's technologies.



FEBRUARY 2021 – Recognizing Saskatchewan Polytechnic as an exceptional place to work

For the fifth consecutive year, Saskatchewan Polytechnic was recognized as a Top Employer in Saskatchewan. Employers are compared to other organizations in their field to determine which offer the most progressive and forward-thinking programs.

MARCH 2022 – Expanding Wanuskewin Heritage Park partnership

This relationship was formalized and expanded by signing a memorandum of understanding. Work includes collaboration on the development and sharing of Indigenous content, learning opportunities and experiences. Wanuskewin will continue to provide work integrated learning opportunities for students from the Recreation and Tourism Management program and other Saskatchewan Polytechnic programs. The opportunity to collaborate on applied research projects will also be explored.



MARCH 2022 - Addressing complex sustainability issues head on with SLICE

The new Sustainability-Led Integrated Centres of Excellence (SLICE) opened to advance sustainable resource management with a full life-cycle lens approach. The focus is on key sectors of Saskatchewan's economy including energy resources, manufacturing, agriculture and forestry. SLICE is about delivering solutions to applied research partners in support of a circular, bio-based economy which prioritizes reusing, recycling and upcycling of materials and resources to minimize waste and promote sustainability.

APRIL 2022 - Receiving Technical Innovation Award at the Indianapolis Motor Speedway

Students designed, built and tested two vehicles in the Urban Concept and Prototype categories for the Shell Eco-Marathon. The Urban Concept car received the off-track Technical Innovation Award for ingenuity in 3D printing the body of the car using recyclable materials. Special filament was used with a temperature triggered, active foaming technology to reduce the weight to one third of a traditional 3D printed parts.

JUNE 2022 – Receiving World Federation of Colleges and Polytechnics Award of Excellence

Saskatchewan Polytechnic was honoured to be recognized for its commitment to Indigenous learners and communities with a silver award in the Indigenous Education category. The institution is acting on its strategic plan for 2020-2025, Leading the Rise, by holistically integrating Indigenous ways of knowing, being, teaching and learning throughout all institutional practices, procedures and services.

The goal of the Indigenous Student Success Strategy 2018-2023 is to increase recruitment, retention and success of Indigenous students across all our programs. Examples of initiatives include dedicated Indigenous student advisors, Indigenous students' centres at all campus locations with access to Elders, knowledge keepers and cultural advisors and a summer transition program to help orient Indigenous students and prepare them for student life. The practice of Indigenous traditions and ceremonies, including smudging and pipe ceremonies, is protected,



JUNE 2022 – Holding in person convocation

Convocation is a time to celebrate student achievement and success, and for the first time since 2019, we were able to do so in person. Excitement and anticipation from graduates and guests filled each venue. Faculty, staff and senior leadership came together to create a memorable experience for grads and to recognize their hard work and achievements. Convocation was held throughout June with eight ceremonies in four cities where over 1,500 students crossed the stage. Several faculty, student and honorary degree recipients were also recognized for their accomplishments.



INSTITUTIONAL CONTEXT

Saskatchewan Polytechnic is the province's primary institution for post-secondary applied education and research and its only polytechnic. Saskatchewan Polytechnic is a member of Polytechnics Canada and a proud supporter of the polytechnic education model — applied, hands-on, technical, industry focused and industry driven. Through its facilities, networks and industry partners, Saskatchewan Polytechnic provides meaningful solutions to industry problems and accelerates knowledge transfer, enhancing Saskatchewan's productivity and innovation.

The institution's graduates are job ready and equipped with the skills Saskatchewan employers need across multiple sectors. Saskatchewan Polytechnic will continue to ensure that institutional priorities are aligned with Saskatchewan's Growth Plan and the priorities of the Ministry of Advanced Education and the Ministry of Immigration and Career Training.

Saskatchewan Polytechnic serves students through applied learning opportunities on Treaty 4 and Treaty 6 territories and the homeland of the Métis. Learning takes place at campuses in Moose Jaw, Prince Albert, Regina and Saskatoon and through extensive distance education opportunities. In addition, Saskatchewan Polytechnic programming is accessible to learners across the province through brokerage agreements with regional colleges. Programs serve every economic and public service sector.

As a polytechnic, the institution provides the depth of learning appropriate to employer and learner needs, including certificate, diploma, degree, post-graduate certificate and apprenticeship training. Saskatchewan Polytechnic engages in applied research, drawing on faculty expertise to support innovation by employers and providing students the opportunity to develop critical thinking skills.

In addition, Saskatchewan Polytechnic provides adult basic education and skills training programming. Through upgrading, or Adult 12 programming, learners can obtain academic requirements for application to post-secondary programs or for employment that requires high school graduation. Saskatchewan Polytechnic also delivers Language Instruction for Newcomers to Canada to help Canadians develop English language skills to successfully integrate into Canadian society.

Members of Polytechnics Canada, including Saskatchewan Polytechnic, are leaders in industry innovation activity in the Canadian college sector and are committed to learner involvement in applied research. Saskatchewan Polytechnic engages in applied research and scholarship to better meet the needs of learners, employers and communities and to support sustainable economic and social development in the province. To continue to enhance the province's innovation ecosystem, Saskatchewan Polytechnic has partnered with Innovation Saskatchewan and will work collaboratively with employers and communities to grow applied research and scholarship capacity in Saskatchewan.

As one of the largest post-secondary institutions in the province, Saskatchewan Polytechnic has a major impact on Saskatchewan's economy. The institution contributes \$2.2 billion to the economy, according to an economic impact analysis conducted in 2019. This analysis showed that:

- The average diploma graduate from Saskatchewan Polytechnic will see an increase in earnings of \$13,300 annually compared with a person with a high school diploma or equivalent working in Saskatchewan.
- Over their lifetime, a Saskatchewan Polytechnic graduate will earn \$505,000 more than someone who holds a high school diploma.
- Saskatchewan Polytechnic is a good investment for taxpayers. On average, taxpayers will see a 12.4 per cent annual internal rate of return for every tax dollar spent to support Saskatchewan Polytechnic.

MANDATE

Saskatchewan Polytechnic is a public, board-governed polytechnic that operates in accordance with *The Saskatchewan Polytechnic Act*. According to *The Act*, Saskatchewan Polytechnic may provide:

- courses and programs of study, instruction or training and related services, in academic, scientific, trade, technical, technological and vocational fields of education;
- subject to *The Degree Authorization Act*, university programs, by agreement and on the basis agreed to with any university within or outside Saskatchewan;
- courses or programs of instruction or training that have been determined to be required with respect to a trade pursuant to *The Apprenticeship and Trade Certification Act, 1999*;
- courses, programs and seminars of a continuing education nature;
- credit programs through a regional college as defined in *The Regional Colleges Act*;
- student services, career counselling, adult basic education, language training, literacy programming and newcomer integration services;
- training and services, including applied research, to governments, corporations, persons or other bodies with respect to courses, programs and related services that the polytechnic provides or expertise or facilities it possesses, on any terms that the polytechnic considers appropriate;
- services to encourage and support scholarly activity related to programs of study provided by the polytechnic; and,
- any other post-secondary education and training-related functions or activities that may be prescribed in the regulations.

Saskatchewan Polytechnic is committed to operating within this legislative framework. The institution has continued to co-operate with the provincial government to support an accessible, responsive, sustainable, accountable and quality post-secondary sector in Saskatchewan.

STRATEGY MANAGEMENT

A clear strategic vision is critical to the planning, decision-making and accountability processes in all organizations. Saskatchewan Polytechnic has adopted a strategic planning system that combines forward-looking, long-term strategic planning; annual multi-year planning; and annual reporting, all of which are integrated into every level of the institution. A balanced scorecard framework has been adopted to ensure Saskatchewan Polytechnic demonstrates accountability to its diverse stakeholders. Several foundational components communicate, monitor and report progress.

COMMUNICATE

Strategic Plan – *Leading the Rise: Strategic Plan 2020-2025*

The strategic plan sets the long-term direction for the institution and guides the development of the annual multi-year business plan. The strategic plan articulates the long-term vision, mission, values and strategic goals. It also includes the strategy map.

Leading the Rise closely aligns with the major goals identified in the operational plans of both the Ministry of Advanced Education and the Ministry of Immigration and Career Training. The strategic plan also supports objectives set in Saskatchewan's Growth Plan.

MONITOR

Enterprise Risk Management Risk Registry

The enterprise risk management risk registry catalogues the risks and opportunities that may impact the institution's strategy execution, operations or projects.

Balanced Scorecard

The balanced scorecard is the institution's performance measurement framework. It links strategic objectives with success measures, indicators and performance targets.

REPORT

Annual Report

The annual report communicates accomplishments and progress on the strategic plan and multi-year business plan.

STRATEGY MAP

A simplified strategy map visualizes how Saskatchewan Polytechnic's strategic objectives build toward our mission, vision and purpose. The map should be read from the bottom to the top.

Leading the Rise: Strategic Plan 2020-2025 simplified

Our purpose: We empower a better Saskatchewan

Our vision: To lead the rise of polytechnic education

Our mission: Inspire success in every learning journey

Our themes:

Inspiring
our future

Investing in
our future

Shaping
our future

Leading an
inclusive future

TO ACHIEVE SUCCESS



Learners and employers:

Advance
learner success

Advance
employer success

TO INVEST IN OUR FUTURE



Enterprise stewardship:

Increase and diversify revenue

Optimize and leverage resources

TO EXCEL IN DELIVERY



Internal processes:

Improve
learner
experience

Improve
processes
and services

Improve health, safety,
security and wellness
of our community

Grow applied
research and a
culture of innovation

Increase academic
quality and agility

TO EMPOWER OUR COMMUNITY



Organizational readiness:

Transform
infrastructure

Increase
collaboration

Improve
inclusion

Increase
technology
utilization

Strengthen
employee
development

Improve
governance

Platform from which we rise: **miyo wâhkôhtowin**

Statistics

The image features a background of several overlapping, wavy bands of color. The top band is a light grey. Below it is a medium purple band, followed by a darker purple band, and finally a dark purple band at the bottom. The bands are separated by thin, lighter-colored lines, creating a layered, dynamic effect.

STATISTICS

ACADEMIC YEAR 2021-2022

GRADUATES

NUMBER OF GRADUATES*	SASKATCHEWAN POLYTECHNIC DELIVERED	BROKERED	TOTAL
Applied certificate	488	79	567
Certificate	1,484	425	1,909
Advanced certificate	146	0	146
Postgraduate certificate	488	0	488
Diploma	962	67	1029
Degree — stand-alone*	42	0	42
Certificate of achievement	449	1	450
Advanced diploma	25	0	25
Total	4,084	572	4,656

* The number of graduates does not include joint degree programs with the University of Regina.

PROGRAMMING

NUMBER OF POST-SECONDARY PROGRAMS*	SASKATCHEWAN POLYTECHNIC DELIVERED
Applied certificate	37
Certificate	45
Advanced certificate	8
Diploma	53
Degree	5
Post-graduate certificate	12
Apprenticeship	26
Advanced diploma	2
Certificate of achievement	7
Master's	0
Total	195

* All Saskatchewan Polytechnic programs can be brokered based on demand for programming (enrolment), qualified instructors and proper facilities.

EMPLOYMENT OUTCOMES

EMPLOYMENT RATE BY SCHOOL*	
School of Business	94%
Joseph A. Remai School of Construction	96%
School of Health Sciences	99%
School of Hospitality and Tourism	93%
School of Human Services and Community Safety	96%
School of Information and Communications Technology	92%
School of Mining, Energy and Manufacturing	94%
School of Natural Resources and Built Environment	94%
School of Nursing	98%
School of Transportation	95%

OVERALL GRADUATE EMPLOYMENT RATE*

96%

INDIGENOUS GRADUATE EMPLOYMENT RATE

94%

VISIBLE MINORITY EMPLOYMENT RATE

95%

GRADUATE SATISFACTION RATE

93%

GRADUATES EMPLOYED IN SASKATCHEWAN

91%

EMPLOYER SATISFACTION RATE**

92%

GRADUATE AVERAGE ANNUAL SALARY

\$53,280

* Based on the 2021-2022 graduate follow-up survey of 2020-2021 from Saskatchewan Polytechnic-delivered programs administered six to 12 months following graduation.

** Based on the 2022 employer survey, which is conducted every two years.

STUDENTS

INTERNATIONAL STUDENT ENROLMENT

COUNTRY OF ORIGIN	SASKATCHEWAN POLYTECHNIC DELIVERED	BROKERED	TOTAL
India	1,564	10	1,574
Vietnam	101		101
Nigeria	87	2	89
Philippines	81	1	82
China	33		33
Jamaica	12	1	13
Peru	12		12
Pakistan	12		12
Hong Kong	12		12
Bangladesh	11		11
Other	118	49	167
Total	2,043	63	2,106
Distinct number of international students	1,910	63	1,973

*The table above shows the count of international student enrollments in programs. Some international students may be enrolled in more than one program - they would be counted multiple times in the Country of Origin. The distinct number of international students shows the total number of students enrolled in all programs.

EQUITY ENROLMENT PARTICIPATION

DESIGNATED GROUP OF STUDENTS	SASKATCHEWAN POLYTECHNIC DELIVERED			
	ALL PROGRAMS		CERTIFICATE-DIPLOMA-DEGREE	
	Number	Percentage of total	Number	Percentage of total
Indigenous	1,889	13%	1,067	12%
Reported disability	1,094	8%	804	9%
Visible minority	1,055	7%	797	9%
Women	6,976	48%	5,282	58%

EQUITY ENROLMENT PARTICIPATION (CONTINUED)

DESIGNATED GROUP OF STUDENTS	BROKERED			
	ALL PROGRAMS		CERTIFICATE-DIPLOMA-DEGREE	
	Number	Percentage of total	Number	Percentage of total
Indigenous	397	33%	397	33%
Reported disability	38	3%	38	3%
Visible minority	47	4%	47	4%
Women	865	73%	865	73%

DESIGNATED GROUP OF STUDENTS	TOTAL			
	ALL PROGRAMS		CERTIFICATE-DIPLOMA-DEGREE	
	Number	Percentage of total	Number	Percentage of total
Indigenous	2,286	15%	1,464	14%
Reported disability	1,132	7%	842	8%
Visible minority	1,102	7%	844	8%
Women	7,841	50%	6,147	60%

ENROLMENT BY CAMPUS

PROGRAM TYPE	SASKATCHEWAN POLYTECHNIC DELIVERED				
	SASKATOON	REGINA	MOOSE JAW	PRINCE ALBERT	TOTAL
Basic education	955	1,045	138	214	2,352
Apprenticeship	1,715	75	768	470	3,028
Certificate-diploma-degree — base	2,665	2,266	1,793	754	7,478
Certificate-diploma — continuing education	822	594		188	1,604
Total	6,157	3,980	2,699	1,626	14,462

PROGRAM ENROLMENT

PROGRAM TYPE	SASKATCHEWAN POLYTECHNIC DELIVERED			BROKERED			TOTAL		
	FULL-TIME	PART-TIME	TOTAL ENROLMENT	FULL-TIME	PART-TIME	TOTAL ENROLMENT	FULL-TIME	PART-TIME	TOTAL ENROLMENT
Basic education	1,304	1,048	2,352	0	0	0	1,304	1,048	2,352
Apprenticeship	2,923	105	3,028	0	0	0	2,923	105	3,028
Certificate-diploma-degree — base	7,074	404	7,478	0	0	0	7,074	404	7,478
Saskatchewan Polytechnic delivery only	5,725	357	6,082	0	0	0	5,725	357	6,082
Joint degree	1,349	47	1,396	0	0	0	1,349	47	1,396
Certificate-diploma-degree — continuing education	587	1,017	1,604	984	208	1,192	1,571	1,225	2,796
All levels	11,888	2,574	14,462	984	208	1,192	12,872	2,782	15,654
Distinct number of students enrolled in all programs	13,873			1,143			14,969		

FULL LOAD EQUIVALENT

PROGRAM TYPE FULL LOAD EQUIVALENT (FLE)*	SASKATCHEWAN POLYTECHNIC DELIVERED			BROKERED			TOTAL		
	PROGRAM	COURSE	TOTAL	PROGRAM	COURSE	TOTAL	PROGRAM	COURSE	TOTAL
Basic education	743	128	871	0	0	0	743	128	871
Apprenticeship	1,025	36	1,061	0	0	0	1,025	36	1,061
Certificate-diploma- degree — base	5,897	448	6,344	0	0	0	5,897	448	6,345
Saskatchewan Polytechnic delivery only	5,295	448	5,743	0	0	0	5,296	448	5,744
Joint degree	601		601			0	601	0	601
Certificate-diploma- degree — continuing education	657	79	735	1,005	136	1,140	1,661	214	1,875
Level not declared	1	1,350	1,351		20	20	1	1,370	1,370
Total credit activity	8,322	2,041	10,363	1,005	156	1,160	9,326	2,197	11,523
Total non-credit activity		466	466		0	0	0	466	466
All levels	8,322	2,507	10,829	1,005	156	1,161	9,326	2,663	11,989
Distinct number of students enrolled in programs and courses	26,180			1,198			27,230		

* Full load equivalent (FLE) reports a student's program activity based on the total number of credits or hours they attend relative to the number of credits or hours that would normally be assigned to a full-time learner. FLE values are rounded to nearest whole number. Out of 121,410 program-related registration records, 528 (0.43%) were without a FLE value due to unique data integration challenges.

COURSE REGISTRATION

COURSE REGISTRATION	SASKATCHEWAN POLYTECHNIC DELIVERED	BROKERED	TOTAL
Basic education	2,300	0	2,300
Apprenticeship	1,063	0	1,063
Certificate-diploma-degree — base	6,917	0	6,917
Saskatchewan Polytechnic delivery only	6,917	0	6,917
Joint degree			0
Certificate-diploma-degree — continuing education	20,094	2,746	22,840
Total credit activity	30,374	2,746	33,120
Total non-credit activity	10,278		10,278
All levels	40,650	2,746	43,398
Distinct number of students registered in courses	17,712	473	18,123

FACULTY AND STAFF

WORKFORCE STATISTICS – FULL-TIME EQUIVALENT*

WORKFORCE STATISTICS (FTE)	ACADEMIC		PROFESSIONAL SERVICES		RESEARCH EXEMPT		OUT-OF-SCOPE		TOTAL	
	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22
Moose Jaw	168	162	78	85	0	1	13	11	259	259
Prince Albert	98	108	50	56	0	2	9	10	157	176
Regina	284	296	133	166	0	1	37	43	454	506
Saskatoon	425	445	169	195	0	9	46	49	640	698
Admin Offices	0	2	60	66	0	0	63	70	123	138
Total	975	1,013	490	568	0	13	168	183	1,633	1,777


* Represents full-time equivalent (FTE) by budget position and does not represent employee head count. FTE includes:

- Full-time employees
- Part-time employees in a part-time position

FTE does not include:

- Part-time status employees who work only casual assignments or extension service contract assignments
- Casual status employees
- Extension contracts
- Individuals on leave

Management Discussion and Analysis

The background features a series of diagonal bands. The top band is a light grey. Below it is a medium grey band. The bottom two bands are shades of purple, with the lower one being a darker, more saturated purple. The bands are separated by thin, slightly irregular white lines, creating a layered, modern aesthetic.

MANAGEMENT DISCUSSION AND ANALYSIS: RESULTS ACHIEVED

Saskatchewan Polytechnic's strategic plan, *Leading the Rise*, is guided by a bold purpose, vision and mission that will guide the work of Saskatchewan Polytechnic to 2025.

Purpose: We empower a better Saskatchewan

This is **why we exist**. Saskatchewan Polytechnic is the driving force that empowers and strengthens our province in everything we do. We encourage an economically and socially stronger, more informed and better-prepared Saskatchewan. Through our leadership position within the province, we establish our reputation nationally and around the world.

Vision: To lead the rise of polytechnic education

Our vision defines **where we want our strategic plan to take us**. As we look forward to this new decade, applied education has never been more critical to our collective success at home and around the world. Our vision comes from a drive to define the reputation of polytechnic education in Canada and establish its role in building a better future.

Mission: Inspire success in every learning journey

Our mission establishes **how we will achieve our vision**. Saskatchewan Polytechnic is passionate about creating an environment where lifelong learners gain the knowledge, skills and abilities to achieve and succeed at work, in their communities and in life. We know that by empowering learners to realize their aspirations, we are building a better Saskatchewan and a better world.

The purpose, vision and mission are supported by 15 strategic objectives (visualized in the strategy map on page 9) and a broad suite of success measures. Strategic objectives are cascaded and operationalized throughout the organization. Saskatchewan Polytechnic's 2021-2024 Multi-year Business Plan identified the strategic initiatives that were prioritized for 2021-22; the Annual Report closes the accountability cycle by reporting the results of each initiative.

PERSPECTIVE: LEARNERS AND EMPLOYERS

STRATEGIC OBJECTIVES

Advance Learner Success

Advance Employer Success

Learners are ultimately successful when they gain the knowledge, skills and abilities to thrive at work, in their communities and in life. By ensuring learners, programs and applied research projects meet employer needs, Saskatchewan Polytechnic creates opportunities to empower Saskatchewan, at home and around the world.

ACADEMIC PLAN

Saskatchewan Polytechnic approved Innovation in Action: Academic Plan 2021-2026 to further define the academic objectives of the strategic plan, Leading the Rise 2020-2025. Each of the academic plan's five themes identify more detailed commitments and cover the spectrum of student, industry and institutional expectations for post-secondary education. Each academic year, the senior academic leadership team selects commitments for focused attention and action as part of the strategy cascade for Saskatchewan Polytechnic; the effects are measured through ongoing attention to student and institutional metrics. Results will be shared regularly with the Saskatchewan Polytechnic community.

SCHOOL OF CONTINUING EDUCATION

Launched in September 2020, the School of Continuing Education has been very successful in creating additional pathways and offerings outside of traditional programming to engage learners at all stages of life and is building partnerships within and beyond Saskatchewan Polytechnic. Through funding from the federal and provincial governments, as well as industry and community partners, multiple opportunities, especially to assist individuals facing barriers to employment, were made available. For example, the New Start program provided support to nearly 300 individuals from under-represented groups to enter trades and technology training.

The School of Continuing Education continues to explore market opportunities for continuing education and corporate offerings and to develop new and enhanced programming for part-time studies and for corporate, not-for-profit and governmental organizations to address the changing needs of Saskatchewan's economy. The launch of Surge micro-credentials places Saskatchewan Polytechnic at the forefront of Canadian post-secondary institutions in this new segment of lifelong learning opportunities. In 2021- 2022, 90 new micro-credentials in business, information technology and human resources were created. In addition, Surge Experts Live features were delivered. These real-time sessions present opportunities to learn from and engage with industry experts on a variety of topics. Facilitators for 2021-2022 included Dr. Jody Carrington (psychologist, author and speaker) and Jake Hirsch-Allen (director on the boards of the Canadian Council for Youth Prosperity, the Information and Communications Technology Council and Canadian Club Toronto and the founder of Lighthouse Labs).

Partnerships generated through the School of Continuing Education serve to enhance Saskatchewan Polytechnic's reputation across the province and provide the labour force with the skills, experience and pathways to build successful careers in Saskatchewan.

NEW PROGRAMS

To meet emerging labour market demands and advance learner and employer success, the following new programs were launched in 2021-2022:

Entrepreneurship Post-graduate Certificate – Developed as a response to Saskatchewan's Growth Plan's goals of increasing immigration to the province and growing small business, the program provides guidance on starting a small business in Saskatchewan. Applicants are required to have completed an undergraduate degree before commencing studies.

Financial Services Post-graduate Certificate – Developed in consultation with, and at the recommendation of, industry partners in banking and financial services. The program is intended to provide additional trained graduates, in addition to those from the Business Diploma in Financial Services, to meet labour market needs, particularly in rural Saskatchewan. It is focused on the banking sector and includes preparatory courses for industry certification exams. Applicants are required to have completed an undergraduate degree before commencing studies.

Hospitality and Tourism Management Post-graduate Certificate – Provides learners with unrelated degrees to complete a post-graduate certificate in business management and follow up with a post-graduate certificate in hospitality and tourism management to enter the hospitality industry.

Autism Spectrum Disorder Certificate of Achievement – Designed to provide specific training to professionals working with children with autism spectrum disorder, specifically in the K-12 school system, support agencies and early childhood services.

Cloud Computing and Blockchain Post-graduate Certificate – Addresses the industry need for specific information technology skills, the shift toward cloud-based applications and business applications for the nascent field of blockchain technology. Applicants are required to have completed an undergraduate degree in information technology.

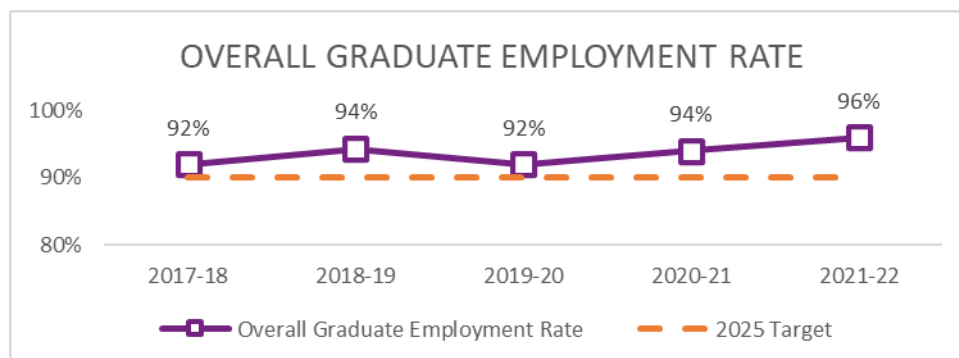
BALANCED SCORECARD RESULTS

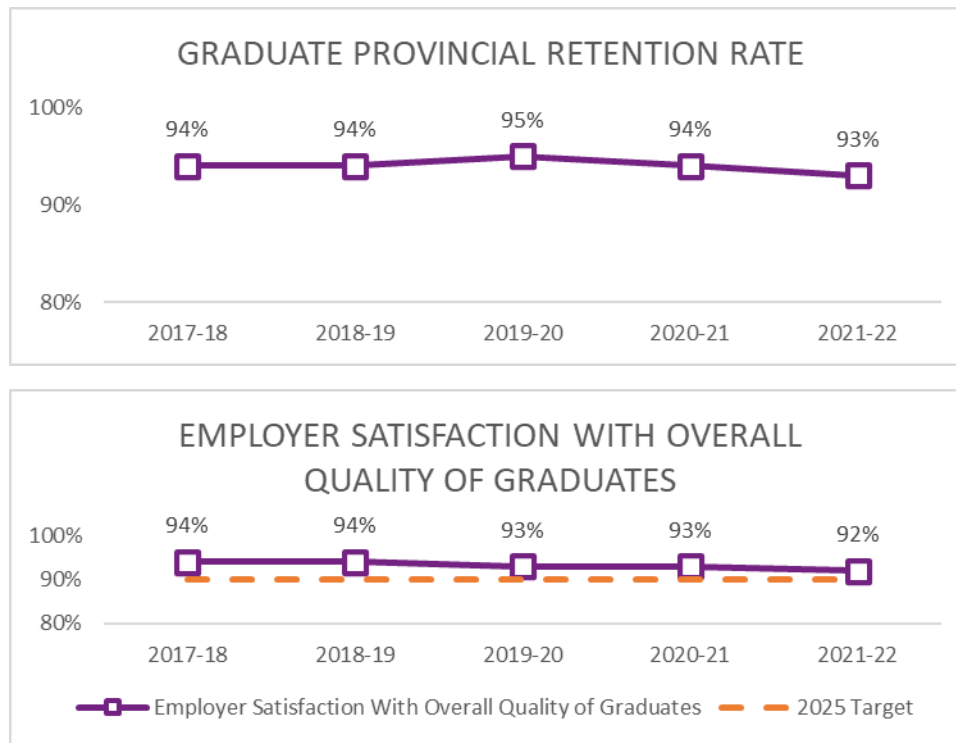
OVERALL GRADUATE EMPLOYMENT RATE

GRADUATE PROVINCIAL RETENTION RATE

EMPLOYER SATISFACTION WITH OVERALL QUALITY OF GRADUATES

Saskatchewan Polytechnic conducts ongoing labour market analyses and maintains close connections with industry through program advisory committees. This ensures program curriculums and capacities are aligned with current and emerging labour market needs. A high percentage of Saskatchewan Polytechnic alumni live and work in Saskatchewan six to 12 months after graduating. This high graduate retention rate ensures Saskatchewan Polytechnic training contributes significantly to the province’s economic growth. Employers have reported a consistently high level of satisfaction with the overall quality of Saskatchewan Polytechnic graduates.





PERSPECTIVE: ENTERPRISE STEWARDSHIP

STRATEGIC OBJECTIVES

- Increase and Diversify Revenue
- Optimize and Leverage Resources

Saskatchewan Polytechnic is committed to fostering a sustainable future through effective financial, infrastructure and natural environment management. Programs and services are continually reviewed to ensure they are providing value and are aligned with strategic objectives.

In addition, Saskatchewan Polytechnic has continued to work closely with the Ministry of Advanced Education to report on the multi-year funding agreement. The agreement specifies the level of base operating grant that will be allocated to Saskatchewan Polytechnic over a four-year period. This provides greater certainty in Saskatchewan Polytechnic’s budgeting processes, as base operating grants had previously been announced on a year-to-year basis. The agreement requires enhanced semi-annual reporting to the Ministry of Advanced Education on budget priorities and key performance measures. Through this reporting, Saskatchewan Polytechnic further demonstrates accountability to optimizing and leveraging resources.

ADVANCEMENT CAPACITY BUILDING

The Office of Advancement continues to build strong relationships with Saskatchewan Polytechnic’s alumni and philanthropic communities. In 2021-2022, as part of the Alumni Engagement Strategy, Saskatchewan Polytechnic purchased a digital alumni community platform that will be incorporated into the Advancement customer relationship management system. This platform will facilitate ongoing communication and engagement with alumni. In addition, Saskatchewan Polytechnic launched the Student Awards and Stewardship Management system.

This online technology platform helps learners achieve success, honours donor intent through charitable governance and builds lasting relationships by sharing the impact of gifts with donors. As of June 30, 2022, total donation revenue for 2021-2022 was nearly \$3.8 million.

DIGITIZATION OF PROCESSES AND SERVICES

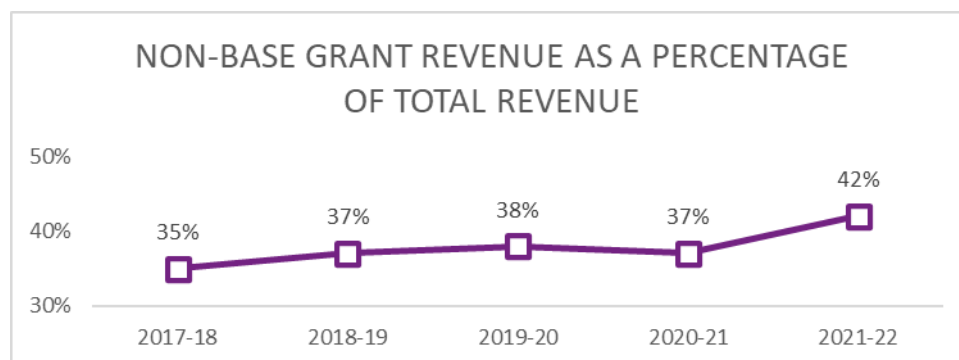
Digitization was an important component of several strategic initiatives across Saskatchewan Polytechnic in 2021-2022. Replacing paper-based processes, increasing automation and enhancing access to digital information improve operational efficiency and support data-driven decision-making. Using the Tableau data visualization interface, Saskatchewan Polytechnic now has access to live reporting of application and enrolment data to support strategic enrolment management and program planning. Tableau and Microsoft's Power BI have also been used to support more effective analysis of activity-based costing data. In addition, Saskatchewan Polytechnic has increased access to electronic documents to support a variety of processes, including the MyCreds digital credential tool for students and alumni and the Bonfire strategic procurement tool.

INFRASTRUCTURE

A new Saskatoon campus is Saskatchewan Polytechnic's number-one infrastructure priority in 2021-2022. Saskatchewan Polytechnic continued to work with the Ministry of SaskBuilds and Procurement and the Ministry of Advanced Education. In March 2021, Saskatchewan Polytechnic received \$4 million from the provincial government to continue planning and design for the new campus. Other major infrastructure projects initiated in 2021-2022 include the replacement of obsolete mechanical equipment for the Regina dental program, the construction phase of the Moose Jaw mezzanine renovation and the Regina nursing simulation lab expansion.

BALANCED SCORECARD RESULT:

NON-BASE GRANT REVENUE AS A PERCENTAGE OF TOTAL REVENUE



PERSPECTIVE: INTERNAL PROCESSES

STRATEGIC OBJECTIVES

Improve Learner Experience

Improve Processes and Services

Improve Health, Safety, Security and Wellness

Increase Academic Quality and Agility

Grow Applied Research and a Culture of Innovation

ADMISSIONS MANAGEMENT AND ENROLMENT SERVICES

TRANSFORMATION

Saskatchewan Polytechnic continues to build a strategic enrolment management (SEM) framework across the institution to focus on learner success. The SEM working group met monthly to support the integration of recruitment and enrolment funnel data, communications, student events and school initiatives. Through the ongoing modernization of enrolment services, admission and registration processes will continue to be revised for increased flexibility to meet applicant and learner needs. Strategic improvements in 2021-2022 focused on learners as they enter Saskatchewan Polytechnic, with an update of the admissions policy and procedures, simplification of information for international applicants, a revision of the orientation process and changes to course enrolment processes including the launch of a single-course registration system available for current students.

ENHANCED HEALTH AND SAFETY TRAINING AND TRACKING AND REPORTING

Saskatchewan Polytechnic continued implementing and integrating a variety of health and safety priorities in 2021-2022. A formal debrief of the lessons learned from the COVID-19 pandemic was conducted with support from a third party in early 2021. Actions arising from the debrief were prioritized, and implementation will continue throughout 2022 and beyond. In addition, a refreshed and expanded safety training program for all supervisors was launched, with approximately 80 per cent of supervisory employees completing training by year-end. Enhanced tracking and reporting were made possible by the implementation of a new Corepoint Health, Safety and Security Incident Reporting system.

FUTURE OF LEARNING

In response to the COVID-19 pandemic, Saskatchewan Polytechnic shifted to remote learning modalities. This created an opportunity to explore the future needs of post-secondary learners in Saskatchewan. The *Technology Enhanced Learning Plan* was approved and launched in 2021-2022 to guide development of high-quality learning opportunities in Saskatchewan and around the world. This transformative change will require an ongoing investment in digital infrastructure and strong quality assurance, including implementing best practices and enhanced course evaluation processes. Technology-enhanced learning makes Saskatchewan Polytechnic programs more accessible to diverse learners. It also provides opportunities to deliver new, high-demand credentials focused on upskilling and reskilling for those already in the workforce.

APPLIED RESEARCH RESULTS

Applied research is an established area of strength, as employers continue to seek out Saskatchewan Polytechnic as a provider of real-world solutions to market challenges. In 2021-2022, Saskatchewan Polytechnic continued to assist companies in developing products, enhancing technologies and commercializing the innovations needed for Saskatchewan to be a global economic leader. Intellectual property for applied research projects at Saskatchewan Polytechnic is retained by the industry partner, creating more incentive for future creative engagement and ongoing collaboration.

Applied research achievements include in 2021-2022 include:

- Total external funding for applied research projects was \$9,060,012, the highest single-year total in Saskatchewan Polytechnic history.
- Total applied research revenue was \$11,113,126, a 77% increase over the previous year.
- 49 external applied research projects were awarded funding.

- Applied research projects were undertaken with 57 companies and external organizations.
- 159 faculty members and researchers participated in applied research projects in 2021-2022, an increase of 25% over the previous year.
- 347 Saskatchewan Polytechnic students were paid participants in applied research projects in 2021-2022, an increase of 443% over the previous year.
- 60 internal projects were awarded through Saskatchewan Polytechnic’s Seed Applied Research Projects Fund, the Sustainability Innovation Fund, the Centre for Health Research Improvement and Scholarship (CHRIS) and through student scholarships.

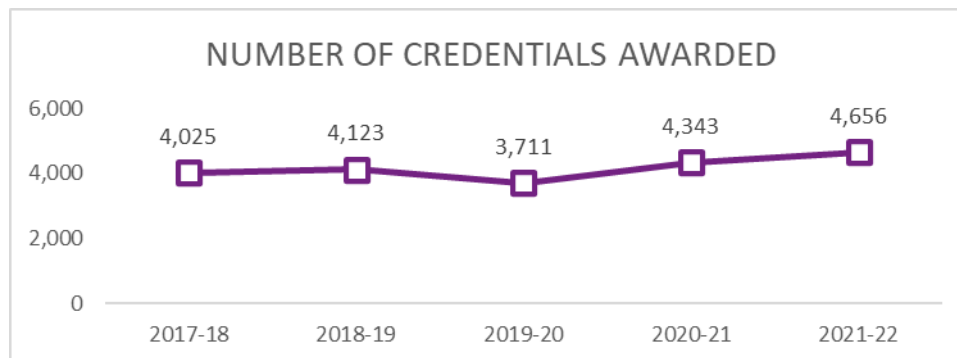
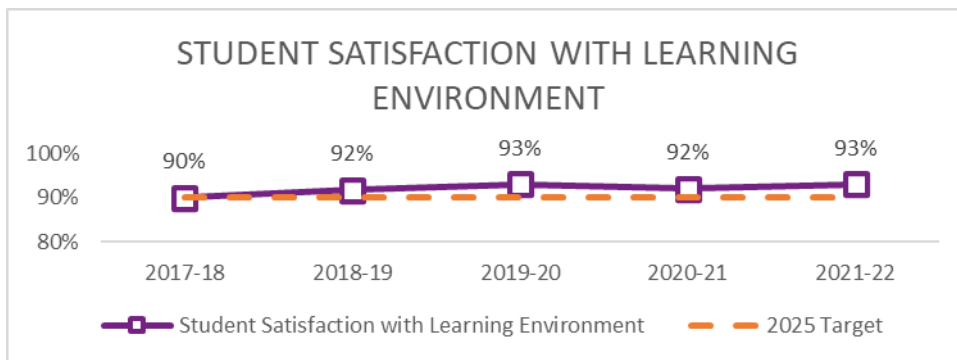
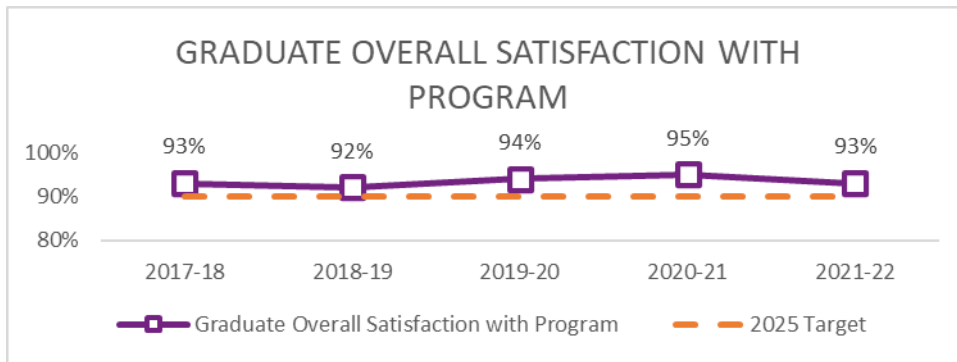
BALANCED SCORECARD RESULTS:

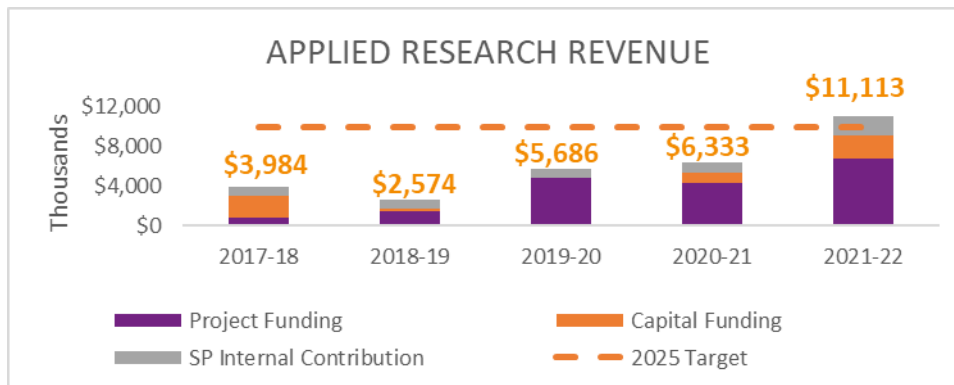
GRADUATE OVERALL SATISFACTION WITH PROGRAM

STUDENT SATISFACTION WITH LEARNING ENVIRONMENT

NUMBER OF CREDENTIALS AWARDED

APPLIED RESEARCH REVENUE





PERSPECTIVE: ORGANIZATIONAL READINESS

STRATEGIC OBJECTIVES

- Transform Infrastructure
- Increase Collaboration
- Improve Inclusion
- Increase Technology Utilization
- Strengthen Employee Development
- Improve Governance

INDIGENOUS STUDENT SUCCESS

The Indigenous Student Success Strategy is designed to maximize success for the province’s growing population of Indigenous learners. Supports provided through the Indigenous Student Success Strategy in 2021-2022 include the summer transition program, access to Indigenous student advisors and Elders and policies that promote cultural safety. In 2021-2022, Saskatchewan Polytechnic introduced the *Avik Wiyawow* policy to articulate Saskatchewan Polytechnic’s values and commitments related to truth, reconciliation and Indigenization of the institution. The policy aims to create *avik wiyawow* (Michif): for belonging through inclusive, respectful and welcoming campuses and offices. In addition, Saskatchewan Polytechnic opened a new Indigenous outdoor learning centre in partnership with the Prince Albert Grand Council. The centre is located at the Hannin Creek Education and Applied Research Centre near Candle Lake and will be called *mitho askiy kiskēyihtamowin* (Cree): for good learning through experiences on the land.

INTERNATIONAL STUDENT SUCCESS

Saskatchewan Polytechnic’s international framework enriches students’ learning; prepares them for an increasingly multicultural global workplace; and enhances faculty and staff capabilities through collaborations, partnerships and experiences. Aligning with both provincial and federal international education growth strategies, Saskatchewan Polytechnic has focused on diversification of international student recruitment and retention as a key priority. In 2021-2022, Saskatchewan Polytechnic launched the institutional *Global Engagement Plan*, which will guide the institution’s international strategy. In addition, Saskatchewan Polytechnic implemented an Outbound Student Mobility Pilot Program in partnership with the Global Skills Opportunity program. This program provides international outbound mobility opportunities for Saskatchewan Polytechnic and Parkland College Indigenous and low-income students.

CAMPUS MODERNIZATION

The Saskatchewan Polytechnic learning environment impacts all aspects of the learner experience and is a critical component of learner success. Enhancements to existing spaces in 2021-2022 required a combination of physical and administrative improvements. To increase the flexibility and utilization of campus space, Saskatchewan Polytechnic launched a hotel workspace reservation system. Employees are now able to book shared and private temporary workspaces at Saskatchewan Polytechnic campuses through a self-serve online process. In late 2022, Saskatchewan Polytechnic initiated several enhancements to interior and exterior signage, wayfinding and furniture configuration (including soundproof study pods) to enhance the student learning environment. These improvements create a welcoming learning environment and will foster a sense of belonging for all learners.

ENHANCED EMPLOYEE SUPPORT AND DEVELOPMENT

Saskatchewan Polytechnic has continued to integrate the Wellness Strategy with a variety of employee support and development initiatives. In 2021-2022, a remote work policy and program were launched to support employees in managing flexible work arrangements. In addition, several workforce development initiatives related to equity, diversity and inclusion competency development were launched. Saskatchewan Polytechnic employees now have access to professional development resources through the Canadian Centre for Diversity and Inclusion, and a variety of training events were held. For the fifth consecutive year, Saskatchewan Polytechnic was named one of Saskatchewan's Top Employers; key factors in this award include the health and family supports and training and skills development opportunities provided to employees.

GOVERNANCE, COMMUNICATION AND BUSINESS PROCESS ENHANCEMENT

Saskatchewan Polytechnic's internal governance processes were systematically reviewed in 2021-2022, leading to several recommendations for improvement. An Implementation and Communications Plan was developed, and a SharePoint site housing the body of knowledge, resources and tools to support effective internal governance is now accessible to Saskatchewan Polytechnic employees. The Business Process Office was re-established in September 2021, with a director and project managers providing support and resources for project and portfolio management, continuous improvement and enterprise project governance. In addition, Communications and Marketing supported the organization in sharing success stories about Saskatchewan Polytechnic's contributions to the United Nations Sustainable Development Goals and in weaving elements of the new Indigenous visual identity into campus branding and publications.

INFORMATION TECHNOLOGY STRATEGY AND GOVERNANCE

Technology modernization and strong information technology governance support Saskatchewan Polytechnic's technology-enhanced learning environment and ensure that faculty and staff have the tools and equipment they need to support learner success. In 2021-2022, several cybersecurity application enhancements and new testing and training programs were introduced. Documentation and configuration management for all information technology infrastructure, applications and data were updated to reflect the hybrid work and learning ecosystem. In addition, eduroam, the secure worldwide roaming Wi-Fi access service developed for the international research and education community, is now available to all Saskatchewan Polytechnic students, faculty and staff, as well as users from other eduroam-enabled institutions across Canada.

ENTERPRISE RISK MANAGEMENT

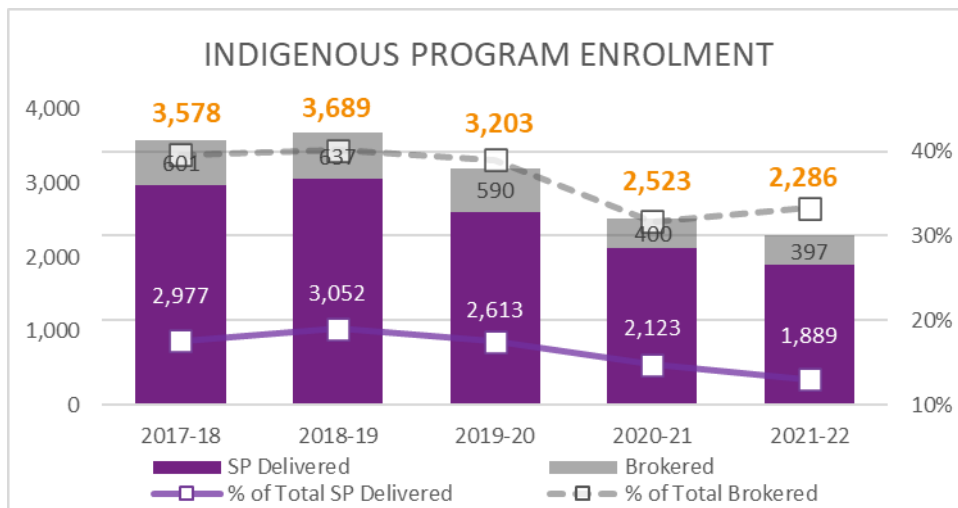
The purpose of enterprise risk management (ERM) at Saskatchewan Polytechnic is to identify and manage the risks that could influence the execution of the organization’s strategy and operations. The ERM program provides a structured, consistent and continuous process for the proactive identification and reporting of risks to senior management and the board of directors. The ERM policy and procedures establish the principles of the program, assign roles and responsibilities for risk management and establish a common risk language.

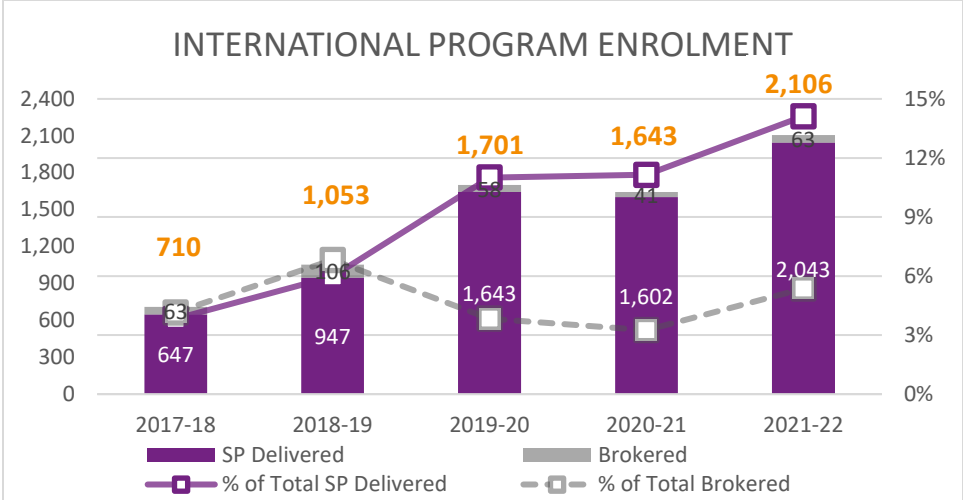
In 2021-2022, Saskatchewan Polytechnic managed 49 distinct enterprise risks in eight consolidated risk categories. Risk scores represent the likelihood of risks and the impact on Saskatchewan Polytechnic’s strategic objectives. They are calculated using the impact matrix and likelihood scale approved under the ERM policy.

Through a variety of management actions, in collaboration with multiple stakeholders, Saskatchewan Polytechnic was able to successfully reduce enterprise risk in most areas.

Risk Category	2021-2022 Q1 Score	2021-2022 Q4 Score
Governance	7.8	7.2
Strategy	9.9	8.9
Reputation	10.3	10.0
Student	11.5	11.5
Financial health	12.0	11.3
Workforce	11.7	11.7
Operations	12.3	11.9
Program	7.6	6.9

BALANCED SCORECARD RESULTS: INDIGENOUS PROGRAM ENROLMENT INTERNATIONAL PROGRAM ENROLMENT





MANAGEMENT DISCUSSION AND ANALYSIS: FINANCIAL PERFORMANCE

(in thousands of dollars)

Despite the continued uncertainty of the pandemic, Saskatchewan Polytechnic completed another successful academic year in 2021-2022. This was due, in large part, to prudent stewardship, strong fiscal management and the ability to pivot from an online learning environment back to both in-person and blended learning environments, acting quickly to mitigate risks in response to the ever-changing pandemic environment and the changing needs of our diverse learners.

The COVID-19 pandemic continued to impact overall operations at Saskatchewan Polytechnic in 2021-2022, although to a lesser extent than in previous years. Students transitioned back to in-person learning; ancillary services such as cafeterias, bookstores and print shops reopened; and international travel restrictions eased, positively impacting international student enrolment. Saskatchewan Polytechnic initially planned for a full return in the fall for 2021-2022, with revenues and expenses expected to increase. Although the full return was delayed, some revenues and expenses increased over 2020-2021 but not to the degree projected in the budget.

In anticipation of the continued uncertainty of the pandemic and the impact to overall revenues, Saskatchewan Polytechnic demonstrated resiliency and adaptability by implementing fiscal restraint measures, pausing capital expenditures and delaying institutional projects to ensure financial sustainability. Saskatchewan Polytechnic's conservative approach to budgeting and spending in combination with stronger than anticipated revenues in some areas and a healthy surplus balance from 2020-2021 enabled Saskatchewan Polytechnic to end 2021-2022 in a strong financial position.

In fiscal 2022, Saskatchewan Polytechnic recorded an operating surplus of \$9,216, compared with a planned operating deficit of \$13,734, resulting in a positive operating variance of \$22,950. A portion of the positive operating variance was due to capital project funding received in 2021-2022 for the Moose Jaw mezzanine project. The operating surplus was also driven by large salary savings across the institution as a result of vacancies due to challenges in recruiting, initiatives that were paused and lower than expected activity in some areas as a result of the delayed return to campus. Strong positive results were also seen in the School of Continuing Education due to several large training projects that were undertaken during the year. Domestic and international tuition shortfalls, seen across most of the Schools, were largely offset by the budgeted contingency planned to mitigate potential pandemic-related tuition shortfalls. These factors were largely anticipated and forecasted as part of regular ongoing financial review processes.

These positive variances were partially offset by revenue shortfalls in parking, cafeterias, bookstores and print services due to the delayed return as well as increased capital spending, as Saskatchewan Polytechnic engaged in advanced capital spending on priority needs for the institution to mitigate global supply chain issues, lessen future inflationary increases and reduce the backlog of aging capital equipment.

Saskatchewan Polytechnic's unrestricted operating surplus balance represents funds that Saskatchewan Polytechnic has discretion in determining the future use of. It is the accumulation

of prior years' net surpluses, adjusted for funds that have external restrictions on their use. Saskatchewan Polytechnic's unrestricted operating surplus at June 30, 2022, increased to a closing balance of \$9,016, which was \$10,768 greater than budget. A portion of this surplus will be required to fund the completion of 2021-2022 projects and capital purchases that are in progress. The remainder was largely anticipated and was factored into the 2022-2025 multi-year business plan to mitigate the impact of the removal of the multi-year funding in 2023-2024.

Highlights: Actual 2022 compared with 2021

The operating surplus for fiscal 2022 was \$9,216, compared with a surplus of \$7,051 in fiscal 2021. A discussion of the variances by the main revenue category and expenses by function follows:

- Grant and contractual services revenues increased by \$22,865, or 11.5 per cent, from 2021. The primary contributor to increased grant and contractual services revenue resulted from both government and non-government funding for increased training contracts received in the School of Continuing Education. Significant funding from the Ministry of Immigration and Career Training for the New Start program and from the Ministry of Education for the Building the Future early childhood education training program accounted for a large portion of the increase. There was also an increase in applied research contracts and increased demand in the Language for Instruction for Newcomers to Canada program. A reduction in apprenticeship revenue over the prior year partially offset the increased grant and contractual services revenue.
- Tuition and fees increased by \$8,885, or 16.7 per cent, primarily due to an increase in international tuition. This was the result of increased international enrolment as COVID-19-related international border restrictions for international students entering Canada eased in 2021-2022. An approved core tuition increase of four per cent also contributed to this increase, as did increased testing fees, as testing services resumed and returned to pre-pandemic levels as campuses reopened.
- Sales increased by \$3,128, or 71 per cent, as campuses reopened in 2021-2022 and in-person services resumed in the cafeterias, bookstores and print shops. Parking revenue also increased, as parking fees were reinstated for both students and staff in 2021-2022.
- Academic expenses increased by \$19,060, or 12.8 per cent. Much of the variance is due to the recovery in the post-pandemic environment and the transition back to in-person learning in 2021-2022. Training in the School of Continuing Education increased substantially over the prior year due to several large projects, including New Start, Shockproofing for Future Skills and Building the Future. Operational expenditures, such as program materials and supplies that were removed during the pandemic in prior years, were reinstated when campuses reopened and programs transitioned back to in-person learning. Corporate travel resumed, and professional development expenditures returned to pre-pandemic levels. As international enrolment increased in 2021-2022, several support and instructional positions were brought back, primarily in the School of Business and the School of Information and Communications Technology. Apprenticeship training declined over the prior year, resulting in a reduction in salary and operating expenses partially offsetting these increases.

- Administration expenditures increased by \$9,401, or 23.4 per cent, primarily as the result of an increase in resources required to strengthen enterprise information technology security and infrastructure to protect against cybersecurity threats. There was also an increase in expenditures related to the return to campuses, including resources for hoteling and charging stations, student furniture and expenses related to the management of the parking stations, as parking fees were reinstated for staff and students in 2021-2022.
- Advancement and International expenditures increased by \$2,109, or 28.8 per cent, primarily due to increased agency fees related to international student recruitment and increased international travel as international travel restrictions eased in 2021-2022. There was also an increase in international project activity contributing to the increase over the prior year.
- Ancillary services expenses increased by \$2,268, or 42.7 per cent, due to the reinstatement of staff positions in cafeterias, as they reopened in 2021-2022. There was also an increase in the cost of sales as a result of bookstores, print shops and cafeterias reopening.

Highlights: Actual 2022 compared with plan 2022

The operating surplus of \$9,216 in fiscal 2022 compares with a projected operating deficit of \$13,734, resulting in a positive variance of \$22,950. A discussion of the variances by the main revenue category and expenses by function follows:

- Grant and contractual services revenues were higher than budget by \$29,613, or 15.4 per cent, primarily due to funding related to training projects in the School of Continuing Education. A portion of the increase was also related to the \$6 million of funding received from the Ministry of Advanced Education in 2021-2022 for the Moose Jaw mezzanine project. In accordance with Public Sector Accounting Standards, this funding must be recognized as revenue in 2021-2022 even though some of the related expenditures may not occur until 2022-2023. Revenue received through the Office of Applied Research and Innovation accounted for the remainder of the increase, partially offset by lower than expected revenue in the Language Instruction for Newcomers to Canada program.
- Tuition and fees were greater than budget by \$2,145, or 3.6 per cent. The positive variance is due to greater than expected international tuition in the School of Business and strong domestic enrolment in the School of Continuing Education and the School of Nursing. Application fees are also contributing to the positive variance due to a high number of international applications for the 2022-2023 academic year. Increased program and student fees collected and greater than expected testing service revenue were also factors. The contingency that was built into the tuition budget to mitigate the risk of additional revenue reductions related to the pandemic accounts for the remainder of the variance. The positive variance is partially offset by shortfalls in international enrolment in the School of Information and Communications Technology and the School of Transportation, as well as shortfalls in domestic enrolment in the School of Mining, Energy and Manufacturing; the School of Natural Resources and Built Environment; the School of Human Services and Community Safety; the School of Health Sciences; and the School of Business.

- Academic expenses were greater than budget by \$8,518, or 5.3 per cent, mainly due to additional expenses incurred in Applied Research and in the School of Continuing Education, as activity was greater than expected. There was also greater than budgeted operational expenditures due to rising material costs. These increases were partially offset by savings in operational expenditures and salaries as a result of vacancies due to recruitment challenges, paused initiatives and lower than expected activity in some areas as a result of the delayed return to campus.
- Administration expenses were greater than budget by \$3,876, or 8.5 per cent, due to increased expenditures in information technology services due to increased software maintenance costs, pandemic-related expenses in human resources, such as the delivery of COVID-19 rapid tests, additional cleaning and barriers, additional expenses for student furniture and on-campus charging stations.
- Advancement and International expenditures were less than budget by \$1,563, or 14.2 per cent, primarily due to vacant positions in Advancement, lower than expected activity in International projects and lower than expected agency fees and travel for recruitment of international students.
- Student Services expenditures were less than budgeted by \$2,293, or 13.4 per cent, due to salary savings, as several positions were vacant throughout the year as a result of hiring delays and reduced student traffic on campus. Savings were also realized as some initiatives remained paused due to the pandemic.

Highlights: Plan 2023

Saskatchewan Polytechnic has reduced its projected combined operating and capital deficit from \$6,246 in 2021-2022 to \$1,417 in 2022-2023 through prudent stewardship by faculty and staff. This deficit balance is projected to be eliminated by 2024-2025 as a result of strategic investments in pandemic recovery and transition, academic innovations, a continued emphasis on revenue generation and a positive unrestricted operating surplus reserve balance at the end of 2021-2022.

Saskatchewan Polytechnic's focus for 2022-2023 will be on continued revenue growth and transitioning from the COVID-19 pandemic. Investments have been required to support reopening campuses and adjusting delivery models in a post-pandemic environment, including continued expansion of digital technologies. With 2022-2023 being the final year of the multi-year funding agreement with the Government of Saskatchewan, Saskatchewan Polytechnic's emphasis is on increasing revenue-generating capacity, regaining lost momentum in international student recruitment and expanding the School of Continuing Education to ensure fiscal stability going forward.

The most significant areas of anticipated change from the fiscal 2022 budget to the fiscal 2023 budget are as follows:

- Grant revenue and contractual services are projected to increase by \$5,127, or 2.7 per cent. Grant revenue will increase due to funding received to support School of Nursing expansions, collective bargaining agreements and funding to support accommodation expense increases. Increases are also projected in contract revenue due to the anticipated expansion of School of Continuing Education activity and increases in apprenticeships and Literacy and Adult Education courses.

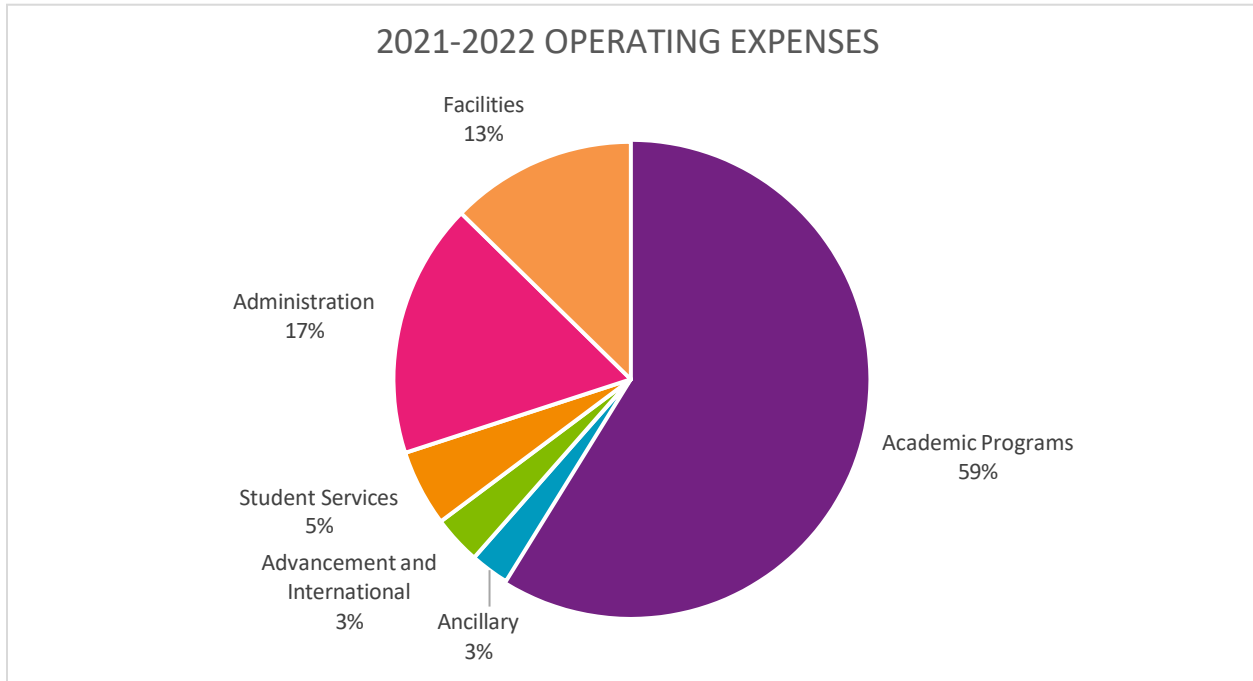
- Tuition and fees are projected to increase by \$17,379, or 29.0 per cent, primarily as a result of international enrolment and tuition increases planned for 2022-2023. Saskatchewan Polytechnic remains optimistic about the planned international tuition increases; however, international student travel restrictions still pose a risk and will be closely monitored. Tuition increases are also expected in the School of Continuing Education, as expansion of activity is planned for 2022-2023.
- Sales revenue is projected to increase by \$3,147, or 43.3 per cent. Bookstores, print shops, cafeterias and parking revenue are expected to return to pre-pandemic levels.
- The budget for other revenue is projected to increase by \$1,730, or 67.4 per cent, as a result of Advancement revenue to support the capital budget in fiscal 2023.
- Academic program costs are expected to increase by \$11,874, or 7.5 per cent. With continued focus on revenue generation at Saskatchewan Polytechnic and increased international enrolment expected, new instructional and support positions are required to support international capacity and enrolment expansion, primarily in the School of Business and the School of Information and Communications Technology. The remainder of the increase is due to additional resources and operational expenses required in the School of Nursing due to program expansions and to support capacity building in Applied Research and the School of Continuing Education.
- Administration costs are expected to increase by \$3,989, or 8.7 per cent. Additional information technology resources and enhancements to security tools and processes are required to support technology modernization, growth in technology infrastructure and the introduction of a new information technology governance model. Investments have also been made in the digitization of processes and services and in human resources and information technology personnel. This will support the expected growth in activity in the School of Continuing Education. Travel expenses are also expected to increase as post-pandemic business travel resumes.
- Advancement and International costs are expected to increase by \$2,839, or 25.8 per cent, as additional resources are needed to support the projected growth in international student enrolment. An increase in agency fees is also expected to support the recruitment of international students.
- Student Services costs are expected to increase by \$726, or 4.2 per cent. This is mainly the result of additional positions required to support Enrolment Services and student relationship modernization.
- Ancillary expenses are projected to increase by \$1,554, or 21.6 per cent, due to increased sales and the corresponding increase to cost of sales resulting from the expected return to pre-pandemic revenue levels in cafeterias, bookstores and print shops.

Capital Spending Summary

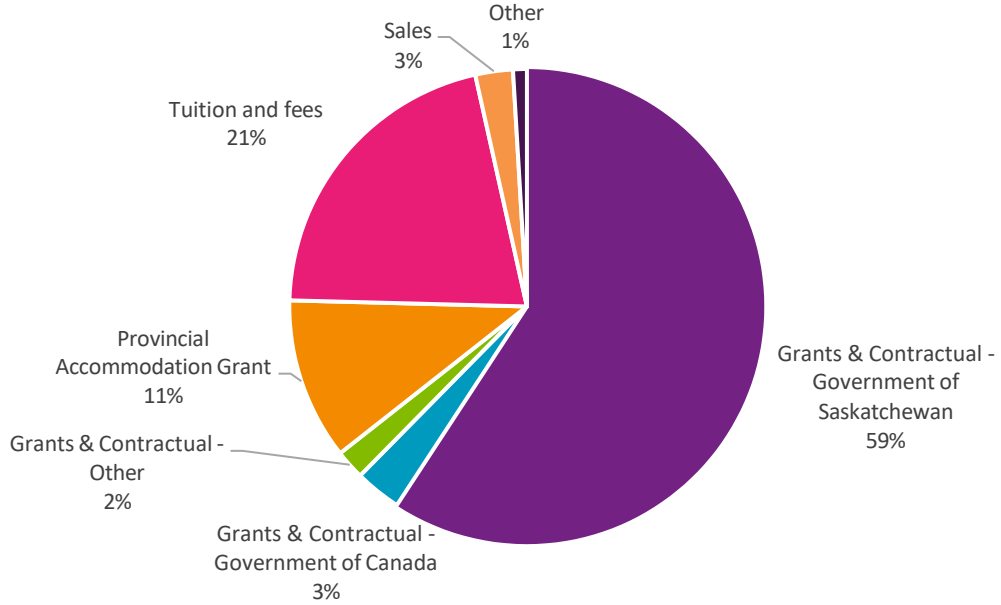
Saskatchewan Polytechnic planned for a net capital budget of \$7,488 in 2021-2022. The net capital budget was the result of budgeted amortization of \$10,272 less planned capital expenditures of \$2,784. Actual capital spending was \$20,207, compared with planned capital spending of \$2,784.

The primary drivers of the increased capital spending were the Moose Jaw mezzanine project and the Regina dental lab capital project. Neither project was included in the planned capital spending, but both have been funded by the Ministry of Advanced Education. Additionally, as a positive operating surplus was projected for 2021-2022, Saskatchewan Polytechnic engaged in advance capital spending on priority needs for the institution, reducing the pressure on the

2022-2023 budget. This advance spending also helps to lessen future inflationary increases, mitigate global supply chain issues affecting the procurement of capital equipment, reduce the backlog of aging capital equipment and ensure students have access to modern training spaces and equipment.



2021-2022 OPERATING REVENUE



Key financial results and data

(in thousands of dollars)

	2021 Actual	2022 Plan	2022 Actual	2023 Plan
Operations				
Annual surplus (deficit)	\$7,051	\$ (13,734)	\$ 9,216	\$ (7,821)
<u>Revenue:</u>				
Grants and contractual services	199,260	192,512	222,125	197,639
Tuition and fees	53,259	59,999	62,144	77,378
Sales	4,403	7,263	7,531	10,410
Other revenue	1,842	2,566	2,743	4,296
<u>Expenses:</u>				
Academic programs	148,765	159,307	167,825	171,181
Facilities	35,650	35,827	36,155	36,315
Administration	40,094	45,619	49,495	49,608
Student services	14,560	17,124	14,831	17,850
Advancement and international	7,328	11,000	9,437	13,839
Ancillary	5,316	7,197	7,584	8,751
Financial Position				
Unrestricted operating surplus	\$ 6,102	\$ (1,752)	\$ 9,016	\$ 4,334
Financial assets	75,131	48,631	103,227	78,534
Liabilities	65,006	54,400	96,801	76,734
Net assets (debt)	10,125	(5,769)	6,426	1,800
Tangible capital assets	52,851	55,841	62,036	54,563
Accumulated surplus	65,141	52,072	74,357	58,363

¹ There were several specific capital and operating projects included in the fiscal 2022 budget that were in progress at June 30, 2022, leading to requests to use these unspent funds in fiscal 2023. The 2023 figures do not include an anticipated drawdown of the unrestricted operating surplus to fund the costs related to these carry-forward requests.

Financial Statements

The background features a series of overlapping, wavy bands in shades of purple and grey, creating a modern, abstract design. The top portion is a solid grey, which transitions into a light grey band, followed by a medium purple band, a darker purple band, and finally a solid dark purple band at the bottom.

MANAGEMENT REPORT

September 28, 2022

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise because they include certain amounts based on estimates and judgments. Management has ensured that the financial statements are presented fairly in all material respects. The financial information presented elsewhere in the annual report is consistent with that in the financial statements.

Management has ensured that the organization is in compliance with the provisions of legislation and related authorities.

Management maintains a system of internal accounting and administrative controls to provide reasonable assurance that the financial information is relevant, reliable and accurate, and that assets are appropriately accounted for and adequately safeguarded.

The board of directors of Saskatchewan Polytechnic is responsible for reviewing and approving the financial statements and, primarily through its audit committee, ensures management fulfills its responsibilities for financial reporting.

The audit committee is appointed by the board and is composed of directors who are not employees of Saskatchewan Polytechnic. The audit committee meets periodically with management and with external auditors to discuss internal controls, auditing matters and financial and reporting issues to satisfy itself that each party is properly discharging its responsibilities. The audit committee reviews the financial statements and the external auditors' report and also considers, for approval by the board, the engagement or reappointment of the external auditors. The audit committee reports its findings to the board for its consideration when approving the financial statements for issuance.

The financial statements have been audited by KPMG LLP and the Provincial Auditor of Saskatchewan in accordance with Canadian generally accepted auditing standards. KPMG LLP and the Provincial Auditor of Saskatchewan have full and free access to the audit committee.

Dr. Larry Rosia
President & CEO

Cheryl Schmitz
CFO & Vice President, Administrative Services

Sean Engemoen
Associate Vice President, Financial Services



INDEPENDENT AUDITORS' REPORT

To the Members of the Legislative Assembly and the Board of Directors of Saskatchewan Polytechnic

Opinion

We have audited the financial statements of Saskatchewan Polytechnic (the "Polytechnic"), which comprise:

- the statement of financial position as at June 30, 2022
- the statement of operations for the year then ended
- the statement of changes in net financial assets (debt) for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Polytechnic as at June 30, 2022, and its results of operations, its changes in net financial assets (debt) and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Polytechnic in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other Information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditors' report thereon, included in the Annual Report document.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.



We obtained the information other than the financial statements and the auditors' report thereon, included in Annual Report document as at the date of this auditors' report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Polytechnic's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Polytechnic or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Polytechnic's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Polytechnic's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Polytechnic's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Polytechnic to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants
Saskatoon, Canada
September 28, 2022

T. Clemett

Tara Clemett, CPA, CA, CISA
Provincial Auditor
Regina, Saskatchewan
September 28, 2022

SASKATCHEWAN POLYTECHNIC

Statement of Financial Position

As at June 30, 2022
(in thousands of dollars)

	Note	2022	2021
Financial assets			
Cash and cash equivalents	3	\$ 87,925	\$ 61,233
Accounts receivable	4	8,292	6,045
Inventories for resale	5	2,742	3,020
Portfolio investments	6	4,268	4,833
		103,227	75,131
Financial liabilities			
Accounts payable and accrued liabilities		16,472	6,461
Salaries and benefits payable		15,209	14,875
Obligation under capital leases	7	1,278	1,748
Employee future benefits	8	2,306	2,471
Debt	10	544	648
Deferred revenue	11	60,992	38,803
		96,801	65,006
Net financial assets		6,426	10,125
Non-financial assets			
Tangible capital assets	12	62,036	52,851
Prepaid expenses		5,895	2,165
		67,931	55,016
Accumulated surplus	13	\$ 74,357	\$ 65,141
Contractual rights	14		
Contractual obligations and contingencies	15		

Approved on behalf of the Board:

Mitchell J. Holash, K.C., Board Chair

Tyler Willox, Audit and Risk Committee Chair

The accompanying notes are an integral part of these financial statements.

SASKATCHEWAN POLYTECHNIC

Statement of Operations

For the year ended June 30, 2022
(in thousands of dollars)

	Budget (Note 19)	2022	2021
Revenue			
Grants and contractual services:			
Government of Saskatchewan	\$ 183,413	\$ 206,882	\$ 188,263
Government of Canada	6,058	9,292	7,461
Other governments	204	1,964	603
Non-government	2,837	3,987	2,933
Tuition and fees	59,999	62,144	53,259
Sales	7,263	7,531	4,403
Donations (Note 16)	1,398	1,529	616
Investment income	659	743	974
Other income	509	471	252
	262,340	294,543	258,764
Expense (Note 17)			
Academic programs	159,307	167,825	148,765
Administration	45,619	49,495	40,094
Facilities	35,827	36,155	35,650
Student services	17,124	14,831	14,560
Advancement and international	11,000	9,437	7,328
Ancillary	7,197	7,584	5,316
	276,074	285,327	251,713
Annual surplus (deficit)	(13,734)	9,216	7,051
Accumulated surplus, beginning of year	65,141	65,141	58,090
Accumulated surplus, end of year (Note 13)	\$ 51,407	\$ 74,357	\$ 65,141

The accompanying notes are an integral part of these financial statements.

SASKATCHEWAN POLYTECHNIC

Statement of Change in Net Financial Assets

For the year ended June 30, 2022
(in thousands of dollars)

	Budget (Note 19)	2022	2021
Net financial assets, beginning of year	\$ 10,125	\$ 10,125	\$ 418
Changes during the year:			
Annual surplus (deficit)	(13,734)	9,216	7,051
Acquisition of tangible capital assets (Note 12)	(2,472)	(19,633)	(8,006)
Tangible capital asset donations received (Note 12)	-	(82)	(7)
Proceeds on disposition of tangible capital assets	-	18	90
Gain on disposition of tangible capital assets	-	(8)	(67)
Amortization of tangible capital assets (Note 12 & 17)	10,272	10,520	10,559
Decrease (increase) in prepaid expenses, net	-	(3,730)	87
	(5,934)	(3,699)	9,707
Net financial assets, end of year	\$ 4,191	\$ 6,426	\$ 10,125

The accompanying notes are an integral part of these financial statements.

SASKATCHEWAN POLYTECHNIC

Statement of Cash Flows

For the year ended June 30, 2022
(in thousands of dollars)

	Note	2022	2021
Operating transactions			
Annual surplus		\$ 9,216	\$ 7,051
Items not affecting cash:			
Amortization of tangible capital assets	12 & 17	10,520	10,559
Tangible capital asset donations received	12	(82)	(7)
Gain on disposition of tangible capital assets	17	(8)	(67)
Unrealized loss (gain) on portfolio investments		568	(582)
Decrease in employee future benefits liability		(165)	(24)
Net increase in non-cash operating balances	18	26,835	14,989
		46,884	31,919
Capital transactions			
Acquisition of tangible capital assets	12	(19,633)	(8,006)
Proceeds on disposition of tangible capital assets		18	90
		(19,615)	(7,916)
Investing transactions			
Acquisition of portfolio investments		(1,042)	(820)
Proceeds on disposition of portfolio investments		1,039	612
		(3)	(208)
Financing transactions			
Increase (decrease) in capital lease obligation		(470)	301
Debt repayments		(104)	(104)
		(574)	197
Net increase in cash and cash equivalents		26,692	23,992
Cash and cash equivalents, beginning of year		61,233	37,241
Cash and cash equivalents, end of year	3	\$ 87,925	\$ 61,233

The accompanying notes are an integral part of these financial statements.

SASKATCHEWAN POLYTECHNIC

Notes to the Financial Statements

For the year ended June 30, 2022

(in thousands of dollars)

1. Authority and purpose

Saskatchewan Polytechnic (“the Polytechnic”) was established as a public educational corporation by the Legislative Assembly of Saskatchewan under *The Institute Act* and is continued under *The Saskatchewan Polytechnic Act*. The Polytechnic is Saskatchewan’s primary provider of post-secondary technical education and skills training and operates campuses in Moose Jaw, Prince Albert, Regina and Saskatoon.

The Polytechnic is a registered charity within the meaning of the Canadian Income Tax Act. As a non-profit organization, the Polytechnic is exempt from the payment of income taxes.

2. Summary of significant accounting policies

a. Basis of accounting

These financial statements are prepared by management in accordance with Canadian Public Sector Accounting Standards (“PSAS”).

b. Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers (grants and contracts) are recognized as revenues when the transfer is authorized, any eligibility criteria are met and a reasonable estimate of the amount can be made except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Tuition and student fees and sales of inventory are reported as revenue at the time the services are provided or the products are delivered. Funds received in advance of the fees being earned or the service performed are deferred and recognized when the fee is earned or service performed.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor and are recognized as revenue when used for the specified purpose.

Unrestricted contributions and pledges are recognized as revenue when received. Gifts-in-kind are recorded at the fair market value on the date of their donation if they meet the Polytechnic’s criteria for capitalization. Other in-kind donations of materials and services are not recognized in these financial statements if a reasonable estimate cannot be made.

Investment income includes interest recorded on an accrual basis, declared dividends and realized gains and losses on portfolio investments.

SASKATCHEWAN POLYTECHNIC

Notes to the Financial Statements

For the year ended June 30, 2022

(in thousands of dollars)

2. Summary of significant accounting policies (continued)

b. Revenue recognition (continued)

Unrealized gains and losses on portfolio investments not funded from restricted contributions are recognized in the statement of remeasurement gains and losses until the related investments are sold¹. Once realized, these gains or losses are recognized as revenue in the statement of operations. Investment income on externally restricted investment assets is deferred and recognized in the statement of operations when the related stipulations are met.

c. Financial instruments

Financial instruments of the Polytechnic consist of cash and cash equivalents, accounts receivable, portfolio investments, accounts payable and accrued liabilities, salaries and benefits payable, obligation under capital leases and debt. All financial instruments are measured at cost or amortized cost except portfolio investments.

Portfolio investments include equities and equity mutual funds quoted in an active market, which are required to be measured at fair value. The Polytechnic has elected to measure the bond component of the portfolio investments at fair value to correspond with how it is evaluated and managed.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses, except for those related to restricted assets, which are recorded as deferred revenue until used for the purpose stipulated by the contributor¹. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

Sales and purchases of investments are recorded on the trade date. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

d. Cash and cash equivalents

Cash and cash equivalents include cash and highly liquid securities with original terms to maturity of 120 days or less when purchased.

¹ During the periods presented, there were no unrestricted investment assets measured at fair value and therefore no unrealized gains or losses on unrestricted investment assets. Accordingly, no statement of remeasurement gains and losses has been presented.

SASKATCHEWAN POLYTECHNIC

Notes to the Financial Statements

For the year ended June 30, 2022

(in thousands of dollars)

2. Summary of significant accounting policies (continued)

e. Inventories for resale

Inventories consist of merchandise and supplies held for resale and are valued at the lower of cost and net realizable value. Cost for inventories is calculated using the weighted average cost method. Administrative and program supplies and library periodicals are not inventoried.

f. Employee future benefits

The employee future benefits liability represents the value of the accumulating non-vesting sick leave benefits provided to employees of the Polytechnic. A liability and expense is recognized in the period employees render services to the Polytechnic in return for the benefits. The value of the liability and expense of the sick leave benefits are actuarially determined using management’s best estimate of salary escalation, accumulated sick days at retirement, long-term inflation rates and discount rates.

Actuarial valuations are performed every three years by an independent actuary. Amounts are extrapolated in fiscal years in which a full actuarial valuation has not been performed.

The Polytechnic’s contributions to employee pension plans are expensed in the period in which employees' services have been rendered.

g. Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, installation, design, construction, improvement or betterment of the assets.

Assets under capital leases are recorded at the present value of the minimum lease payments excluding executor costs. The discount rate used to determine the present value of the lease payments is the lower of the Polytechnic’s rate for incremental borrowing or the interest rate implicit in the lease. A schedule of future payments, including interest, is presented in Note 7.

The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	40 years
Leasehold improvements:	
Properties owned by the Government of Saskatchewan	15 years
Other properties	Lease term
Furniture and equipment	5 to 10 years
Computers and software	2 to 5 years
Library	5 years

Assets under construction are not amortized until completed and placed into service for use.

Donated capital assets are recorded at their fair market value upon receipt, except in situations where fair value cannot be reasonably determined.

SASKATCHEWAN POLYTECHNIC

Notes to the Financial Statements

For the year ended June 30, 2022

(in thousands of dollars)

2. Summary of significant accounting policies (continued)

g. Tangible capital assets (continued)

Works of art which have cultural, aesthetic or historical value are not included in tangible capital assets because a reasonable estimate of the future benefits cannot be made. Information on works of art held by the Polytechnic is disclosed in Note 12.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Polytechnic's ability to provide goods and services, or when the value of the future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as an expense in the statement of operations.

h. Measurement uncertainty

The preparation of financial statements in accordance with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant areas requiring such estimates relate to the determination of useful lives of tangible capital assets for amortization, the assumptions underlying the calculation of employee future benefits and provisions for contingencies. Actual results may ultimately differ from these estimates.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available.

i. Adoption of Public Sector Accounting Standards

On July 1, 2021, the Polytechnic early adopted PS 3280, *Asset Retirement Obligations* as issued by the Public Sector Accounting Board (PSAB). This standard provides guidance on how to account for and report a liability for retirement of a tangible capital asset. The adoption of the standard did not result in the identification of material asset retirement obligations and corresponding recording of a provision under PS 3280.

j. Future accounting changes

In November 2018, the PSAB issued PS 3400, *Revenue*. This accounting standard is effective for fiscal years starting on or after April 1, 2023 and early adoption is permitted. This standard provides guidance on how to account for and report on revenue, by distinguishing between revenue that arises from transactions that include performance obligations from transactions that do not have performance obligations.

In November 2020, the PSAB issued PSG-8, *Purchased Intangibles*. This accounting guideline is effective for fiscal years beginning on or after April 1, 2023, and early adoption is permitted. The new guideline explains the scope of the intangibles allowed to be recognized in financial statements.

SASKATCHEWAN POLYTECHNIC

Notes to the Financial Statements

For the year ended June 30, 2022

(in thousands of dollars)

2. Summary of significant accounting policies (continued)

j. Future accounting changes (continued)

In April 2021, the PSAB issued PS 3160, *Public Private Partnerships*. This accounting guideline is effective for fiscal years beginning on or after April 1, 2023, and early adoption is permitted. This accounting standard establishes standards for the recognition, measurement, presentation and disclosure of infrastructure procured through certain types of public private partnership arrangements.

The Polytechnic has not yet adopted these standards and guidelines and is assessing the impact of their adoption on the financial statements.

3. Cash and cash equivalents

	2022	2021
Cash	\$ 72,789	\$ 61,148
Cash equivalents	15,136	85
	<u>\$ 87,925</u>	<u>\$ 61,233</u>

4. Accounts receivable

	2022	2021
Non-government	\$ 2,136	\$ 2,402
Federal government	5,133	1,502
Provincial government	446	532
Student	998	1,863
Other	133	104
Less provision for doubtful accounts	(554)	(358)
	<u>\$ 8,292</u>	<u>\$ 6,045</u>

5. Inventories for resale

	2022	2021
Bookstores	\$ 2,579	\$ 2,902
Food services	81	38
Shop and service supplies	82	80
	<u>\$ 2,742</u>	<u>\$ 3,020</u>

The cost of inventory sold and recognized as an expense during 2022 was \$5,231 (2021 – \$3,409) and includes inventory write-downs of \$60 (2021 – \$70). There were no reversals of write-downs of inventory made in prior periods. As of June 30, 2022, there was no inventory pledged as security for liabilities.

SASKATCHEWAN POLYTECHNIC

Notes to the Financial Statements

For the year ended June 30, 2022

(in thousands of dollars)

6. Portfolio investments

Portfolio investments consist of bond and equity mutual funds, and individual equities. The portfolio is entirely funded from long-term gifts with the related investment income externally restricted for the provision of student scholarships. Information on deferred donation revenue is included in Note 11.

	2022	2021
Equities and equity mutual funds	\$ 2,657	\$ 3,235
Bonds and bond mutual funds	1,611	1,598
	\$ 4,268	\$ 4,833

The portfolio investments had a loss of 9.95% in 2022 (2021 – gain of 16.48%).

The Polytechnic's portfolio investments are classified as Level 1 financial instruments for which the fair value is determined based on quoted prices in active markets for identical assets. There were no transfers among levels for the years ended June 30, 2022 and 2021.

7. Obligation under capital leases

	2022	2021
Balance, beginning of year	\$ 1,748	\$ 1,447
Additions during the year	-	738
Lease payments	(470)	(437)
	\$ 1,278	\$ 1,748

Minimum lease payments, including principal and interest, are as follows:

2023	\$ 531
2024	368
2025	321
2026	150
Less amount representing interest	(92)
Present value of minimum lease payments	\$ 1,278

Interest rates on the leases range from 2.34% to 6.92% (2021 – 2.34% to 6.92%). Interest expensed during the year amounted to \$75 (2021 – \$92). The minimum lease payment value includes amounts for residual guarantees at the conclusion of lease terms.

8. Employee future benefits

Benefits available to employees of the Polytechnic include accumulating non-vesting sick leave. Employees are credited up to 15 days per year for use as paid absences due to illness or injury. Employees are allowed to accumulate unused sick day credits each year and accumulated credits may be used in future years to the extent that the employee's illness or injury exceeds the current year's allocation of credits. For accounting purposes, the Polytechnic measures the accrued benefit obligations and calculates the annual expense for the fiscal period through actuarial valuations and extrapolations.

SASKATCHEWAN POLYTECHNIC

Notes to the Financial Statements

For the year ended June 30, 2022

(in thousands of dollars)

8. Employee future benefits (continued)

Information about the obligation for employee future benefits is as follows:

	2022	2021
Actuarial valuation date	April 30, 2021	April 30, 2021
Extrapolation date	June 30, 2022	June 30, 2021
Significant long-term assumptions used:		
Salary escalation (excluding step increases)	2.00%	2.00%
Discount rate	4.70%	2.20%
Estimated average remaining service life	9 years	9 years
Liability for employee future benefits:		
Accrued benefit obligation, beginning of year	\$ 2,857	\$ 3,098
Current period benefit cost	205	251
Interest cost	61	53
Benefit payments	(508)	(406)
Actuarial loss	(427)	(139)
Accrued benefit obligation, end of year	2,188	2,857
Unamortized net actuarial loss	118	(386)
Liability for employee future benefits	\$ 2,306	\$ 2,471
Employee future benefits expense:		
Current service cost	\$ 205	\$ 251
Interest cost on benefits	62	53
Amortization of net actuarial loss	76	78
Total employee future benefits expense	\$ 343	\$ 382

9. Pension plans

Saskatchewan Polytechnic employees participate in various multi-employer defined benefit and defined contribution pension plans. These plans are administered by the Ministry of Finance. Employer contributions of \$11,174 (2021 - \$10,218) were expensed during the year. Employer obligations associated with the defined benefit plans are the responsibility of the General Revenue Fund of the Government of Saskatchewan.

10. Debt

	2022	2021
RBC revolving bankers' acceptance loan	\$ 544	\$ 648

The Polytechnic has a credit facility utilizing revolving bankers' acceptance ("BA") loans. The loans mature and are reissued for periods from one to three months at progressively smaller amounts based on a 15-year amortization period. The interest rate on the BA at June 30, 2022 was 2.53% annualized (2021 - 0.74%). Interest expense on the BAs for the year was \$8 (2021 - \$5).

SASKATCHEWAN POLYTECHNIC

Notes to the Financial Statements

For the year ended June 30, 2022

(in thousands of dollars)

10. Debt (continued)

The Polytechnic has access to a revolving line of credit with RBC up to a limit of \$10,000. Interest is charged on these borrowings at the RBC prime rate less 0.45%. Interest expense for the year on the line of credit debt was nil (2021 – nil).

Annual principal repayments over the next five years and thereafter on the BA are as follows:

2023	\$	104
2024		104
2025		104
2026		104
2027		104
Thereafter		24
	\$	544

11. Deferred revenue

	Opening balance	Receipts during year	Recognized as revenue	Ending balance 2022
Grants and contractual services:				
Government of Saskatchewan	\$ 16	\$ 206,866	\$ (206,882)	\$ -
Government of Canada	9	9,283	(9,292)	-
Other governments	-	1,964	(1,964)	-
Non-government	1,117	3,281	(3,987)	411
Tuition and fees	27,161	83,079	(62,144)	48,096
Donations	10,500	3,514	(1,529)	12,485
	\$ 38,803	\$ 307,987	\$ (285,798)	\$ 60,992

Deferred revenue balances relate to the following:

Deferred grants and contractual services revenue provided by governments consists of unspent amounts where the funding has stipulations that create liabilities for the Polytechnic. Non-government grants and contractual services revenue is deferred to the extent that the agreed upon service remains to be completed.

Deferred tuition and fees represent amounts received for academic services to be provided in future periods.

The deferred donations balance represents unspent contributions subject to external restrictions and the related unspent restricted investment income.

SASKATCHEWAN POLYTECHNIC

Notes to the Financial Statements

For the year ended June 30, 2022

(in thousands of dollars)

12. Tangible capital assets

	Land	Buildings	Leasehold improvements	Furniture & equipment	Computers & software	Library	2022
Cost:							
Opening balance	\$ 6,212	\$ 9,549	\$ 74,575	\$ 82,957	\$ 25,042	\$ 7,146	\$ 205,481
Additions			11,875	5,614	2,127	99	19,715
Disposals				(1,053)	(1,530)		(2,583)
Closing balance	6,212	9,549	86,450	87,518	25,639	7,245	222,613
Accumulated amortization:							
Opening balance	-	3,457	54,604	68,737	19,114	6,718	152,630
Amortization		314	3,768	4,019	2,239	180	10,520
Disposals				(1,050)	(1,523)		(2,573)
Closing balance	-	3,771	58,372	71,706	19,830	6,898	160,577
Net book value	\$ 6,212	\$ 5,778	\$ 28,078	\$ 15,812	\$ 5,809	\$ 347	\$ 62,036

	Land	Buildings	Leasehold improvements	Furniture & equipment	Computers & software	Library	2021
Cost:							
Opening balance	\$ 6,212	\$ 9,549	\$ 73,177	\$ 80,053	\$ 22,441	\$ 7,042	\$ 198,474
Additions	-	-	1,398	3,488	3,022	105	8,013
Disposals	-	-	-	(584)	(421)	(1)	(1,006)
Closing balance	6,212	9,549	74,575	82,957	25,042	7,146	205,481
Accumulated amortization:							
Opening balance	-	3,119	50,914	65,131	17,396	6,494	143,054
Amortization	-	338	3,690	4,171	2,136	224	10,559
Disposals	-	-	-	(565)	(418)	-	(983)
Closing balance	-	3,457	54,604	68,737	19,114	6,718	152,630
Net book value	\$ 6,212	\$ 6,092	\$ 19,971	\$ 14,220	\$ 5,928	\$ 428	\$ 52,851

At June 30, 2022, the tangible capital asset balance included capital assets under development of \$684 (2021 – \$1,859).

At June 30, 2022, the tangible capital asset balance included equipment under capital leases with a cost of \$2,570 (2021 – \$2,570) and accumulated amortization of \$1,218 (2021 – \$790).

Donated tangible capital assets have been recognized at fair market value at the date of their receipt. The value of donated tangible capital assets received during the year was \$82 (2021 – \$7).

The Polytechnic owns works of art including paintings and prints displayed at various locations. These collections are not recorded as tangible capital assets.

There were no write-downs of tangible capital assets in the years presented.

SASKATCHEWAN POLYTECHNIC

Notes to the Financial Statements

For the year ended June 30, 2022

(in thousands of dollars)

13. Accumulated surplus

a. Composition of accumulated surplus

	2022	2021
Investment in tangible capital assets	\$ 60,214	\$ 50,455
Student housing reserve	811	771
Unfunded employee future benefits	(2,306)	(2,471)
Restricted government transfers	6,622	10,284
Unrestricted operating surplus	9,016	6,102
Accumulated surplus	\$ 74,357	\$ 65,141

b. Investment in tangible capital assets

	2022	2021
Tangible capital assets	\$ 62,036	\$ 52,851
Obligation under capital leases	(1,278)	(1,748)
Debt	(544)	(648)
Investment in tangible capital assets	\$ 60,214	\$ 50,455

c. Restricted government transfers

	2022	2021
Government of Saskatchewan:		
Capital projects	\$ 611	\$ 6,061
Academic initiatives	1,108	2,401
Applied research	761	387
Scholarships	69	97
Government of Canada:		
Academic initiatives	142	301
Applied research	2,233	1,037
Other governments:		
Academic initiatives	1,698	-
Restricted government transfers	\$ 6,622	\$ 10,284

d. Change in unrestricted operating surplus

	2022	2021
Unrestricted operating surplus, beginning of year	\$ 6,102	\$ 4,981
Annual surplus	9,216	7,051
Decrease (increase) in investment in tangible capital assets	(9,759)	2,766
Increase in student housing reserve	(40)	(31)
Decrease in employee future benefits liability	(165)	(24)
Decrease (increase) in restricted government transfers	3,662	(8,641)
Unrestricted operating surplus, end of year	\$ 9,016	\$ 6,102

SASKATCHEWAN POLYTECHNIC

Notes to the Financial Statements

For the year ended June 30, 2022

(in thousands of dollars)

14. Contractual rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The Polytechnic has the following significant contractual rights:

		2023	2024	Thereafter	Total
Federal	Language instruction services	\$ 4,099	\$ 4,150	\$ 3,133	\$ 11,382
Federal	Promote opportunities in the skilled trades	349	607	1,005	1,961
Federal	Training through Corrections Canada	661	673	340	1,674
Federal	Applied research	350	350	175	875
New Brunswick	Virtual learning services	746	124	86	956
		\$ 6,205	\$ 5,904	\$ 4,739	\$ 16,848

15. Contractual obligations and contingent liabilities

a. Operating leases

The Polytechnic has entered into multiple-year contracts for leases of facilities and equipment and the delivery of services. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

The majority of the facilities are leased on a continuing basis from the Ministry of SaskBuilds and Procurement. The equipment leases and service contracts are with various private companies. The future minimum annual payments over the next five years are as follows:

	Facilities	Equipment & services	Total
2023	\$ 33,605	\$ 2,672	\$ 36,277
2024	34,277	2,729	37,006
2025	34,962	2,243	37,205
2026	35,662	1,679	37,341
2027	36,375	1,215	37,590

b. Capital projects

The estimated cost to complete major capital projects in progress at June 30, 2022 is approximately \$1,452 (2021 – \$11,724).

c. Outstanding legal claims

The nature of Saskatchewan Polytechnic's activities is such that there may be litigation pending at any time. Saskatchewan Polytechnic records a liability, on a case-by-case basis, if the expected loss is both probable and can be reasonably estimated. As at June 30, 2022, an amount of \$1,163 (2021 - nil) has been accrued in salaries and benefits payable for claims related to two grievances filed by the Saskatchewan Polytechnic Faculty Association that management has determined meet the criteria for recording a liability under PSAS 3300, *Contingent Liabilities*. The amounts accrued are based on management's best estimate of future settlements. The ultimate settlement of these claims may be materially different than the amounts accrued and any difference will be recorded in the period in which the claims are resolved.

SASKATCHEWAN POLYTECHNIC

Notes to the Financial Statements

For the year ended June 30, 2022

(in thousands of dollars)

16. Gifts

In 2020, the Polytechnic entered into a multi-year gift agreement to receive a donation in the amount of \$5,000 from the Joseph Alfred Remai Foundation ("the Donor"). In recognition of the gift, the former School of Construction has been renamed the Joseph A. Remai School of Construction at Saskatchewan Polytechnic. The gift has been provided by the Donor to support the Polytechnic's efforts towards the development of a new campus to replace its multiple location campus in Saskatoon. At June 30, 2022, \$4,000 (2021 - 3,100) of the gift has been received. The remaining \$1,000 is to be paid in 2023.

17. Expense by object

	Budget 2022	2022	2021
Salaries and benefits (Notes 8 and 9)	\$ 191,507	\$ 194,191	\$ 175,965
Facilities	34,079	34,080	33,527
Operational supplies and expenses	29,668	36,044	24,808
Cost of goods sold	4,301	5,231	3,409
Amortization (Note 12)	10,272	10,520	10,559
Travel and professional development	2,989	2,303	941
Equipment rental and repairs	1,761	1,371	1,135
Scholarships and awards	1,497	1,595	1,436
Gain on disposition of capital assets	-	(8)	(67)
	\$ 276,074	\$ 285,327	\$ 251,713

18. Net change in non-cash operating balances

	2022	2021
Accounts receivable	\$ (2,247)	\$ 1,603
Inventories for resale	278	(541)
Accounts payable and accrued liabilities	10,011	1,989
Salaries and benefits payable	334	117
Deferred revenue	22,189	11,734
Prepaid expenses	(3,730)	87
	\$ 26,835	\$ 14,989

19. Budgeted figures

Budgeted figures have been provided for comparison purposes and reflect the 2021-24 Multi-Year Business Plan, approved by the Board of Directors on May 13, 2021. The budget for 2023 was approved by the Board of Directors on April 29, 2022 as part of the 2022-25 Multi-Year Business Plan.

SASKATCHEWAN POLYTECHNIC

Notes to the Financial Statements

For the year ended June 30, 2022

(in thousands of dollars)

20. Financial instrument risk

The Polytechnic's financial instruments include cash and cash equivalents, accounts receivable, portfolio investments, accounts payable and accrued liabilities, salaries and benefits payable, obligation under capital leases and debt. Management has determined that the Polytechnic has exposure to the following risks from its use of financial instruments.

a. Credit risk

The Polytechnic is exposed to the risk resulting from the possibility that parties may default on their financial obligations. The Polytechnic's credit risk is largely attributable to corporate and student receivables. This risk is mitigated by proactive credit and collections management.

Credit risk related to other financial instruments is not significant. Other receivables are primarily due from governments. The cash balance represents deposits with Canadian chartered banks.

b. Market risk

There is a risk that fluctuations in market prices will affect the value of holdings in the Polytechnic's portfolio investments. This risk is mitigated by having professional investment managers build and maintain a well-diversified portfolio of securities that complies with the Polytechnic's investment policy.

c. Interest rate risk

The Polytechnic is exposed to interest rate price risk on the fixed income component of its investment portfolio and interest rate cash flow risk on the income earned on its cash and cash equivalents balance. Interest rate cash flow risk also exists on the debt carried by the Polytechnic. The impact of changes in interest rates is mitigated by the relatively small percentage of financial assets with fixed interest rates and the contribution of investment income to the Polytechnic's overall revenue. The exposure to interest rate risk related to debt is mitigated by its relatively small size and its small size as compared to the cash and cash equivalents balance.

d. Liquidity risk

Liquidity risk is the risk that the Polytechnic will not be able to meet a demand for cash or fund its obligations as they come due. The Polytechnic manages its liquidity risk by holding assets that can be readily converted into cash and preparing annual operating and capital budgets that are monitored and updated as necessary. A revolving line of credit (Note 10) is also available to provide additional funds to meet short-term current and forecasted financial requirements.

SASKATCHEWAN POLYTECHNIC

Notes to the Financial Statements

For the year ended June 30, 2022

(in thousands of dollars)

21. Related parties

These financial statements include transactions with related parties. The Polytechnic is related to all Saskatchewan Crown corporations, ministries, boards, and commissions under the common control of the Government of Saskatchewan. The Polytechnic is also related to non-Crown enterprises subject to the shared control of the Government of Saskatchewan. Related parties of the Polytechnic also include its key management personnel, close family members of its key management personnel, and entities controlled by, or under shared control of any of these individuals.

During the year, grant and contractual services revenue of \$206,882 (2021 – \$188,263) was recognized from related parties, the majority of which was provided by the Ministry of Advanced Education.

Routine operating transactions with related parties are settled at exchange amounts. Transactions during the year, and amounts outstanding at year end, are as follows:

	2022	2021
Accounts receivable	\$ 446	\$ 532
Accounts payable and accrued liabilities	7,127	2,362
Acquisition of tangible capital assets	12,315	1,758
Non-grant and contractual services revenue	2,110	1,797
Expenses	37,561	37,924

In addition, the Polytechnic pays provincial sales tax on all its taxable purchases.

22. Comparative figures

Certain 2021 figures on the Statement of Operations have been reclassified to conform to the presentation adopted in the 2022 financial statements.



MOOSE JAW

Saskatchewan St and 6th Ave NW
PO Box 1420
Moose Jaw SK S6H 4R4

PRINCE ALBERT

1100-15TH ST E
Prince Albert SK S6V 7S4

REGINA

4500 Wascana Pky
PO Box 556
Regina SK S4P 3A3

SASKATOON

1130 Idylwyld Dr N
PO Box 1520
Saskatoon SK S7K 3R5

Administrative Offices

400-119 4th Ave S
Saskatoon SK S7K 5X2
1-866-467-4278

saskpolytech.ca/reports