



Annual Report 2020-2021

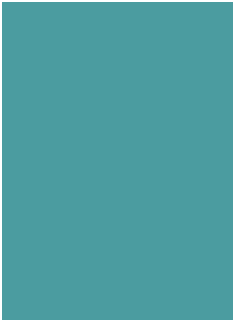




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Letter of Transmittal

September 16th, 2021

Minister Responsible for Nunavut Arctic College

Legislative Assembly of Nunavut

926 Queen Elizabeth II Way

PO Box 2410, Iqaluit

Nunavut, X0A 0H0

Dear Minister:

In accordance with Section 18(1) of the *Nunavut Arctic College Act* and Part IX of the *Financial Administration Act* of Nunavut, I hereby submit, on behalf of the Board of Governors of Nunavut Arctic College, the 2020-2021 Annual Report for the fiscal year ending June 30, 2021.

Respectfully submitted,



Sue Ball

Chairperson of the Board of Governors

Nunavut Arctic College



Message from the Chairperson of the Board of Governors



In the fall, the Board struck an in-house committee at the College and reviewed a summary of data collected during the consultations for 10-year strategic plan. Despite a school year of unique challenges, work has continued on the development of the Board's plan for Nunavut Arctic College. The committee reviewed the data in preparation for the writing of the plan. This review of the data resulted in a reworking of the five outcomes used for the consultations. They will now be expressed in a plan that reflects more closely what Board members heard during the consultations. We expect the document to be released to the public by February, 2022.

Throughout this past year, College staff, faculty and students have demonstrated a remarkable ability and willingness to adapt to constantly changing conditions. This adaptability enabled the College to continue offering regular programs by a combination of in-person and on-line delivery. On-line Teams meetings and teleconferences replaced the usual personal contacts we associate with teaching and learning. Many adaptations are here to stay, and as our technical infrastructure improves Nunavut-wide, the College will be able to deliver a wider range of programming at the Community Learning Centers.

Covid restrictions complicated work on the annual audit. The Board congratulates the College finance staff whose diligence, once again, has led to a positive annual audit.

As the College strives to expand its range of options for adult learning, education and training, our partnership with Memorial University (MUN) contributes to the development of the College also as a degree-granting institution. In collaboration with MUN, several of our current programs are evolving into degree programs. This partnership is a forum where NAC brings forward its commitment to Nunavut and Inuit history, Inuktitut, and Inuit values. Drawing on the College's own expertise, this partnership is assisting the College in ensuring that as program grow and develop, it maintains its own standards for learning in Nunavut. The next ten years will be ones of transition as the College aspires to independent, academic post-secondary status.

The 2020-21 school year at Nunavut Arctic College was like no other. We continued to engage with the President who was in an acting capacity for most of the year. The Board would like to congratulate the President and staff, the faculty and the students for seeking solutions to the challenges and finishing a year of hard work with emotional, innovative and rewarding graduation ceremonies. We welcome the new alumni to our College family and look forward to connecting with them in the future. We also look forward to working with our new government.

A handwritten signature in black ink that reads "S. Ball".

Sue Ball

Chairperson of the Board of Governors
Nunavut Arctic College

Message from The President



If the College was a Qulliq, then the students would be our light. The Qulliq needs oil and arctic cotton without all these components the flame will not burn bright or provide warmth. The same can be said of our College community of staff, instructors, students and their families. For the college to function well we need to be working together to keep the flame lit.

2020-2021 has been a year of where we all had to tend to our flames. Our community made it through another year of ever-changing Public Health Guidelines and Nunavut Arctic College adjusted with the lessons learned from the previous academic year and 2020-21.

I have continued to perform the role of President of Nunavut Arctic College. I am in awe of the students who attended and successfully completed their programs despite there being a global pandemic.

Despite the major impacts brought on by the Covid pandemic, the college community has worked tirelessly to continue the delivery of programs to students. I am thankful to our faculty, staff, and especially our students for their patience and resilience in face of the challenges of this academic year. Faculty and staff have continued the development of programs and have maintained relationships with the multitude of partners that support the college programs and operations.

While we recognize that these events have delayed some of the work the college has been doing, we must also celebrate the achievements despite the hardships. The Nunavut Arctic College has conducted its first virtual graduation ceremony and celebrated the graduation of the Nunavut Law Program. The College is now entering the implementation stages of the Pathfinder Agreement and the expansion of the Nunavut Teacher Education Program. As well as the launch of the Bachelor of Social Work.

As important as it is to look back on our challenges and achievements, I also look to the future and the potential for growth in ongoing improvements to all that we do. The NAC Board of Governors has been working throughout the year to hear from communities and partners about the vision for the college over the next decade. It is exciting to think of the opportunities that lay ahead of us, as we work to strengthen the foundation that has been created for the college.

Rebecca Mearns

President - Nunavut Arctic College

Corporate Overview

As the only designated post-secondary institution in Nunavut, Nunavut Arctic College serves a vast region covering 3 time zones and 25 communities. We deliver lifelong learning opportunities to Nunavummiut through post-secondary studies.

Nunavut Arctic College, or NAC, is a public agency of the Government of Nunavut that was created through the Nunavut Arctic College Act on January 1st, 1995 and services the largest post-secondary service region in Canada. The College responds to the adult and post-secondary educational needs of Nunavummiut through its President, Board of Governors, and the Minister Responsible for Nunavut Arctic College.

The mandate of the College is to deliver adult and post-secondary education, including trades and apprenticeship, as well as bachelor degree programs through brokerage agreements. In these arrangements, the College undertakes program operations while the College's university partners confer degrees on students who have successfully completed those programs.

Finally, the College is also active on the national and international stage by promoting the generation, communication and retention of knowledge through applied research at the Nunavut Innovation and Research Institute or NIRI.

The College is comprised of approximately 253 staff spread across all 25 communities of Nunavut. College operations include 3 regional campuses located in Iqaluit, Rankin Inlet, and Cambridge Bay, 22 Community Learning Centers in the remaining communities, and a truly unique cultural school located in Clyde River.



Vision, Mission and Values



Vision

Nunavut Arctic College will strive to be the College of choice for the people of Nunavut by offering relevant programs of the highest national standards. In the advancement of their language and culture, our graduates will value education and be proud to take their place in Nunavut and beyond.



Mission

The mission of Nunavut Arctic College is to strengthen the people and the communities of Nunavut by providing life-long learning opportunities for adult Nunavummiut by delivering high quality adult education programs developed with input from our partners throughout the Arctic and Canada, and by making the benefits of Inuit traditional knowledge and science more accessible.

Our Values

Nunavut Arctic College is a creative community of educators and students. We are proud of our essential role in providing education that bridges the Nunavut of yesterday, today, and tomorrow.

We value our students and are committed to their success by:

- Engaging and challenging our students in students-centered programs.
- Supporting students through personal interaction, small scale learning environments, and sensitivity to their needs.
- Integrating Inuit culture and knowledge into our programs.

We value positive and productive learning and working environments by:

- Offering innovative programs to meet the requirements of a wide range of students.
- Providing services that acknowledge students as multi-faceted individuals and promote students success in all areas of life, as workers, community members, volunteers, family members, and parents.
- Establishing and achieving College objectives through the application of research and transparent practices, and through the services of Nunavut Innovation and Research Institute establishing the highest research standards.

We value strong connections to the communities we serve by:

- Utilizing community-based delivery models for programs.
- Valuing exchange and interaction with communities and acknowledging the community's role in establishing educational priorities for the College.

We value our partnerships by:

- Collaborating with other institutions and organizations to provide a broad range of programs and services for the people of Nunavut.

Our Principles

Our principles serve as guideposts to create a learning-centered institution that reflects Inuit values, beliefs and knowledge.

Nunavut Arctic College is an inclusive institution that:

- Respects and honours Inuit languages and culture;
 - Involves Elders as an integral part of the College life;
 - Promotes an understanding of Inuit culture and languages;
 - Values students' connections to family and community;
 - Prepares students for meaningful careers and healthy lives;
 - Places the well-being of students first and provides a strong caring network of support;
 - Promotes learning as a positive life-changing experience, involving the whole person - body- mind - spirit;
 - Encourages the personal, professional, and academic development of all students and staff;
 - Engages students as active participants in all aspects of learning and evaluation; and
 - Ensures our graduates meet national standards.
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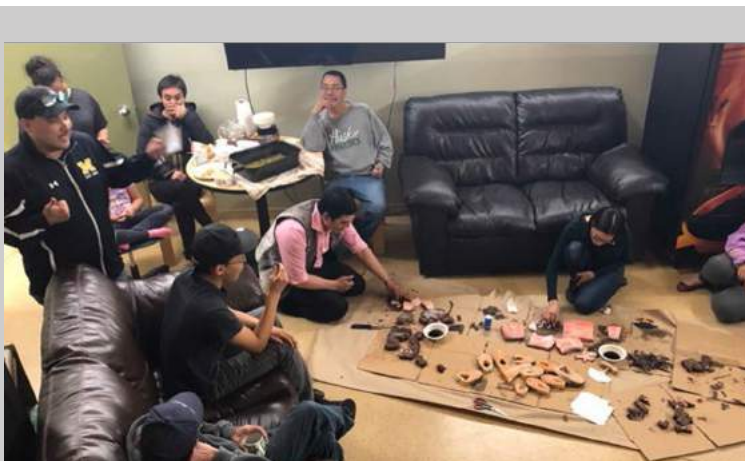
Board of Governors

Current Members of the Board of Governors:

Member	Representative	Term expires
Agnes Olowokere	Kitikmeot	November 6, 2023
Elisapee Karetak	Kivalliq	May 24, 2022
Sue Ball	Kivalliq	February 12, 2022
Susan Gardener	Qikiqtaaluk	March 20, 2022
Vacant	Qikiqtaaluk	
Brenda Putulik	Staff Representative	November 6, 2023
Elizabeth Issakiark	Student Representative	November 6, 2023
Helen Klengenber	Kitikmeot	June 10, 2024

Nunavut Arctic College is responsible through the Board of Governors to the Minister Responsible for Nunavut Arctic College. The Board of Governors determines policies respective of the administration of the College, including the Nunavut Research Institute.

The Board recommends priorities to the Minister for courses and programs that may be established by the Minister, ensures that for each fiscal year an estimate of the revenues and expenditures of the College is prepared, and approves the College’s annual Financial Statements. The Board also presents budgets to the Minister in accordance with Part IX of the *Financial Administration Act* of Nunavut.



Employment Summary By Category

	Positions			Nunavut Inuit	
	Total		%		%
	Positions Vacancies	Filled	Capacity	Hired	IEP

Employment summary, by category

Executive	2.00	1.00	1.00	50%	1.00	100%
Senior Management	9.00	2.00	7.00	78%	3.00	43%
Middle Management	26.00	7.00	19.00	73%	10.00	53%
Professional	132.10	48.10	84.00	64%	38.00	45%
Paraprofessional	28.00	11.00	17.00	61%	10.00	59%
Administrative Support	55.67	20.60	35.07	63%	31.07	89%
Total	252.77	89.70	163.07	65%	93.07	57%

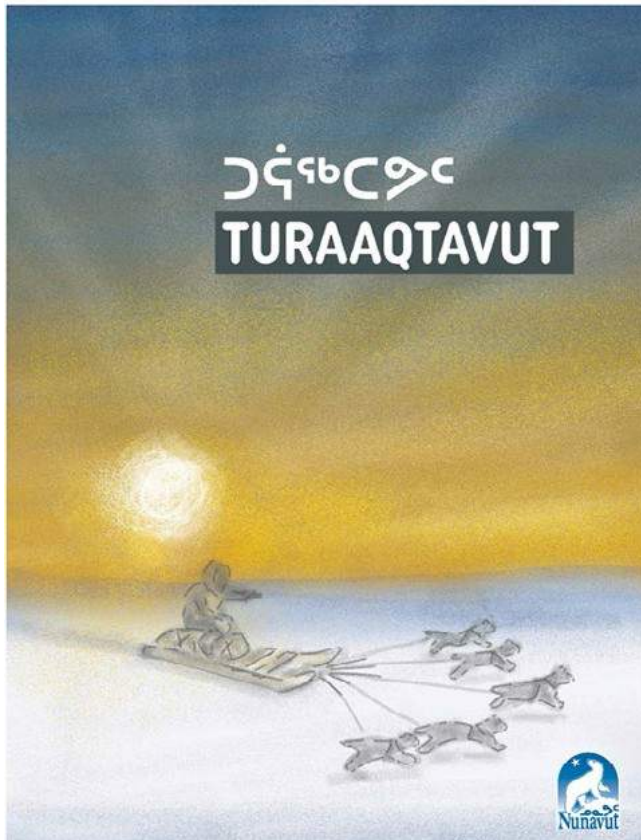
Employment summary, by community

Arctic Bay	1.27	-	1.27	100%	1.27	100%
Arviat	17.53	9.52	8.00	46%	8.00	100%
Baker Lake	3.27	0.27	3.00	92%	2.00	67%
Cambridge Bay	21.21	6.27	15.00	71%	6.00	40%
Chesterfield Inlet	1.27	0.27	1.00	79%	-	-
Clyde River	16.27	6.27	10.00	61%	9.00	90%
Coral Harbour	3.27	2.27	1.00	31%	1.00	100%
Gjoa Haven	2.28	2.26	-	-	-	-
Grise Fiord	1.28	0.26	1.00	79%	1.00	100%
Igloolik	4.25	2.27	2.00	47%	1.00	50%
Iqaluit	105.60	30.60	75.00	71%	33.00	44%
Kimmirut	1.28	0.26	1.00	79%	1.00	100%
Kinngait	1.27	-	1.27	100%	1.26	100%
Kugaaruk	2.27	1.26	1.00	44%	1.00	100%
Kugluktuk	1.27	0.26	1.00	79%	1.00	100%
Nauyasat	1.27	0.27	1.00	79%	1.00	100%
Pangnirtung	3.27	2.27	1.00	31%	1.00	100%
Pond Inlet	2.27	1.27	1.00	44%	1.00	100%
Qikiqtarjuaq	1.27	-	1.27	100%	1.27	100%
Rankin Inlet	54.74	21.77	33.00	60%	21.00	64%
Resolute Bay	1.27	1.27	-	-	-	-
Sanikiluaq	1.27	-	1.26	100%	0.27	21%
Sanirajak	1.27	0.27	1.00	79%	1.00	100%
Taloyoak	1.27	0.27	1.00	79%	-	-
Whale Cove	1.27	0.27	1.00	79%	-	-
Total	252.77	89.70	163.07	65%	93.07	57%

Employment summary, by Iqaluit and other communities


Iqaluit	105.60	30.60	75.00	71%	33.00	44%
Other Communities	147.17	59.10	88.07	60%	60.07	68%
Total	252.77	89.70	163.07	65%	93.07	57%


Strategic Link to Turaaqtavut





These priorities are accompanied by practical actions that are expected to yield measurable outcomes over the term of this Fifth Assembly.


Our government is committed to focusing on five priorities that will enable us to step forward together and make Nunavut an even better place for our children and grandchildren.

 Work towards the well-being and self-reliance of our people and our communities.

 Develop our infrastructure and economy in ways that support a positive future for our people, our communities, and our land.

 Provide education and training that prepares children, youth, and adult students for positive contributions to society and for meaningful employment.

 Strengthen Nunavut as a distinct territory in Canada and the world.

 Work in partnership to advance the goals and aspirations of Nunavummiut.

NAC Highlights

NAC Highlights:

STUDENT SERVICES

The Student Services Division is a vital and integral part of Nunavut Arctic College. The Division provides a range of services to support students, faculty, and management to promote student success. These include:

- Opportunities to provide culturally relevant programming for students and their families.
 - This years programming include kamik making, qamutik building, traditional tool making, Qanuittukkursimaniraq Speaker Series featuring Inuit guest speakers, beading is healing (drop-in activity), student-led hand sewing with fur, Inuktitut & Art with Becky Kilabuk, Monthly Inuit Qaujimagatuqangit Sessions with Lew, Weekly pool tournaments.
 - Special events included open mic for Pink Shirt Day, Mental Health Resource Café, IQ principles and throat singing with Becky Kilabuk, Orange Shirt Day with special speakers, monthly study skills workshops.
- Involving Elders as an integral part of college life; counselling services are provided by both student counsellors and elders on campus.
- Registrar Services, Career planning services; and academic supports that connect students with tutors either in person or online.
 - After starting a partnership with Frontier College in November 2020, they held about 46 sessions with students amounting to around 92 hours of academic 1:1 support
 - Individualized study skill workshops upon teacher request
- Accessibility supports, study skills training and a range of other resources that help to enhance the NAC student educational experience.
- The Student Services team also oversees the student accommodations and college security; as well as food services, which includes cafeteria services and the student food banks, which promote food security for students and their families.
 - The Nunatta campus currently has 107 family units and 42 single unit student accommodations.
 - The Kivalliq campus has 12 family units and 64 single units for student accommodations.
 - The Kitikmeot campus has 20 family units and 5 single units available for students.
 - Cafeteria services are provided at the Nunatta Main Campus and the NAC Student Residence in Iqaluit.

The Student Services is committed to the continual implementation of best practices, and resources to equip them with the supports they need for a quality student life experience.

The Student Services response to the Covid Pandemic included:

- Academic supports were made available online for Iqaluit students and territory wide.
- Counselling was made available via video chat or over the phone to accommodate students' needs.
- Career development services continued with resume building for students facilitated via online correspondence and students were also connected with various summer employment opportunities.

NAC Highlights:

HEALTH, WELLNESS AND BUSINESS

Bachelor of Science (Arctic Nursing) Program:

Five students graduated from the program in 2021. Program delivery for Nursing continued to be adapted due to COVID-19, with on-line delivery supplementing in-person classes. The spring clinical for third year students to Halifax, was deferred to fall. Clinicals placements scheduled at Qikiqtani General Hospital continued, and students were able to continue simulation exercises in the COVID-19 protocol lab at the college. Extensive work was completed on the updated curriculum, to further embed the healthcare context specific to Nunavut. Fourth year students were able to graduate on schedule due to the innovative delivery and continued support of program partners.

Pre-Health Sciences:

Four students graduated from the program in 2021. One student, Jane Pameolik, was recognized by the Minister of Education for her outstanding academic achievements, as a recipient of numerous scholarships, including the Indispire's Building Brighter Futures.

The curriculum for the Pre-Health Sciences Certificate was submitted to the Department of Education and received accreditation as a post-secondary program. Further planning was implemented to launch the program in an additional community - Rankin Inlet, for the Fall of 2021, as a healthcare careers preparatory program.

Social Services Worker Diploma Program:

Nine students graduated from the program in June of 2021. Three of them will be continuing into the new Bachelor of Social Work degree program. The rest have obtained employment and are employed in various communities across Nunavut. As part of their year two practicum, students launched a successful campaign to promote awareness of child poverty in Nunavut. The students partnered with the Dept. of Justice and the 'Shoes for Justice' campaign was implemented, raising \$19,000.00 to purchase shoes for elementary and high school students in Cambridge Bay.

COVID-19 Impacts to programs:

The programs mitigated the impacts of the pandemic by using technology provided by the College. Remote delivery during lockdowns was made possible by using MicroSoft Teams and by providing students with laptops and internet access. Social Service Worker students, in year one, were able to combine cohorts in Rankin and Cambridge Bay and attend classes together through MicroSoft Teams. This allowed them to collaborate on projects and discussions. Faculty also invested additional time by learning how to use learning management software to adapt their courses for quality online delivery. In the nursing program, a COVID-19 protocol was approved for use, by the Public Health Office. This allowed those students to continue face to face learning during college closures. By using a combination of technology, COVID-19 laboratory procedures, remote delivery and course packages for self-directed learning, students were able to stay on track and graduate at the usual time from their programs.

New Programs:

Memorial University and Nunavut Arctic College signed an agreement to offer a Bachelor of Social Work starting in the fall of 2021 at the Kitikmeot Campus. This will allow graduates of the Social Services Diploma an opportunity to earn a degree in two years and provide opportunities for Nunavut Inuit to advance in their careers in the Social Services field.

The Department was awarded funding through the Nunavut Implementation Panel to increase the offering of Pre-Health Sciences in two additional communities and to develop a Practical Nursing diploma program, to be launched during academic year 2022.

A Family Support Worker program was launched for employees of Family Services. The 585-hour program allows participants to develop the skills necessary to work effectively with children, youth, families and communities.

NAC Highlights:

TRADES AND TECHNOLOGY

ENVIRONMENTAL TECHNOLOGY PROGRAM (ETP)

The Environmental Technology Program has been graduating ‘made-in-Nunavut’ environmental practitioners since 1987.

Over that time, the program’s esteemed alumni have followed various career paths for organizations across Nunavut. Research has always played an important part in the program’s development and delivery. In fact, the earliest years of the program included archaeological digs at Perterhead Inlet. However, the program’s partnerships with researchers and research organizations greatly expanded with the increase in Arctic research during the International Polar Year (IPY) of 2007/2008.

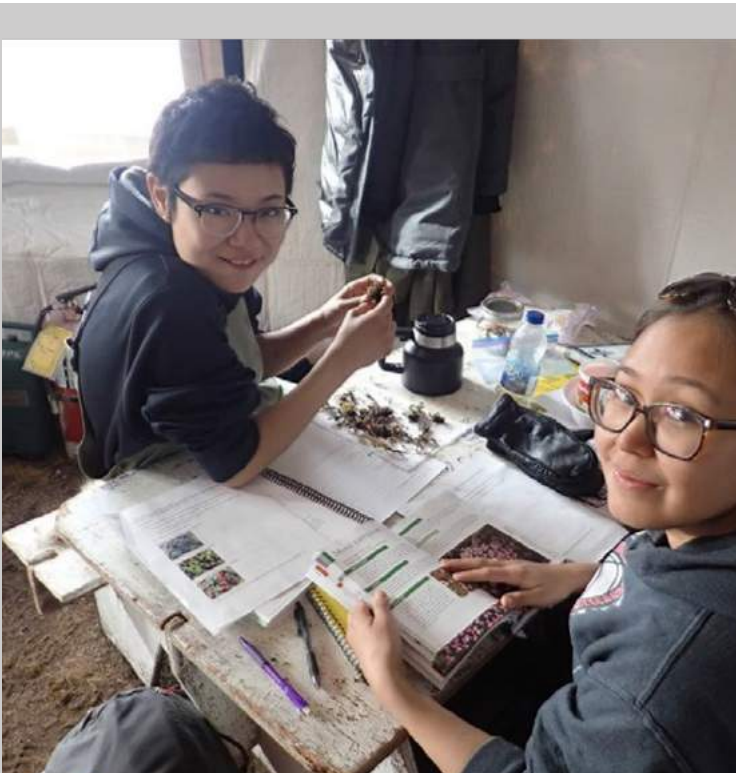
Following IPY, and with legacy funds associated with it, the new Nunavut Research Institute campus was



built. The campus included much improved space for the ETP. The added capacity brought about by the new campus further allowed the program to expand its research partnerships. The results of these two developments are clear. ETP alumni are increasingly research partners, and in some cases, research leads, on various projects across our Territory.

The Program has regularly sent students and staff representatives to ArcticNet’s Annual Science Meeting (ASM). Today, the ETP is a leader in developing Nunavut’s very own research capacity.

The development of a post ETP diploma BSc program is an exciting, and natural, next step in the program’s evolution. This next step should greatly enhance Nunavut’s capacity to develop and lead its own research.



NAC Highlights:

TRADES AND TECHNOLOGY

INDUSTRIAL TRAINING:

Heavy Equipment Operator (HEO) and professional Drivers Program

In support of the professional drivers' program for students to obtain their Airbrakes Endorsement, Class III, Class II and Class I driver's license; Nunavut Arctic College purchased two additional training supports; Airbrakes Boards. The airbrakes boards are arriving on sealift and will be stationed in Cambridge Bay and Pond Inlet. The Airbrakes boards will also be used in the continuation of the Heavy Equipment Operator Instructor Development Program.

Construction TRADES:

Sanatuliqsarvik has five construction trades program

2020/2021 Sanatuliqsarvik ran Apprenticeship Level programs with all 5 trades we teach: Carpentry, Oil Heat Systems, Housing Maintainer, Electrician and Plumbing. These period level courses brought apprentices from all over Nunavut and some from NWT to take nationally accredited apprenticeship technical training at the Kivalliq Campus in Rankin Inlet. During the fall delivery the Covid-19 Pandemic health measures lead to a complete shut down of our programs and students returned home without completing portions of the of the program. Sanatuliqsarvik Staff and Faculty were able to obtain an exemption to remain open for students needing 2 more weeks to complete the program and challenge their Government Trades exam and this was a complete success.

Sanatuliqsarvik staff and Faculty showed dedication and determination to support students in the most unprecedented way, and for this, we are very proud and humbled.



NAC Highlights:

EDUCATION INUIT AND UNIVERSITY STUDIES

NUNAVUT TEACHER EDUCATION PROGRAM (NTEP)

A refocused Bachelor of Education in partnership with Memorial University (MUN), commonly referred to as the Nunavut Teacher Education Program (NTEP), is being offered by NAC, built on a foundation of Inuktitut language and culture.

The Education Programs Division has worked closely with the NTEP advisory committee to take into account their recommendations as we initiated the revision of the 150 credit Bachelor of Education Degree program to address the need to graduate bilingual teachers.

Seventy-four students enrolled in NTEP for the 2020-2021 academic year. The program was delivered in 5 communities. In addition to Iqaluit, the program was offered in Arviat, Coral Harbour, Pangnirtung and Cambridge Bay.

NAC introduced an **Inuit Language and Culture Certificate Program** and an **Inuinnaqtun Language and Culture Revitalization Certificate Program**. Inuktitut as a first Language was delivered in Iqaluit, Pangnirtung and Coral Harbour; and Inuinnaqtun as a second language was delivered in Cambridge Bay.

First year students applying to NTEP are required to take one of these certificate programs. After the first semester, students will apply to MUN to complete their NTEP studies.

Revisions to the remainder of the program took place to incorporate Inuktitut and traditional knowledge. We have started to work towards offering an Inuktitut Language Specialist Diploma year in the program which will focus on acquiring the knowledge and skills to teach Inuktitut as a First or Second Language.

The Education Programs Division has also worked towards converting several Nunavut Teacher Education Program courses in a blended online distance education format with MUN.



NAC Highlights:

EDUCATION INUIT AND UNIVERSITY STUDIES

INUIT STUDIES

The Inuit Studies program emphasizes traditional aspects of Inuit language and culture.

In this program, the participants received courses where they learned traditional Inuit sewing techniques to make their own sealskin parkas/jackets; throat singing and drum dancing; and the making of lino cut prints in the Inuit Art History course.



EARLY CHILDHOOD EDUCATION (ECE)

The Education Programs Division offered the second year of the Early Childhood Education Diploma program in the 2020-2021 academic year.

The Early Childhood Education program is a two-year program which focuses on the development of the knowledge and skills needed to work in an Early Childhood Education setting. The program incorporates Inuktitut and traditional knowledge in all course deliveries.

The Education Programs Division has initiated a comprehensive review of the two Early Childhood Education programs; the Early Childhood Education Diploma Program and the Applied Early Childhood Education Certificate Program. We anticipate offering the revised programs in the 2021-2022 academic year.

NAC Highlights:

EDUCATION INUIT AND UNIVERSITY STUDIES

FUR DESIGN AND PRODUCTION

The Fur Design & Production Program offers students the opportunity to develop the knowledge, skills and confidence to be successful in the sealskin fur garment industry.

New partnerships within Nunavut communities, across Canada, and with Ryerson University are being developed. Students will be traveling to Ryerson University for training related to the fur industry in Canada.

Plans are being developed to expand the infrastructure of the studio to allow for more students.



INTERPRETER TRANSLATOR

The Interpreter/Translator program is designed for students interested in the more technical aspects of the Inuktitut language and who wish to pursue a career in this field.

The first-year places special emphasis on language development, communication skills and technical skills necessary in translation.

The second year is designed to assist students to develop the knowledge, skills and attitudes required as an interpreter.

Emphasis is placed on helping the student acquire specialized vocabulary in technical areas, and on consecutive and simultaneous interpreting skills.

JEWELLERY AND METALWORK

The Jewelry & Metalwork diploma program allows students to develop their knowledge and skills of jewelry and metalwork production in a professional studio atmosphere.

The program stresses high standards of craftsmanship and creativity, all the time encouraging and exposing students to a wide range of materials, techniques and concepts.

NAC Highlights:

COMMUNITY AND DISTANCE LEARNING PROGRAMS

The Community & Distance Learning division delivered 12 ABE programs; 8 Office Administration Certificate programs; 1 Office Administration Diploma program; 3 College Foundation programs, 4 Pre-Trades Math & Science programs; 4 Community Fur Production & Design programs; 5 G.R.E.A.T. programs; and 1 Small Engine Repair course in 23 communities.

All third-party programs are funded through CanNor, Department of Family Services, and Kitikmeot Inuit Association. We partnered with Q-STEP to offer 3 Pre-Trades Math & Science programs to both Baffinland employees and general public. Office Administration Certificate program and College Foundation program in Iqaluit are base funded.

The most innovative contribution to ABE program success continues to be the investment in collaborating with Elders in the teaching and learning process. Elder instructors bring critically important traditional Inuit values and knowledge to the ABE curriculum. Both instructors and students say having Elders in the classroom is one of the top motivators for engaging Inuit students in their learning leading to better retention and graduation rates. This year we supported 24 Elder Inclusion projects in ABE programs across 11 communities, with 57 local Elders contracted to share their experience and skills with the students.

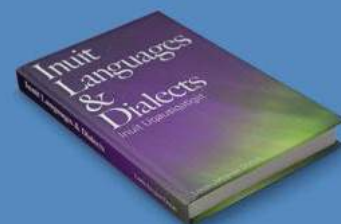
Through CanNor funding, we were able to purchase 160 laptops, 17 charging carts, and internet devices for 17 Community Learning Centres so we are more prepared for remote delivery in the future.

We continued designing and developing of online versions of courses from the ABE-ES, Office Administration, and College Foundation programs on our Learning Management System. Three courses were converted this year, as we look forward and focus on how we adjust programming to become more flexible. NAC offered training to faculty on the LMS instance of Brightspace, as well as MS TEAMS.

Community & Distance Learning division again, worked in partnership with the Nunavut Poverty Reduction Division to outline a demonstrated need for and to access funding for a breakfast program in almost all its programs offered at the Community Learning Centres. Students and faculty resoundingly supported and championed this new initiative as a wrap-around support for the adult learning experience. College students across Nunavut benefited from a breakfast program for 9 weeks (Feb 17 – Apr 23) funded by DFS, resulting in better attendance and performance for many students.

NAC Highlights:

NAC MEDIA



NAC Media expanded its digitization and archival research efforts and strengthened partnerships with institutions in Canada, the US, and Western Europe to acquire more rare digital archival content. NAC Media began its initial plans to engage Nunavummiut to access the materials and to make necessary revisions and additions to the historical research records. This initiative will be a prime focus of 2021-2022.

NAC Media's publishing program continued with new editions, further development of manuscripts, and preparations for e-book production and wider distribution in 2021-22. NAC Media continued to foster productive relationships with other GN departments, agencies, and organizations to build capacity for further creation of Inuit Language resources and media.

NAC Highlights:

NUNAVUT LAW PROGRAM

During the 2020-2021 academic year, the Program offered a Clinical Law course to all students. Five Iqaluit-based legal organizations participated, each taking on students for one day per week and assigning them a lawyer to supervise and mentor their work. This experiential learning opportunity gave students practical exposure to the law and allowed them to make connections to legal professionals in Iqaluit’s legal community.



On February 26-27, 2021, a team of four students competed in the Gale Cup Moot, a criminal law based moot competition. The Moot was held virtually over Zoom. The NLP team excelled and was awarded the Peter Cory Factum prize for best factum of the competition.

On March 12-13, 2021, a group of four students participated in the Kawaskimhon Aboriginal moot, a non-competitive, consensus-based moot that focuses on negotiation. The moot was held virtually, and students spent two full days at the negotiating table working with teams from law schools across Canada.

On April 22, 2021, the Chief Justice of Canada, the Rt. Hon. Richard Wagner, met with students over Zoom to congratulate them, share stories, and engage in a question-and-answer session.

On April 23, 2021, the Program hosted a virtual conference on “FASD and the Criminal Process”. The conference was attended by nearly 80 guests, including lawyers, judges, and employees of the Departments of Justice and Health. Students assisted in both organizing and hosting the conference.

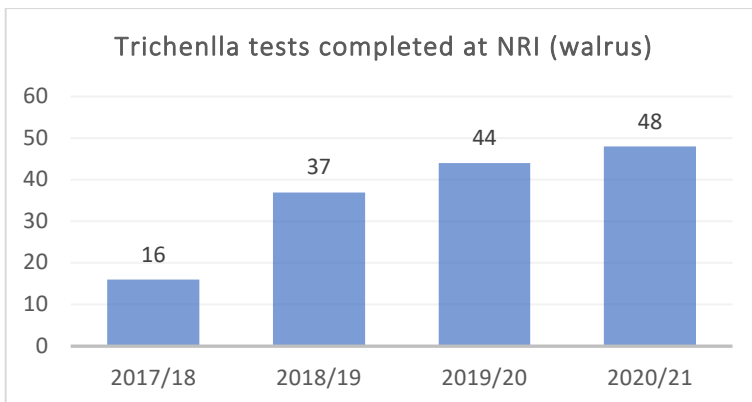


RESEARCH HIGHLIGHTS

The Nunavut Research Institute (NRI) serves as the research division of Nunavut Arctic College, and is responsible for licensing research in Nunavut, in accordance with Nunavut’s *Scientists Act*.

Travel restrictions during the COVID-19 Pandemic significantly impacted research activities across Nunavut in 2020/21. Despite these challenges NRI was able to continue providing important research services and expertise to a broad network of stakeholders, while helping NAC move forward with some exciting new research programs and partnerships.

The NRI has continued to provide trichinella diagnostic services to Nunavummiut throughout the Pandemic working in close partnership with NTI and the Government of Nunavut Department of Health. Since the testing program was started in 2017, NRI’s team of Nunavummiut diagnostic analysts have tested 156 walrus and 26 polar bears from 11 Nunavut communities. Analysts have also maintained high proficiency standards with the Canada Food Inspection Agency. NRI’s testing program allows for trichinella infected walrus to be detected much earlier than in the past when samples had to be sent out of territory for testing. Earlier detection enables Nunavut Health officials to help prevent Trichinosis infections in Nunavut. The demand for NRI’s testing services has increased each year as more Nunavummiut become aware of the program.



NRI continued to administer an Arctic Applied Research Program in partnership with Irving Shipbuilding during 2020/21. This program is providing funding to 8 outstanding research projects in Nunavut which are focused on providing new information and tools to support community water quality assessment, weather monitoring, wildlife disease surveillance, sea ice travel, oil spill detection and response, and marine shipping governance. Most of the research field activities planned in 2020/21 were postponed due to the pandemic, however, the projects were able to produce a variety of new research publications, datasets, technical reports, and innovative educational resources for Nunavummiut.

Introduction to Remote Sensing

What is Remote Sensing?

Definition: Remote Sensing is acquiring information about a natural feature or phenomenon, such as the earth's surface without actually being in contact with it (USGS definition).



Nunavut Research:

NRI also worked with a team of Nunavut based researchers led by Dr. Gita Ljubicic of McMaster University to secure funding in 2021 from the Social Sciences and Humanities Research Council (SSHRC) for a new project that will critically examine how Nunavut communities are consulted and engaged in research. This project will help NRI improve our licensing procedures and guidelines for research, and will create a new web-based portal for Nunavummiut to access information more easily on research undertaken in Nunavut.

NRI also worked to finalize a collaborative research agreement in 2021 with NAC's University Partner, Memorial University of Newfoundland (MUN), to undertake a new research capacity building initiative funded under ArcticNet's North by North program. Through this collaboration which will continue until 2024, NAC and MUN will work to develop a research strategy for NAC that builds on our current and past achievements in research. This program will also support and enhance existing and new research activities led by faculty, students, and staff that address the needs, interests, and priorities of Nunavummiut. For the 2021-2022 fiscal year, NRI will conduct a systematic review of NAC's current and past research activities, programs, infrastructure, and partnerships, and surveys of NAC students, faculty, and staff to help define our research strengths and vision.

NRI has played a key role in providing up to date information, guidance, and advice to researchers working in Nunavut during the challenging time of the COVID-19 Pandemic. Research activity across the territory has been impacted heavily by COVID-19. For example, NRI issued only 85 scientific research licenses in 2020 and to date has issued 88 licenses in 2021. The number is about 50% lower than the average number of licenses issued annually by NRI prior to the pandemic. While many non-resident researchers have cancelled or deferred planned research in 2020 and 2021 due to travel restrictions and the suspension of logistics support services in Nunavut, an increasing number of Nunavummiut have been involved in collecting data, maintaining research field stations, and carrying out other important activities on behalf of scientists unable to travel to Nunavut.



Nunavut Arctic College Audited Financial Statements

2021



INDEPENDENT AUDITOR'S REPORT

To the Minister responsible for Nunavut Arctic College

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Nunavut Arctic College (the College), which comprise the statement of financial position as at 30 June 2021, and the statement of operations and accumulated surplus, statement of change in net financial assets and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as at 30 June 2021, and the results of its operations, changes in its net financial assets, 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the College 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. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 College'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 College or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 auditor's 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 these 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 College'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 College's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the College 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.

We 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.

Report on Compliance with Specified Authorities

Opinion

In conjunction with the audit of the financial statements, we have audited transactions of Nunavut Arctic College coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are Part IX of the *Financial Administration Act* of Nunavut and regulations, the *Nunavut Arctic College Act* and regulations, and the by-laws of Nunavut Arctic College.

In our opinion, the transactions of Nunavut Arctic College that came to our notice during the audit of the financial statements have complied, in all material respects, with the specified authorities referred to above. Further, as required by the *Financial Administration Act* of Nunavut, we report that, in our opinion, the accounting principles in Canadian public sector accounting standards have been applied on a basis consistent with that of the preceding year. In addition, in our opinion, proper books of account have been kept by Nunavut Arctic College and the financial statements are in agreement therewith.

Responsibilities of Management for Compliance with Specified Authorities

Management is responsible for Nunavut Arctic College's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable Nunavut Arctic College to comply with the specified authorities.

Auditor's Responsibilities for the Audit of Compliance with Specified Authorities

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the financial statements are in compliance with the specified authorities referred to above.

A handwritten signature in black ink, appearing to read "Michael Robichaud". The signature is fluid and cursive, with a large initial "M" and "R".

Michael B. Robichaud, CPA, CA
Principal
for the Auditor General of Canada

Ottawa, Canada
21 September 2021

NUNAVUT ARCTIC COLLEGE

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS


The accompanying financial statements of the Nunavut Arctic College ("the College") and all information in this annual report are the responsibility of the College's management and have been reviewed and approved by the Board of Governors. The financial statements include some amounts, such as the allowance for doubtful accounts receivable and the provision for employee future benefits that are necessarily based on management's best estimates and judgment.

The financial statements have been prepared in accordance with Canadian public sector accounting standards (PSAS). Financial information presented elsewhere in the annual report is consistent with that contained in the financial statements.

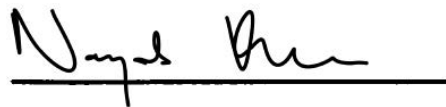
In discharging its responsibility for financial reporting, management is responsible for developing and maintaining financial and management control systems and practices which are designed to provide reasonable assurance that transactions are authorized, assets are safeguarded and controlled and proper records are maintained. These controls and practices are intended to ensure the orderly conduct of business, the accuracy of accounting records, the timely preparation of reliable financial information and adherence to the College's policies and statutory requirements.

The Board of Governors is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control. The Board of Governors, the majority who are not employees of the College, meet periodically with management and the external auditors. The external auditors have full and free access to the Board of Governors.

The College's independent external auditor, the Auditor General of Canada, is responsible for auditing the transactions and financial statements of the College and for issuing her report thereon.



Rebecca Mearns, President
September 21, 2021



Nayab Khan, Chief Financial Officer
September 21, 2021

NUNAVUT ARCTIC COLLEGE
Statement of Financial Position
as at June 30

(in thousands of dollars)

	2021	2020
Financial assets		
Cash	35,741	49,304
Accounts receivable (Note 4)	21,017	3,486
Total financial assets	56,758	52,790
Liabilities		
Accounts payable and accrued liabilities (Note 5)	4,133	4,327
Due to the Government of Nunavut (Note 10)	10,727	7,273
Deferred contract income	1,149	758
Capital lease obligations (Note 6)	219	372
Professional development fund (Note 7)	2,282	2,000
Employee future benefits (Note 8)	2,081	1,907
Total liabilities	20,591	16,637
Net financial assets	36,167	36,153
Non-financial assets		
Tangible capital assets (Schedule A)	1,221	1,425
Prepaid expenses	191	114
Total non-financial assets	1,412	1,539
Accumulated surplus	37,579	37,692

Contractual obligations (Note 11)
 Contractual rights (Note 12)

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

Approved by the Board :



Sue Ball
 Chairperson of the Board

NUNAVUT ARCTIC COLLEGE
Statement of Operations and Accumulated Surplus
for the year ended June 30

(in thousands of dollars)

	2021 Budget	2021 Actual	2020 Actual
Revenues			
Contract income (Note 10)	10,859	6,230	8,592
Tuition fees	1,340	1,308	1,308
Miscellaneous revenue and recoveries	5,007	759	672
Room and board	980	641	813
Interest income	392	234	662
Total revenues	18,578	9,172	12,047
Expenses (Note 9)			
Trades, Community and Distance Learning Programs	19,541	13,044	13,337
Services provided without charge (Note 10)	-	12,585	14,267
General administration	8,297	9,731	10,523
Student services	6,244	8,399	8,504
Piqusilirivik Centre	3,661	3,950	3,417
Health and Wellness and Business Programs	5,845	3,689	4,496
Education and Early Childhood Education Programs	7,019	3,483	4,240
Inuit Language and Cultural Programs	4,048	3,183	2,889
Research and Technology Office	1,045	1,180	2,289
Law Program	1,897	611	386
Total expenses	57,597	59,855	64,348
Deficit for the year before Government contributions	(39,019)	(50,683)	(52,301)
Government contributions (Note 10)	39,019	50,570	53,286
(Deficit) surplus for the year	-	(113)	985
Accumulated surplus - beginning of the year	37,692	37,692	36,707
Accumulated surplus - end of the year	37,692	37,579	37,692

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

NUNAVUT ARCTIC COLLEGE**Statement of Cash Flow****for the year ended June 30**

(in thousands of dollars)

	2021	2020
Cash (used)/provided by operations		
Government contributions	19,368	39,019
Contracts	7,655	11,403
Other	2,759	2,067
Interest	230	657
Paid to suppliers	(14,002)	(16,559)
Paid to employees	(29,257)	(34,672)
Cash (used)/provided by operations	(13,247)	1,915
Cash used for capital activities		
Tangible capital asset acquisitions	(163)	(202)
Cash used for capital activities	(163)	(202)
Cash used for financing activities		
Principal payments on capital leases	(153)	(150)
Cash used for financing activities	(153)	(150)
(Decrease) increase in cash and cash equivalents	(13,563)	1,563
Cash, beginning of the year	49,304	47,741
Cash, end of the year	35,741	49,304

NUNAVUT ARCTIC COLLEGE
Statement of Change in Net Financial Assets
for the year ended June 30

(in thousands of dollars)

	2021 Budget	2021 Actual	2020 Actual
(Deficit) surplus for the year	-	(113)	985
Tangible capital assets (Schedule A)			
Additions	(265)	(163)	(344)
Amortization	150	367	383
	(115)	204	39
Net additions of prepaid expenses	-	(77)	(88)
Change in net financial assets	(115)	14	936
Net financial assets - beginning of the year	36,153	36,153	35,217
Net financial assets - end of the year	36,038	36,167	36,153

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

NUNAVUT ARCTIC COLLEGE
Statement of Tangible Capital Assets
for the year ended June 30

SCHEDULE A

(in thousands of dollars)

							2021	2020
	Buildings	Furniture and Equipment	Building Improvements	Computers and Printers	Mobile Equipment	Capital Leases	Totals	Totals
Cost of tangible capital assets								
Opening balance	84	775	1,048	531	763	609	3,810	3,466
Additions	-	119	-	44	-	-	163	344
Closing balance	84	894	1,048	575	763	609	3,973	3,810
Accumulated amortization								
Opening balance	(36)	(529)	(845)	(178)	(556)	(241)	(2,385)	(2,002)
Amortization	(3)	(45)	(21)	(113)	(33)	(152)	(367)	(383)
Closing balance	(39)	(574)	(866)	(291)	(589)	(393)	(2,752)	(2,385)
Net book value	45	320	182	284	174	216	1,221	1,425
Estimated useful life	25 years	10 years	20 years	4 years	10 years	Shorter of lease term or useful life		

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements
Year ended June 30, 2021
(in thousands of dollars)

1. The College

a) Authority and purpose

The Nunavut Arctic College ("the College") is a Schedule B Public Agency as listed in the *Financial Administration Act* ("FAA") of Nunavut and accordingly operates in accordance with Part IX of the FAA of Nunavut and the *Nunavut Arctic College Act*. The College is exempt from income taxes.

The purpose of the College is to provide a wide variety of educational services to adult learners. The programs are directed specifically to the northern environment and the needs of individual northerners, the workforce and northern communities. To accomplish this, courses and services are delivered at campuses and communities across Nunavut. Through the work of the Nunavut Research Institute, the College is also responsible for the facilitation and preparation of scientific research activity in Nunavut.

b) Government contributions

The College receives contributions from the Government of Nunavut ("the Government") as set out in the Government's Main Estimates (adjusted by supplementary appropriations) and contributions in kind in the form of services provided without charge. The contributions are to be utilized for the administration and delivery of the College's adult and post-secondary education programs in Nunavut. The College is allowed to retain all surpluses and is responsible for all deficits.

The College is economically dependent upon the contributions received from the Government for its ongoing operations.

c) Budget

Canadian public sector accounting standards require a territorial corporation to present in its financial statements a comparison of the results of operations and changes in net financial assets for the period with those originally planned. March 31, 2021 budgeted figures which approximate one operating year have been provided for comparison purposes and have been derived from the Main Estimates and Business Plan.

2. Significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards (PSAS) as issued by the Public Sector Accounting Board (PSAB). The following is a summary of the significant accounting policies.

a) Use of estimates and measurement uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses reported in the financial statements. By their nature, these estimates are subject to measurement uncertainty. The more significant areas requiring the use of management estimates are the allowance for doubtful accounts, estimated useful lives used in determining the amortization expense for tangible capital assets and the provision for employee future benefits (including sick leave,

2. Significant accounting policies (continued)

severance and removal). Actual results may differ from those estimated. The effect on the financial statements of changes to such estimates and assumptions in future periods could be significant, although, at the time of preparation of these financial statements, management believes the estimates and assumptions to be reasonable.

b) Cash

Cash comprises cash on hand and demand deposits.

c) Accounts receivable

Accounts receivable are valued at cost. Allowances for doubtful accounts, if necessary, are recorded based on all circumstances known at the date the financial statements are prepared including past events and current conditions.

An allowance for doubtful accounts is established when there is objective evidence that the College will not be able to collect all amounts due, according to the original terms of the receivables. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of loss is recognized in the Statement of Operations and Accumulated Surplus as bad debt expense. When an accounts receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against bad debt expense in the Statement of Operations and Accumulated Surplus. Write-offs of accounts receivable are approved by the College's Board of Governors, and, if the individual account exceeds \$20, by the Financial Management Board of the Government of Nunavut.

d) Government contributions

Annual appropriation

Government transfers are recognized as government contributions when the funding is authorized and all eligibility criteria are met, except to the extent that funding stipulations give rise to an obligation that meets the definition of a liability.

The College receives its annual appropriation (base contribution) based on the Government's fiscal year which is different than the College's fiscal year. The College's annual appropriation is recognized as government contributions in the period in which the contributions relate once all eligibility criteria have been met and it has been authorized by the Legislative Assembly of the Government. The College also receives supplementary appropriation contributions when it is determined that additional contributions are required. Supplementary contributions are recognized as government contributions on the same basis as its annual appropriation.

Services provided without charge

The Government provides certain services without charge to the College. These services are recorded at the Government's carrying amount in the College's financial statements as government contributions, and an equivalent amount is included in the expenses.

If the Government reallocates an appropriation from the College to a Government department to provide services to the College, only the actual costs incurred in excess of the reallocated appropriation is recorded in the College's financial statements as government contributions, and

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2021

(in thousands of dollars)

2. Significant accounting policies (continued)

an equivalent amount is included in the expenses. The amount of the appropriation reallocated to the department to provide these services is disclosed in the notes to the financial statements (Note 10).

e) Contract income, tuition fees, room and board revenue and deferred contract income

The College enters into contracts with private companies, Inuit organizations, federal and territorial government departments, agencies and territorial corporations to develop and deliver courses across Nunavut. Payments received under these contracts for which the development and delivery of courses is not completed are recorded as deferred contract income.

The College collects tuition fees and other student fees in order to support the delivery of programs, courses and other student related activities. Room and board fees are also collected to support the student residence operations.

Revenues are recognized in the period in which (i) the transactions or events occurred that gave rise to the revenues and (ii) the College expects to obtain future economic benefits as a result of the underlying transaction or event. To the extent cash proceeds are received in advance of meeting the above revenue recognition criteria, the amount is recorded as deferred contract income within the Statement of Financial Position.

Other indemnification agreements

In the normal course of operations, the College signs agreements whereby funds are provided to the College for execution of projects which are subject to restrictions as to the use of funds. The sponsors of these projects can execute an audit of the financial records of the College to ensure compliance with the project requirements. In the event that amounts to be reimbursed to the sponsor of a project are identified, the necessary adjustments will be recognized in the year they are identified.

f) Expenses

Expenses are recorded on an accrual basis when goods are received or services are rendered.

g) Tangible capital assets

Equipment, furniture, buildings and building improvements are recorded at cost and amortized on a straight-line basis over their estimated useful lives as follows:

Computers and printers	4 years
Furniture and equipment	10 years
Building improvements	20 years
Buildings	25 years
Mobile equipment	10 years
Capital leases	Shorter of lease term or useful life

When conditions indicate that a tangible capital asset no longer contributes to the College's ability to provide services, or that the value of the future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible asset is reduced to reflect that a permanent decline in the value of the asset has occurred. The related expense is recorded in

2. Significant accounting policies (continued)

the Statement of Operations and Accumulated Surplus and is not reversed if conditions subsequently change.

The College classifies leases for equipment as either capital or operating leases, as appropriate.

Capital leases

Those leases which transfer substantially all the benefits and risks of ownership of property to the College are accounted for as tangible capital assets along with the related capital lease obligation. Both are initially recorded at the lesser of the present value of minimum lease payments and fair value of the leased asset, effective at the beginning of the lease. The discount rate used to determine the present value of the lease payments is the lower of the College's incremental borrowing or the interest rate implicit in the lease. Note 6 provides a schedule of repayment and amount of interest on the leases.

Operating leases

Operating leases are those leases where substantially all the benefits and risks of ownership are not transferred to the College. Lease payments under operating leases are expensed on a straight line basis over the term of the lease and are not amortized.

h) Annual leave

The College's employees are entitled to annual leave under the terms of employment. Annual leave is calculated by applying an hourly entitlement rate to each regularly scheduled hour worked. The hourly entitlement rate is set out in the applicable collective agreements and is based on the number of completed years of continuous service. Annual leave credits are paid out at the employee's current rate of pay, when an employee ceases to be an employee or when an employee's annual leave balance exceeds the annual carry-over amount. The liability for employee leave benefits is recorded in the Accounts payables and accrued liabilities of the Statement of Financial Position as benefits accrue to employees.

i) Employee future benefits

Pension benefits

Eligible employees of the College are covered by the Public Service Pension Plan (the "Plan"), a defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the College to cover current service cost. Pursuant to legislation currently in place, the College has no legal or constructive obligation to pay further contributions with respect to any past service or funding deficiencies of the Plan. Consequently, the employer contributions are recognized as an expense in the year when employees have rendered service and represent the total pension obligation of the College.

Non-pension benefits

Under the conditions of employment, eligible employees may earn non-pension benefits for severance and removal costs based on years of service. The severance benefits and removal costs are paid upon resignation, retirement or death of an employee. The expected cost of providing these non-pension benefits is recognized as employees render service. An actuarial valuation of the cost of these benefits has been prepared using data provided by management

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2021

(in thousands of dollars)

2. Significant accounting policies (continued)

and assumptions based on management's best estimates. The College provides severance benefits to eligible employees based on years of service and final salary, and removal benefits based on years of service and their community of residence. These benefits represent the employee future benefit obligation of the College that entails settlement by future payment.

Included in the non-pension benefits is an amount for employees who are permitted to accumulate unused sick leave. However, such entitlements do not vest and can be used only in the event of illness. The amount of accumulated sick leave entitlements which are expected to be used in future years is determined by an actuarial valuation and has been recorded in the financial statements.

j) Financial instruments

Financial instruments are identified by financial asset and financial liability classifications.

The following is a list of the College's financial instruments and their related measurement basis as at June 30, 2021.

<i>Financial Assets:</i>	<i>Measurement Basis</i>
Cash	Cost
Accounts receivable	Cost

<i>Financial Liabilities:</i>	<i>Measurement Basis</i>
Accounts payable and accrued liabilities	Cost
Due to the Government of Nunavut	Cost

As all financial instruments are measured at cost, there have been no remeasurement gains or losses. Therefore, the Statement of Remeasurement Gains and Losses has been excluded.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the Statement of Operations and Accumulated Surplus. The allowance for doubtful accounts is based on management's best estimate of probable losses.

k) Contingencies

A contingent liability is a potential liability which may become an actual liability when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense is recorded. If the likelihood is not determinable or an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements and no liability is accrued.

2. Significant accounting policies (continued)

l) Related party transactions

Inter-entity transactions

The College is related in terms of common ownership, to all Government of Nunavut created departments and territorial corporations. The College enters into transactions with these entities in the normal course of business, at normal trade terms. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Other related party transactions

Other related parties include key management personnel (President, CFO, Deans, Senior Management, Board of Directors, etc.), close family members of key management personnel, and entities that are controlled by key management personnel or their close family members.

Related party transactions, other than inter-entity transactions, are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

m) Prepaid expenses

Prepaid expenses are charged to expense over the periods expected to benefit from it.

3. Future accounting changes

Section PS 3280 – Asset Retirement Obligations has been issued by the PSAB and is effective for fiscal years beginning on or after April 1, 2022. This section establishes standards as to how to account for asset retirement obligations.

Section PS 3400 – Revenue has been issued by the PSAB and is effective for fiscal years beginning on or after April 1, 2023. This section establishes standards on how to account for and report revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations and transactions that do not have performance obligations.

The College is currently in the process of assessing the accounting changes and any impact on the financial statements.

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2021

(in thousands of dollars)

4. Accounts receivable

	<u>2021</u>	<u>2020</u>
Student receivable		
Government of Nunavut	\$ 1	\$ 425
Student accounts	788	967
	<u>789</u>	<u>1,392</u>
Contracts receivable		
Government of Nunavut	20,214	1,598
Others	195	1,502
	<u>20,409</u>	<u>3,100</u>
Other receivable		
Government of Nunavut	54	106
Other	333	299
	<u>387</u>	<u>405</u>
 Total receivable	 21,585	 4,897
Less: Allowance for doubtful accounts		
Student receivable	(548)	(1,123)
Contract receivable	(5)	(278)
Other receivable	(15)	(10)
	<u>\$21,017</u>	<u>\$ 3,486</u>

There is no concentration of accounts receivable with any customer, except the Government of Nunavut – \$20,269 (2020 – 2,129) which has an allowance of \$12 (2020 – \$433).

In accordance with Section 82(1) of the *FAA*, there were write-offs of \$269 requiring approval by the Board of Governors during the year 2021 (2020 - nil).

5. Accounts payable and accrued liabilities

	<u>2021</u>	<u>2020</u>
Trade payables and accrued liabilities	\$ 1,961	\$ 2,240
Employee benefits payable	1,916	1,813
Deposits payable	256	274
	<u>\$4,133</u>	<u>4,327</u>

The total amounts above are non-interest bearing.

6. Capital lease obligations

Capital lease obligations are based upon contractual minimum lease payments for leases in effect as of June 30.

	<u>2021</u>	<u>2020</u>
Total minimum lease payments	\$ 221	\$ 377
Less: Imputed Interest (total interest expense to be incurred)	<u>(2)</u>	<u>(5)</u>
Present value of minimum lease payments	<u>\$ 219</u>	<u>\$ 372</u>

The future minimum lease payments for each of the next two (2) fiscal years are:

2022	\$	156
2023		<u>65</u>
		<u>\$ 221</u>

Lease payments are allocated between repayments of the liability and interest expense. The total minimum lease payments less the initial liability represent the total interest cost of the lease. The interest expense is calculated using the same discount rate used in computing the present value of the minimum lease payments applied to the outstanding lease liability at the beginning of the lease payment period.

Interest expense related to capital lease obligations for the year was \$4 (2020 - \$6) at an implied average interest rate of 1.36% (2020 - 1.36%). The capital lease obligations expire in fiscal year 2023.

7. Professional development fund

The College is required under the Nunavut Employees Union Collective Agreement to contribute an amount equivalent to 4% (2020- 4%) of instructors' salaries for professional development activities. Contributions to the professional development fund during the year were \$373 (2020 - \$303) and this amount is recorded as an expense in the Statement of Operations and Accumulated Surplus.

The professional development fund represents accumulated annual provisions for professional development activities, less accumulated eligible professional development expenses. The College expects to settle the obligation based on future eligible expense claims.

	<u>2021</u>	<u>2020</u>
Opening fund balance	\$ 2,000	\$ 2,106
Add: Contributions	373	303
Interest earned	16	28
Less: Professional development expenditures	<u>(107)</u>	<u>(437)</u>
Closing fund balance	<u>\$ 2,282</u>	<u>\$ 2,000</u>

8. Employee future benefits

a) Pension benefits

Eligible employees of the College are covered by the Plan. Contributions are required by both the employees and the College. The President of the Treasury Board of Canada sets the required employer contributions based on a multiple of the employees' required contribution. The general contribution rate effective at year end was 1.01 times for members enrolled before January 1, 2013 and 1.00 times for members enrolled beginning January 1, 2013 (1.01 and 1.00 times respectively for prior year).

The Government of Canada holds a statutory obligation for the payment of benefits relating to the Plan. Pension benefits generally accrue up to a maximum period of 35 years at an annual rate of 2 percent of pensionable service times the average of the best five consecutive years of earnings. The benefits are coordinated with Canada Pension Plan benefits and they are indexed to inflation.

The College's and employees' contributions to the Plan for the year were as follows:

	<u>2021</u>	<u>2020</u>
College's contributions	\$1,736	\$ 1,641
Employees' contributions	1,726	1,631

b) Non-pension benefits

Actuarial valuations, of the accrued employee severance, removal, and sick leave benefit obligations for accounting purposes, are performed triennially using the projected unit credit method. The most recent actuarial report was prepared as at March 31, 2021.

These benefit plans are not pre-funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation. Future benefits will be paid out of future appropriations.

The accrued obligations at year end are as follows:

	Severance and removal	Sick leave	2021	2020
Accrued benefit obligations at beginning of the year	1,324	583	1,907	1,496
Benefits earned	88	-	88	171
Interest cost on the average accrued benefit	29	18	47	41
Benefits paid	(32)	(16)	(48)	(134)
Actuarial loss	67	20	87	333
Accrued benefit obligations at end of year	1,476	605	2,081	1,907

Significant assumptions used towards the calculation of these benefits are based on management's best estimate and are as follows:

8. Employee future benefits (continued)

	<u>2021</u>	<u>2020</u>
Benefit obligation as of March 31:		
Discount rate	2.1%	3.2%
Rate of compensation increase	3.0%	3.0%
Benefit costs for years ended on March 31		
Discount rate	3.2%	2.7%
Rate of compensation increase	3.0%	3.0%

9. Expenses by object

	Related Party	Other	<u>2021</u>	<u>2020</u>
Salaries and employee benefits	\$ 1,619	\$ 32,897	\$34,516	\$ 33,533
Buildings and utilities	9,845	731	10,576	11,731
Fees and professional services	1,121	5,927	7,048	10,089
Housing	-	3,086	3,086	3,117
Materials and supplies	-	1,215	1,215	1,243
Telecommunications	-	817	817	686
Furniture and equipment	-	689	689	504
Travel	-	529	529	1,941
Professional development fund (Note 7)	-	373	373	303
Amortization (Schedule A)	-	367	367	383
Advertising and promotion	-	298	298	380
Freight and postage	-	258	258	285
Bad debt expense	-	83	83	153
	<u>\$ 12,585</u>	<u>\$ 47,270</u>	<u>\$59,855</u>	<u>\$ 64,348</u>

10. Related party transactions

The College is related in terms of common ownership to all Government of Nunavut created departments and territorial corporations. The College enters into transactions with these entities in the normal course of business, at normal trade terms (except for services provided without charge which are based on the Government's carrying amount). The College recorded the following related party transactions and balances:

Government contributions

	<u>2021</u>	<u>2020</u>
Appropriations received from the Government of Nunavut	\$ 18,993	\$ 39,019
Appropriations receivable from the Government of Nunavut	18,992	-
Services provided without charge	<u>12,585</u>	<u>14,267</u>
Total government contributions	<u>\$ 50,570</u>	<u>\$ 53,286</u>

The Government of Nunavut provides funding to the College for the period April 1 to March 31 annually. The College recognizes government contributions as revenue on April 1. Seventy five percent (75%) of the amount recognized includes government contributions designated for the first nine (9) months of the College's 2021/22 fiscal year.

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2021

(in thousands of dollars)

10. Related party transactions (continued)

Contract Income

Of the \$6,230 (2020 - \$8,592) of contract income earned in the year, \$4,366 (2020 - \$4,287) is for courses delivered on behalf of the Government of Nunavut.

Due to the Government of Nunavut

	<u>2021</u>	<u>2020</u>
Due to the Government of Nunavut	\$10,727	\$7,273

This amount represents expenditures originally paid by the Government of Nunavut, primarily payroll, and invoiced to the College for payment.

Services provided without charge

The College receives payroll processing, insurance and risk management services, human resources, employee benefits and information technology services without charge from the Government of Nunavut. The College also receives, without any rental charges, the use of facilities for its campuses, head office, student housing units and community learning centers. The Government's amortization expense for these assets has been used as the basis for measuring the expense relating to the use of these facilities. Payroll processing expense and employee benefits are allocated based on the College's estimated employee headcount for the year.

	<u>2021</u>	<u>2020</u>
Use of facilities	\$ 9,845	\$ 10,958
Payroll processing and other services	1,121	1,825
Employee benefits	1,619	1,484
	<u>\$12,585</u>	<u>\$ 14,267</u>

There are \$2,354 (2020 - \$2,354) of appropriations that were reallocated from the College to a Government department for the use of facilities that have not been recognized in the College's financial statements as services provided without charge.

11. Contractual obligations

The College entered into an agreement for, or is contractually obligated for, the following basic payments subsequent to June 30, 2021 with third parties:

University partnership agreements	\$4,194
Catering services contract	804
Leases on student accommodation	466
Program Delivery	282
Technology Operations	164
Financial Support Services	34
Applied research service contracts	27
Leases on instructor accommodation	8
	<u>5,979</u>

11. Contractual obligations (continued)

Contractual obligations by fiscal year are as follows:

2022	\$ 3,415
2023	1,351
2024	1,194
2025	19
	<u>\$5,979</u>

The contractual obligations expire during the fiscal year 2025.

12. 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 College's contractual rights arise because of contracts entered into for educational services (contract income) and government contributions. The following table summarizes the contractual rights of NAC for future assets:

Contractual rights	2022	2023	2024	Total
Future contract income	\$9,965	\$9,411	\$ -	\$ 19,376

13. Financial risk management

The College has exposure to the following risks from its use of financial instruments: credit risk and liquidity risk. There have been no changes to the level of risks compared to prior year and no changes to the risk management practices used to manage risks.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet their obligations. Such risks arise principally from certain financial assets held by the College consisting of cash and accounts receivable.

The maximum exposure to credit risk of the College at June 30, 2021 is the carrying value of these assets.

(i) Cash

The College manages its credit risk relating to cash by dealing with Canadian chartered banks. The College may invest surplus funds to earn interest income with the objective of maintaining safety of principal and providing adequate liquidity to meet cash flow requirements.

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2021

(in thousands of dollars)

13. Financial risk management (continued)

(ii) Accounts receivable

The College's exposure to credit risk associated with accounts receivable is influenced mainly by the type of debtor. The types of debtor as at June 30, 2021 are the Government, students and others.

To mitigate credit risk related to accounts receivable, the College does regular follow-up on their accounts receivable. Credit exposure is minimized by dealing mostly with creditworthy counterparties such as government agencies. The College also enforces approved collection policies for student accounts.

As of June 30, 2021, the total accounts receivable past due but not impaired are aged as follows:

<u>0-120 days</u>	<u>121-240 days</u>	<u>Over 241 days</u>
\$370	\$321	-

The College establishes an allowance for doubtful accounts that reflects the estimated impairment of accounts receivable. The allowance is based on specific amounts and is determined by considering the College's knowledge of the financial condition of customers, the aging of accounts receivable, current business condition and historical experience.

The allowance is calculated based on a percentage of aged receivables that are 120 days and over. The percentages applied are determined primarily by the aging of accounts receivable and historical experience. The allowance for doubtful accounts is shown as a reduction to accounts receivable. Management recommends write-offs of student accounts that are overdue for more than 500 days. Student and other receivables related write-offs are submitted to the Board of Governors for their approval. Any write-offs greater than \$20 must be submitted to the Financial

Management Board (FMB) for approval. There were no write-offs requiring FMB approval during the year.

b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting its obligations associated with its financial liabilities.

The College manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated capital and financing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the College's reputation.

The College's financial liabilities are expected to mature in less than one year. The College does not currently believe that it will encounter difficulty in meeting its future obligations associated with its financial liabilities. The College believes that it has access to sufficient capital through internally generated cash flows, government support and external sources to meet current spending forecasts.

NUNAVUT ARCTIC COLLEGE

Notes to Financial Statements

Year ended June 30, 2021

(in thousands of dollars)

14. Impact of COVID-19

On 11 March 2020, the World Health Organization declared the outbreak of a novel coronavirus (“COVID-19”) as a global pandemic while it spread in Canada and throughout the rest of the world. The pandemic resulted in governments worldwide to enact emergency measures in order to limit the spread of the virus.

On March 18, 2021, the Government of Nunavut declared a state of public health emergency out of an over-abundance of caution since there were a number of COVID-19 cases in Iqaluit. College employees transitioned to working remotely and adopted a remote delivery model for classes. All planned in-person events on campus were cancelled. The impact on tuition fees revenue was not material.

Although these changes did not significantly impact the College for the current year, the pandemic continues to evolve and in the event the situation is prolonged, its operations could be adversely effected which has the potential to significantly impact the financial statements.