

# THE NATIONAL ASSOCIATION OF CAREER COLLEGES



## 2013 Annual Report

### Reinvesting in our Members

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## Minutes from Previous AGM

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### NATIONAL ASSOCIATION OF CAREER COLLEGES L'ASSOCIATION NATIONALE DES COLLEGES DE CARRIERES

**MINUTES** of the Annual General Meeting of Members of the National Association of Career Colleges /  
L'Association nationale des collèges de carrières, held in Vancouver on the 26<sup>th</sup> day of April, 2013.

#### Present:

James Loder, Academy Canada, NL	Audrey Brattberg, Academy of Learning, AB
Charles Jarvis, Academy of Learning, AB	Elmer Brattberg, Academy of Learning, AB
Mohammed Baten, ABM College of Health & Tech, ON	Martine Sabatier, Campbell College, AB
Patti Papirnik, Alberta Enterprise and Advanced Ed, AB	Lori Pawson, Avant-Garde College, SK
Dean Croft, Automotive Training Centre, BC	Polly Zheng, Brighton College, BC
Sunny Sheng, Can. Business Skills College of Tech, ON	Dean Tremain, CDI College, BC
Kristen Odermatt, Can. College of Performing Arts, BC	Vic Tesan, CDI College, BC
Jamie Hartling, Discovery College, BC	Kirsty Lamont, Can. Health Care Academy, BC
Kim Russell Canadian Tourism College, BC	Gwen Donaldson, Canadian Tourism College, BC
Laureen Redman, Centre for Arts & Tech, BC	Al Santos, CTS Canadian Career College, ON
Ginette Gervais, Collège Salette, QC	Mark Carvalho, CTS Canadian Career College,
Ranil Herath, Devry, AB	Krista Clark, Discovery Community College, BC
Lois McNestry, Discovery Community College, BC	John McNestry, Discovery Community Col., BC
Debra Johns, Eastern College, NS	Robert Prendergast, EEC/Robertson/Westervelt
Michael McAllister, Herzing College, ON	Angela Del Bianco, Drake Medox College, BC
Richard Novek, Greystone College, BC	Lina Perrotta, Herzing College, ON
Joe Cairo, MC College, AB	James Cameron, Herzing College, ON
Emidio D'Alfonso, Herzing College, ON	George Hood, Herzing, ON
Cheryl Harrison, MC College, AB	Bernadette Butler, Lokken College, AB
Heather Jones, Oulton College, NB	Kathy Lee, Pharmaceutical Science College of
Bea Rhodes, Rhodes Wellness College, BC	Desiree King, Sprott Shaw College, BC
Alida Sinkelman, Q College, BC	Henry Devlin, Robertson College, MB
Wayne Palendat, Robertson College, AB/MB	Blair Chapman, Saskatoon Business College, SK
Rich Chapman, Saskatoon Business College, SK	Geoff Collier, Thompson Career College, BC
Maggie Harvie, Sprott Shaw College, BC	Frank Gerenscer, triOS College, ON
Dianne Girard, Sprott Shaw College, BC	Don Thibert, Everest College, ON
Peter Dykstra, Medix School, ON	Rupert Altschuler, Everest College, ON
David P. Leonard, Trebas Institute, QC/ON	Luisa Tanzi, Trebas Institute, QC
Chris Sandve, Sprott Shaw College, BC	Martin Theiss, TEC, BC
Jeremy Sabell, TEC, BC	

#### Non-Voting:

Lorna Mills, OACC	Paul Kitchin, OACC
April Chato, OACC	Alix Mahe, OACC
Victoria McBrine, NACC	Amanda Steele, BCCCA
Debra McKinnon, NACC	Debbie Stephens, NACC
Serge Buy, CEO NACC	Kristin Baldwin, NACC (recording secretary)

The meeting was called to order at 8:10am Pacific Time on April 26<sup>th</sup>.

**1. APPROVAL OF THE AGENDA**

The draft Agenda had been circulated prior to the meeting.

On motion duly made by Ginette Gervais, seconded by Ranil Herath and duly carried, the following resolution was passed unanimously:

**RESOLVED THAT** the Agenda be approved as circulated.

**2. APPROVAL OF MINUTES OF THE MAY 4<sup>TH</sup>, 2012, AGM**

The draft minutes of the 2012 AGM had been circulated prior to the meeting. On motion duly made by George Hood, seconded by Ginette Gervais and duly carried, the following resolution was passed unanimously:

**RESOLVED THAT** the minutes of the May 4<sup>th</sup>, 2012, AGM be approved as circulated.

**3. ELECTION OF BOARD MEMBERS**

The Returning Officer, Serge Buy, conducted the election. He explained that there were two Members at Large positions on the Board of Directors that were vacant. The Nominating Committee had presented a slate of three candidates to fill those positions: Rupert Altschuler, Michael McAllister and Lois McNestry.

Mr. Buy asked for nominations from the floor. Hearing no nominations, Mr. Buy closed the nominations.

Mr. Buy asked the candidates if they accepted their nominations. All three candidates accepted their nominations.

Speeches were made by the three nominees.

Voting then took place on a paper ballot, with voting members asked to write the names of two nominees they would like to sit on the Board of Directors as Members at Large.

Ballots were collected in a ballot box, and Mr. Buy withdrew to count them, with staff member Victoria McBrine acting as witness.

Upon his return he announced that Rupert Altschuler and Michael McAllister were voted by the members to the Board of Directors.

He then asked for a motion to destroy the ballots or if there was a call to contest the count.

On motion duly made by Frank Gerencser, seconded by Ginette Gervais and duly carried, the following resolution was passed unanimously:

**RESOLVED THAT** the ballots be destroyed.

**4. SPECIAL RESOLUTION OF MEMBERS**

a. By-law amendment

It is proposed that NACC's By-law Article 4.03 "Active Members" be amended to include the following addition (underlined) that limits NACC membership to colleges registered with their province or territory. This change had been approved by the Board of Directors.

Article 4.03 "Active Members"

An Active Member is any Private Career College actively engaged in the business of private postsecondary education and training in Canada, is regulated by their provincial or territorial government as a private career college, and is:

- a. A member in good standing of a Provincial Association Member; or
- b. Has been accepted as a member by the Board and has paid the required annual membership fees if there is no Provincial Association Member in the province in which the institution operates.

Private Career Colleges operating multiple locations shall apply for an individual Active Membership for each location.

On motion duly made by Wayne Palendat, seconded by Martine Sabatier and duly carried, the following resolution was passed unanimously:

**RESOLVED THAT** the By-laws be amended as proposed.

b. Articles of Continuance

New regulations have come into force governing not-for-profit corporations. All corporations must replace their letters patent with new charter documents by submitting Articles of Continuance to obtain a Certificate of Continuance.

The resolution had been circulated in advance and was read out to the members:

Continuing the Corporation under the provisions of the *Canada Not-for-profit Corporations Act* and authorizing the directors to apply for a Certificate of Continuance.

WHEREAS the Corporation was incorporated under Part II of the *Canada Corporations Act* by Letters Patent dated the 4<sup>th</sup> day of May, 1964; and

WHEREAS those Letters Patent were amended by Supplementary Letters Patent dated the 30<sup>th</sup> day of September, 1976, and the 30<sup>th</sup> day of July, 1990; and

WHEREAS it is considered to be in the best interests of the Corporation that it be continued under the *Canada Not-for-profit Corporations Act* (NFP Act) pursuant to section 297 of the NFP Act;

On motion duly made by David Leonard, seconded by Geoff Collier and duly carried, the following special resolution was passed unanimously:

**BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. The directors of the Corporation are authorized and directed to make an application under section 297 of the NFP Act to the Director appointed under the NFP Act for a Certificate of Continuance of the Corporation;
2. The Articles of Continuance (transition) of the Corporation, which have been submitted to this meeting, are approved;
3. The general operating by-laws of the Corporation (as amended) are repealed effective on the date that the corporation continues under the NFP Act and the new general operating by-laws which have been submitted to this meeting are approved and will be effective on the same date.
4. Any one of the officers and directors of the Corporation is authorized to take all such actions and execute and deliver all such documentation, including the annexed Articles of Continuance (transition), the notice of registered office and of directors in the forms fixed by the Director, which are necessary or desirable for the implementation of this resolution.

**5. REPORTS**

a. Report from the Chair

The Chair, Mr. Loder, reviewed some of the good work done by NACC in 2012 and the Board accomplishments of the last year. He also referred to the Chair's Report in the Annual Report.

b. Report from the Chief Executive Officer

Having already listed NACC's achievements in his annual review the day before, CEO Serge Buy took the opportunity to thank Conference Committee for organizing and hosting the conference and the NACC staff for their work in running the conference.

**6. FINANCIAL REPORTS**

a. Audited Statements for 2011

The Treasurer, Debra Johns, presented the financial statements for 2012.

On motion duly made by Martine Sabatier, seconded by Wayne Palendat and duly carried, the following resolution was passed unanimously:

**RESOLVED THAT** the Audited Financial Statements for 2012 be approved as presented.

b. Budget for 2012

The Treasurer, Debra Johns, presented the budget for 2013.

A motion was made by Mohammed Baten to increase membership fees to \$400. Receiving no second, the motion was defeated.

On motion duly made by Lois McNestry, seconded by Geoff Collier and duly carried, the following resolution was passed unanimously:

**RESOLVED THAT** the 2013 Budget be approved as presented.

c. Appointment of Auditor for 2012

On motion duly made by George Hood, seconded by Mohammed Baten and duly carried, the following resolution was passed unanimously:

**RESOLVED THAT** David McCarroll be appointed as auditor for NACC for 2013.

**7. NEW BUSINESS**

There was no new business.

**8. RATIFICATION OF BOARD ACTIVITIES**

On motion duly made by Frank Gerencser, seconded by Mohammed Baten and duly carried, the following resolution was passed unanimously:

**RESOLVED THAT** the actions of the Board of Directors in 2012 be ratified by the members.

**9. PRESENTATION OF 2013 CONFERENCE INFORMATION**

Director Frank Gerencser gave the 2014 conference information. It will take place in Ottawa at the Ottawa Marriot Hotel.

**10. ADJOURNMENT**

There being no further business to come before the meeting, on motion duly made by Ranil Herath, seconded by Mohammed Baten and duly carried, at approximately 9:20am, the meeting adjourned.

## Message from the Chair

James Loder, Chair



In 2012, I put my name forward to lead the Board of directors of the National Association of Career Colleges. I was elected by my peers at the first Board meeting following our annual general meeting in Montreal and proceeded to chair the Board through some very interesting and challenging times.

In the past two years, NACC went through a modernization process, where we accomplished the following:

- Moved our office to Ottawa – after 117 years in Brantford, we decided to move all of our operations to one place: the nation's capital
- Hired new professional staff that are helping members with their questions and issues related to services
- Approved plans to modernize the educational services' IT infrastructure
- Changed our governance model to have the Board concentrate more on vision, direction and oversight

While we've faced some hurdles, we are confident we are headed on the right path. Indeed, we have seen some major results:

- The government of Canada, in the 2013 Budget, has acknowledged the role that career colleges play in training and post-secondary education by specifically mentioning us in the section related to the Canada Job Grant
- We have had access to senior bureaucrats and politicians, meeting with Ministers Kenney, Finley, Alexander, Bergen and Leitch
- The government of Canada has given NACC a grant to implement a project related to alternative career pathways for newcomers

Progress has been made on other files as well, as this annual report shows. I wish to thank all Board members for their extensive committee work.

NACC is now a professional, organized and effective association representing its members and having an impact on our members' operations through our activities and advocacy.

As my term as Chair comes to an end, I feel proud and confident about the future of the association. I can see that the changes designed and approved by the Board are having a positive impact.

I am looking forward to a great 2014 Conference!

## Message from the CEO

Serge Buy, CEO



In 2013, we had a clear, tangible impact on the Canadian post-secondary landscape. NACC continues to take an active role in representing your interests on the federal scene and promoting the sector.

NACC continued to reorganize itself in order to better meet the challenges of a continually evolving political, social and economic landscape.

We moved our office from Southwestern Ontario to Ottawa in order to be closer to our main stakeholders, including the federal government. This was a difficult decision, but it was necessary.

It resulted in eleven new employees hired for NACC. As all our members would know, the hiring of such a large amount of new employees has its challenges. But we are pleased that we're now, in most cases, over the transition stage, and things are moving forward. We thank our members for their patience.

The Board of Directors has also agreed to reinvest in our educational programs, not only to modernize our IT infrastructure but also to seek growth in order to serve more members in different regions.

On the political front, we gained visibility when the late Minister of Finance, the honourable Jim Flaherty, introduced the government's main budgetary measure, the Canada Job Grant, and referred to career colleges in his speech. Other Ministers later also referred to our sector. A significant increase in media interest followed, as they were finding out what we could offer and how.

Over the last year, we met with Ministers Diane Finley (then with Human Resources and Skills Development Canada), Chris Alexander (Citizenship and Immigration Canada), Jason Kenney (Employment and Social Development Canada and Multiculturalism) and Candice Bergen (Social Development). We were also able to meet senior staff in various ministers' offices. We will continue our advocacy efforts in order to deliver on behalf of our members.

On top of progress on various files, we received confirmation that the federal government decided to fund NACC to work with our members in order to help newcomers find alternative career pathways.

A number of positive media stories were published on our sector – some from journalists directly writing about us and others that we submitted to various media outlets. Millions of Canadians were thereby exposed to positive stories on our sector. Entrepreneurs (through chambers of commerce publications and the Canadian Industry Online publication) also were able to read directly about our work.

Likewise, our social media strategy led to some results. Not only did we reach over 500 followers on Twitter but a lot of our social media communication is being re-circulated by stakeholders, politicians, media and our members. This allows us to reach tens of thousands more people on an annual basis.

If we look back at what took place in 2013, we can see that our sector's credibility and importance was better recognized as a key partner in the post-secondary education sector. A solid foundation is in place for growth moving forward, and I look forward to working with you to make it happen!

## NACC Office Report

Phil McKnight, Chief Operating Officer



2013 was a year of transition for NACC. After serving members for over 115 years from Brantford, Ontario, NACC relocated to the nation's capital of Ottawa.

There are a great many challenges that come with making such a move. However, with the help of the longtime staff members in Brantford and the new ones starting up in Ottawa, the move went quite smoothly, with only some minor glitches along the way. NACC's office staff in both locations were committed around the move to keeping up the high quality service our members expect, and I believe we succeeded.

As part of our move, we have assembled a new team to meet NACC's needs as we move the association forward in the coming years. I'd like to introduce the team now. As you get to know them better in the coming weeks, months, and years, you will see their continuing commitment to NACC's mission.

- **Debbie Archer, Finance and Administration Coordinator** – Debbie brings years of office administration experience. She has ensured bookkeeping and HR components within the office are run effectively, and she has improved organizational efficiency in order to ensure that members experience the best possible interaction with our office.
- **Adelaide Anuseh, Membership Services Coordinator** – Adelaide is the front line contact person for members, helping them with enquiries and ensuring member experience with NACC remains first rate. She is spearheading a project to improve our information database on members and is invaluable in contributing to organizing NACC's annual conference.
- **Karine Hopper, Educational Programs Manager** – Karine has extensive experience working in education and government and is using that in the development of programs and to extend NACC programs into other provinces from the ones in which we already operate. She is committed to ensuring NACC's programs continue to adapt and remain current for members.
- **Kelly Mullen-Dennis, Educational Services Coordinator** – Kelly has exceptional administration and customer service skills. She will ensure that the exam system and educational programs that members use continue to be accessible and reliable as we strive to provide the high quality support that our members demand and deserve.

As we work for you, please feel free to provide any suggestions you like. We look forward to maintaining the services members are used to while growing and adapting to all that comes our way!



## Educational Services Report

Karine Hopper, Manager of Educational Programs



NACC is committed to providing quality programs for our members and their students. These programs help students obtain meaningful employment. In order to do this, NACC undertakes a number of activities designed to strengthen the integrity of program delivery.

This year, we undertook a number of activities:

- 34 audits were conducted.
- The Instructor Development Day took place at Medix College in London, Ontario, in November 2013. It was led by facilitator Jerry Bishop, with presentations by Mary Wilk and Michael Lewis.
- 29 college personnel attended the session in London, with a further 73 taking part by recorded webinar. It was open to all of our members, not just those who run NACC programs.
- We began substantial work on developing an Early Childhood Education curriculum, which will be complete in 2014.
- The majority of our activities in 2013 remained focused on responding to our members' questions, requests and concerns.

The following numbers of students graduated from NACC programs in 2013:

NACC Program	# of campuses	# of graduates
Early Childcare Assistant	49	330
Pharmacy Assistant	8	48
Esthetics	19	48
Personal Support Worker	165	4,924

For 2014, we hope to accomplish the following:

- Make available our Early Childhood Educator program once the Ontario College of Early Childhood Educators approves it.
- Update our Personal Support Worker program once the Province of Ontario has finalized its new standards in 2014.
- Continue to seek provincial government endorsements for our programs, allowing more schools to deliver it.
- Modernization of our exam system.
- Conduct approximately 60+ audits.

## Committee Reports

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The Board of Directors of NACC is responsible for overseeing and monitoring all significant aspects of the management of NACC's business and affairs to fulfill its mandate.

To assist the Board in fulfilling its responsibilities, in early 2012 the Board established six standing committees of the Board. These were designed to cover the major strategic and oversight areas the Board covers in order to ensure that NACC remains a high-performing association.

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### Finance and Governance Committee Report

Debra Johns (Chair) Geoff Collier Robert Prendergast
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The Finance and Governance Committee has the important role of overseeing NACC's finances. In addition, it reviews governance practices and policies, and it oversees the process for the election of Board Members by serving as the Nominating Committee.

2013 saw a strengthening of the position from which NACC's Board of Directors governs and oversees all operations. In particular, the committee accomplished the following:

- Reviewed financial statements on a monthly basis.
- Conducted a full review and revision of the by-laws, proposing amendments to the member voting policy and Chair voting rights.
- Oversaw the presentation of a slate of candidates and election of Board members.
- Undertook an overview of the long term financial sustainability of the organization.
- Ensured that compliance documents and processes to keep the organization in good standing are current.

In the coming year, the Finance and Governance Committee pledges to continue to safeguard the association with its oversight of finances, while strengthening the capacity of the Board of Directors to govern in a manner that will see NACC provide real value to the membership.



## Communications and Domestic Promotion of PCCs Committee Report

Joe Cairo (Chair)  
Blair Chapman  
David P. Leonard

NACC's Communications Committee's mandate is to review communications and promotions. 2013 was very productive for NACC in those areas.

The Committee did the following:

- Planned future communications – internally (to members) and externally (to a variety of stakeholders including government officials, accreditation associations, industry associations, employee associations, unions, and many more).
- Reviewed NACC's social media strategy and program – including Twitter, Facebook and LinkedIn.
- Oversaw NACC's staff, which contacted all NACC members to ensure that NACC has updated contact information.
- Worked on developing the new NACC website.
- Discussed stories in the news relating to NACC, or where NACC is referred to or quoted.
- Advised on the newsletters that are going out regularly to our stakeholders. These are important tools to update our stakeholders on what is happening in our sector.
- Considered content and career profiles for Career Connections Magazine.

The Committee is always hoping to hear from members. Part of communicating effectively is to listen as well. Feel free to contact the NACC office with any ideas on communications initiatives!

## International Promotions Committee Report

George Hood (Chair)  
Frank Gerencser

The International Promotions Committee was put in place to plan and implement international marketing programs. Among the committee's major achievements are the following:

- NACC developed new [www.careercollegescanada.com](http://www.careercollegescanada.com) website to promote international students attending career colleges in Canada. It contains many useful features:
  - Database of testimonials
  - Searchable database of NACC members
  - Information for international students
- Developed code of ethics for schools receiving international students, sent to federal and provincial government officials.
- We developed the framework for a Registry of Educational Agents – How to Choose an Agent
- We participated in the ICEF trade show exchange.

The committee is looking forward to increased activity internationally, as the framework is in place to participate in international trade shows and recruit a high volume of international students to career colleges in Canada.

### Conference Committee Report

Frank Gerencser (Chair)  
Ginette Gervais  
Rupert Altschuler

The major function of the Conference Committee is to provide oversight and direction to NACC staff in relation to the NACC Annual Conference. Taking in feedback in the form of a survey the previous year's sponsors, exhibitors and delegates, the committee analyzed the detailed stats and made some adjustments for the 2014 Conference and AGM:

- New sponsorship package options were created, derived from the feedback provided. As a result, we have seen an increase in conference sponsorship.
- New, innovative workshops and speakers were assembled.
- We launched calls for the Graduate and Educator of the Year Awards – to honour an outstanding educator at an NACC school. These are to be given at the 2014 Conference.

Following from this successful feedback model, NACC expects continued improvement in the delivery of the conference in future years. We look forward to seeing everyone in 2015 in St. John's and 2016 in Calgary!

### Educational Programs Committee Report

Randy Ellingson (Chair)  
Kim Elliott

The Educational Program Committee's mandate is to review NACC's educational programs and initiatives, ensure quality in programs is maintained and make recommendations on new programs. In this regard, 2013 was a successful year.

In particular, the committee can report the following major accomplishments:

- In order to safeguard our curricula, we oversaw a full reviewing of our audit system. NACC has implemented many of the recommendations from that review to strengthen quality standards in our sector.
- We ran another effective Instructor Development Day, and the Instructor Development Program remains a strong tool for our members.
- Another step we took to ensure quality was our decision to revamp our exam services database. The new system coming into place ensures that our exams can be administered as efficiently as possible in the coming years.

We look forward to continued improvement in 2013!

## **Revenue Generation Committee Report**

Ginette Gervais (Chair)  
Rupert Altschuler

NACC's Revenue Generation Committee's mandate is to review grant proposals and all sponsorship activities. 2013 was successful for NACC in those areas. Highlights include the following:

- NACC received funding from the federal government for the Alternative Career Pathways project. This funding will go a long way to enable NACC to partner with settlement and immigrant organizations to assist newcomers to Canada in getting the education they need to find an alternative career.
- NACC was fortunate to receive a Job Creation Partnership grant from the Province of Ontario to hire additional staff to assist with NACC tasks.

In 2013, NACC gained new sponsors, renewed many existing contracts and forged important partnerships with new organizations.

One of these new partnerships was the International Consultants for Education and Fairs (ICEF). NACC representatives will be invited to attend one of their conferences free of charge. ICEF conferences attract international education consultants from around the world. Now they will be able to learn about opportunities for students at career colleges in Canada.

## **Lobbying Committee Report**

Michael McAllister (Chair)  
Victor Tesan

The Lobbying Committee defines the priorities in advocacy for the Association, establishes our objectives and reviews our method. Throughout the year, the Committee undertook a number of activities designed to further NACC's objectives related to its main priorities (international students, funding from Human Resources and Skills Development Canada, HRSDC, for students and inclusion into the Education in Canada Brand).

Some of the achievements include:

- Having career colleges named in the presentation of the Federal Budget by the Minister of Finance
- Supporting of the Canada Job Grant
- Receiving a major grant for the Alternative Career Pathways program
- Pushing Citizenship and Immigration Canada to agree that career colleges be eligible to receive international students

All these efforts are designed to showcase what our sector does best: partner with the employers, get students the ability to reach their goals, have students employed in the professions that they studied in. All these will be promoted in 2014.

## Alternative Career Pathways Project

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Having received a sizable grant from the Government of Canada, NACC started the wheels in motion for the Alternative Career Pathways initiative in the fall of 2013 by hiring a Project Manager, Communications Director and Career Education Specialist.

The staff began the groundwork on this new project designed to assist internationally-trained individuals in accessing alternative careers in Canada. A committee of board members was also formed, consisting of Dr. Michael McAllister, Melanie Meier and Robert Prendergast.

Alternative career pathways are career options other than the profession in which an individual was originally trained; however, it ideally makes use of existing skills and experience. For some newcomers, alternative careers may be a stepping stone to other occupations or may become a new end goal.

In either case the result is improved labour market integration prospects for newcomers, as alternative careers provide them with opportunities to apply their skills and experience in a Canadian context and to learn new skills and gain further experience.

In the fall of 2013, a communications and marketing plan was developed, including flyers and brochures for immigrant-serving organizations, newcomers to Canada as well as for employers in both English and French.

In collaboration with professional organizations, regulatory bodies and industry groups, a series of sample career pathways were developed to stimulate the exploration of career college programs. Outreach to immigrant-serving organizations was initiated to build awareness of NACC programs and training opportunities.

The project is establishing regional alternative careers information hubs across Canada, liaising with member colleges and industry, developing a searchable program database, and sharing best practices for working with internationally trained professionals among member colleges.

By December 2013, regional information centres were staffed by Regional Coordinators and opened in Vancouver, Edmonton, Toronto and Montreal.

2014 and beyond promise exciting times ahead as we extend partnerships and help direct newcomers to the training at career colleges that will help them find alternative careers and become increasingly productive Canadians.

## Board of Directors as at December 31, 2013

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The composition of the NACC Board of Directors at this date:

### Provincial Representatives:

BC	Victor Tesan
AB	Melanie Meier
SK	Blair Chapman
MB	Randy Ellingson
ON	George Hood
ON	Frank Gerencser
QC	Ginette Gervais
NB	Debra Johns
NS	Kim Elliott
NL	James Loder



### Member at Large Positions:

There are six (6) Member at Large positions. Two (2) Members at Large were elected at the 2013 Annual General Meeting for a 3-year term, Michael McAllister and Rupert Altschuler.

Michael McAllister	3 years
Robert Prendergast	2 years
Joe Cairo	1 years

Rupert Altschuler	3 years
Geoff Collier	2 years
David Leonard	1 year

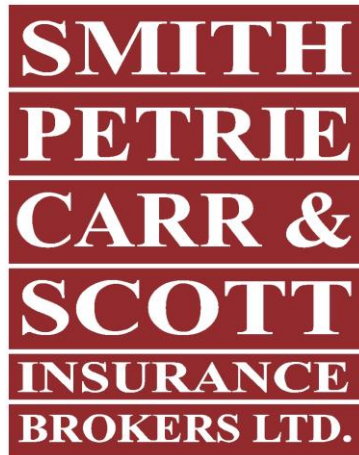
At the 2013 Annual General Meeting, two Board of Directors positions will be up for election: the ones currently occupied by Joe Cairo and David Leonard, whose terms will expire at the 2014 AGM.



## NACC Sponsors

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NACC would like to thank our sponsors.



The Pearson logo consists of the word "PEARSON" in a large, white, serif font, centered within a solid dark blue rectangular background.

## **APPENDIX A**

### **Financial Statements as at December 31, 2013**

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**NATIONAL ASSOCIATION OF CAREER COLLEGES**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013**

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PARKER PRINS LEBANO

**Chartered Accountants**

Professional Corporation

## INDEPENDENT AUDITORS' REPORT

To the Members of the:

**NATIONAL ASSOCIATION OF CAREER COLLEGES**

### Report on the Financial Statements

We have audited the accompanying financial statements of the **NATIONAL ASSOCIATION OF CAREER COLLEGES**, which comprise the Statement of Financial Position as at December 31, 2013, and the Statements Of Changes in Net Assets, Operations, and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

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

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

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

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the **NATIONAL ASSOCIATION OF CAREER COLLEGES** as at December 31, 2013, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Other Matters

The financial statements of **NATIONAL ASSOCIATION OF CAREER COLLEGES** for the year ended December 31, 2012, were audited by another auditor who expressed an unmodified opinion on those statements on March 20, 2013.

*Parker Prins Lebano Chartered Accountants*

Parker Prins Lebano Chartered Accountants Professional Corporation

Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

Ottawa, Ontario

April 30, 2014

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**NATIONAL ASSOCIATION OF CAREER COLLEGES**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2013**

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	<u>2013</u>	<u>2012</u>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 56,699	\$ 64,969
Short-term investments	50,000	219,101
Accounts receivable	123,948	15,878
Prepaid expenses	<u>29,634</u>	<u>35,177</u>
	260,281	335,125
CETAC TRANSITION COSTS (note 3)	50,887	51,887
CAPITAL ASSETS (note 5)	<u>13,938</u>	<u>12,932</u>
	<u>\$ 325,106</u>	<u>\$ 399,944</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (note 8)	\$ 50,725	\$ 33,268
Legal fund (note 7)	11,931	18,900
Deferred Leadership Academy fees	3,617	864
Deferred conference fees	<u>11,618</u>	<u>3,808</u>
	77,891	56,840
<b>NET ASSETS</b>		
INVESTED IN CAPITAL ASSETS	13,938	12,932
UNRESTRICTED NET ASSETS	<u>233,277</u>	<u>330,172</u>
	<u>247,215</u>	<u>343,104</u>
	<u>\$ 325,106</u>	<u>\$ 399,944</u>

Approved by the Board:

\_\_\_\_\_ Director \_\_\_\_\_ Director

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**NATIONAL ASSOCIATION OF CAREER COLLEGES**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

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	<u>2013</u>	<u>2012</u>
<b>INVESTED IN CAPITAL ASSETS</b>		
Balance, beginning of year	\$ 12,932	\$ 13,568
Amortization	(3,096)	(6,531)
Investment in capital assets	<u>4,102</u>	<u>5,895</u>
Balance, end of year	<u><u>\$ 13,938</u></u>	<u><u>\$ 12,932</u></u>
<b>UNRESTRICTED NET ASSETS</b>		
Balance, beginning of year	\$ 330,172	\$ 291,661
(Deficiency) excess of revenue over expenditures	(95,889)	37,875
Amortization	3,096	6,531
Investment in capital assets	<u>(4,102)</u>	<u>(5,895)</u>
Balance, end of year	<u><u>\$ 233,277</u></u>	<u><u>\$ 330,172</u></u>

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**NATIONAL ASSOCIATION OF CAREER COLLEGES**  
**STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

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	<u>2013</u>	<u>2012</u>
<b>REVENUE</b>		
Annual conferences	\$ 75,731	\$ 49,476
Curriculum fees	72,642	78,132
Examination service fees	440,395	344,014
Examination services workshops	6,986	20,750
Leadership Academy (workshop) fees	15,000	52,500
Membership fees	64,431	65,692
Sponsorship	38,185	41,567
Interest and sundry income	5,044	5,170
Legal revenue (note 7)	31,719	-
Pathways Project revenue	74,473	-
School audit fees	6,750	-
	<u>831,356</u>	<u>657,301</u>
<b>EXPENDITURES (Schedule 1)</b>		
Examination services	224,478	189,224
Member services	397,626	278,927
Office and administration	230,667	151,275
Pathway Project expenses	74,474	-
	<u>927,245</u>	<u>619,426</u>
<b>(DEFICIENCY) EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>(95,889)</b>	<b>37,875</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u><b>343,104</b></u>	<u><b>305,229</b></u>
<b>NET ASSETS, END OF YEAR</b>	<u><u><b>\$ 247,215</b></u></u>	<u><u><b>\$ 343,104</b></u></u>

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**NATIONAL ASSOCIATION OF CAREER COLLEGES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

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	<u>2013</u>	<u>2012</u>
<b>CASH FLOWS (USED FOR) FROM OPERATING ACTIVITIES</b>		
(Deficiency) excess of revenue over expenditures	\$ (95,889)	\$ 37,875
Items not affecting cash:		
Amortization	<u>3,096</u>	<u>6,531</u>
	(92,793)	44,406
Net changes in non-cash items related to operations:		
Accounts receivable	(108,070)	23,717
Prepaid expenses	5,543	(14,246)
Accounts payable and accrued liabilities	17,457	(1,203)
Legal fund	(6,969)	18,900
Deferred Leadership Academy fees	2,753	864
Deferred conference fees	<u>7,810</u>	<u>(47,102)</u>
	<u>(174,269)</u>	<u>25,336</u>
<b>CASH FLOWS (USED FOR) FROM INVESTING ACTIVITIES</b>		
Purchases of capital assets	(4,102)	(5,895)
CETAC loan repayment	<u>1,000</u>	<u>1,000</u>
Cash used in investing activities	<u>(3,102)</u>	<u>(4,895)</u>
<b>(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	(177,371)	20,441
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>284,070</u>	<u>263,629</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u><u>\$ 106,699</u></u>	<u><u>\$ 284,070</u></u>
<b>CASH AND CASH EQUIVALENTS REPRESENTED BY:</b>		
Cash	\$ 56,699	\$ 64,969
Short-term investments	<u>50,000</u>	<u>219,101</u>
	<u><u>\$ 106,699</u></u>	<u><u>\$ 284,070</u></u>

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# **NATIONAL ASSOCIATION OF CAREER COLLEGES**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **DECEMBER 31, 2013**

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#### **1. STATUS AND NATURE OF ACTIVITIES**

The Association is incorporated under the Canada Corporations Act as a not-for-profit organization and qualifies as a not-for-profit organization under the Income Tax Act. It provides representation and services to its members. Its members include career colleges and provincial associations representing career colleges.

#### **2. SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and reflect the following significant accounting policies:

##### **REVENUE RECOGNITION**

Revenue from examination, curriculum and other services is recognized when the exams and curriculums are shipped to the customer or the services are provided. Payment is based on agreed prices and credit terms contained on sales invoices. The Association recognizes membership revenues from provincial associations and affiliates on a calendar basis which represents the annual term of membership. Payment is based on agreed prices and terms contained on membership renewal notices. Revenue from conferences and workshops is recognized when they are presented. The liability for the portion of conferences and workshops invoiced but not yet presented is recorded as deferred revenue. Sponsorship revenue is recognized in the calendar year pertaining to the terms of the agreement. Grant revenue is recorded as revenue in accordance with the accrual basis of accounting. Interest revenue is recognized on an accrual basis using the effective interest method.

Provincial associations annually self-assess the NACC members dues from their own provincial memberships and remit the required amount pursuant to terms established for collection. Should a provincial association not exist in a province or a provincial association not be a member of NACC, the Association is able to grant membership to individual career colleges and collect the required membership fees.

##### **SHORT-TERM INVESTMENTS**

Short-term investments are stated at cost.

##### **CAPITAL ASSETS**

Property and equipment consisting of office furniture and computer equipment are stated at cost. Amortization of office furniture and equipment has been provided over the estimated useful life of the assets on a 20% diminishing balance basis and computer equipment at 30% diminishing balance basis.

##### **NET ASSETS INVESTED IN CAPITAL ASSETS**

Net assets invested in capital assets comprises the net book value of property and equipment. Net assets invested in capital assets is a component of unrestricted net assets.

##### **LEGAL FUND**

Members may contribute to a fund, the purpose of which is to provide the ability to finance legal opinions on government policy that would affect the private post-secondary education sector. Contributions to the fund are deferred until such time as services are provided and expenditures are authorized by the board of directors.

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# NATIONAL ASSOCIATION OF CAREER COLLEGES

## NOTES TO THE FINANCIAL STATEMENTS (continued)

DECEMBER 31, 2013

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### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

#### CONTRIBUTED SERVICES

Management of the Association estimates that voluntary members provide approximately 1,500 hours of time without compensation. The value of donated services is not readily determinable and therefore, is not recognized in these financial statements.

### 3. CETAC TRANSITION COSTS

To assist with the funding of the renewal costs of the Canadian Education and Training Accreditation Commission (CETAC), the Association agreed to provide funding for the renewal process which is repayable by CETAC at such time as CETAC is in a financial position to do so. Formal repayments of \$1,000 per year commenced in fiscal 2012.

### 4. FINANCIAL INSTRUMENTS

The Association's financial instruments consist of cash and short-term investments, accounts receivable, accounts payable and accrued liabilities and deposits on account of future services. Management is of the opinion that the carrying values of these financial instruments approximate fair value.

NACC is exposed to credit risk resulting from the possibility that parties may default on their financial obligations, or if there is a concentration of transactions carried out by the same party or if there is a concentration of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions.

Credit risk associated with cash and short-term investments is minimized substantially by ensuring that these assets are invested in financial obligations of financial institutions or governments that have been accorded investment grade ratings by a primary rating agency.

Credit risk associated with amounts receivable is minimized by NACC's large customer base as well as the geographic dispersion of customers. NACC maintains allowances for potential credit losses, and any such losses to date have been within management's expectations.

It is management's assertion that the Association is not exposed to significant interest rate or market risk.

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# NATIONAL ASSOCIATION OF CAREER COLLEGES

## NOTES TO THE FINANCIAL STATEMENTS (continued)

DECEMBER 31, 2013

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### 5. CAPITAL ASSETS

	2013			2012
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	\$ 1,998	\$ 300	\$ 1,698	\$ -
Office furniture and equipment	80,580	68,340	12,240	12,932
	<u>\$ 82,578</u>	<u>\$ 68,640</u>	<u>\$ 13,938</u>	<u>\$ 12,932</u>

### 6. COMMITMENTS

The association has entered into various office equipment operating lease agreements which expire on various dates through September 5, 2014. The leases require annual payments totaling approximately \$4,395.

The Association entered into a two year lease agreement for premises in Brantford commencing on April 1, 2012. The agreement calls for minimum rents of \$1,450 per month, net of applicable taxes. The agreement expires on March 31, 2014.

The Association entered into a five year lease agreement for premises in Ottawa commencing on July 1, 2013. The agreement calls for minimum rents of \$2,667 per month, net of applicable taxes. The Association is also required to pay additional rents in the form of operating expense bills and property tax bills, which are submitted to the Association quarterly and semi-annually respectively. The amount of additional rents has not been disclosed as it varies each year. The agreement expires on June 30, 2018.

Subsequent to year end, the Association entered in to a one year audit services contract at a cost of \$1,333 per month, net of applicable taxes.

As a result of the office relocation, certain staff are eligible to receive salary continuance through June 2014. The estimated maximum cost of this continuance is approximately \$22,500.

The Association has entered into a government relations contract with its CEO for the amount of \$46,860 net of applicable taxes for the 2014 fiscal year. This contract may be cancelled without penalty with ninety days notice by either party.

### 7. LEGAL FUND

Monies received for the legal fund in excess of legal expenses incurred for the purpose of financing opinions on government policies affecting career colleges, are deferred to fund future expenses of this nature. During the year, \$31,719 of these legal expenses, included in professional fees, were incurred, and a corresponding amount of legal fund revenues were recognized.

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**NATIONAL ASSOCIATION OF CAREER COLLEGES**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**DECEMBER 31, 2013**

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**8. GOVERNMENT PAYABLES**

Accounts payable and accrued liabilities include the following government related amounts payable:

	<u>2013</u>	<u>2012</u>
GST/HST	<u>\$ 7,330</u>	<u>\$ 7,330</u>

**9. COMPARATIVE FIGURES**

The comparative figures were audited by another licensed public accountant. Certain of the 2012 comparative figures have been reclassified in order to conform with the current year financial statement presentation.

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# NATIONAL ASSOCIATION OF CAREER COLLEGES

## SCHEDULE 1 - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2013

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	2013	2012
<b>EXAMINATION SERVICES EXPENDITURES</b>		
Committee meetings	\$ 27,757	\$ 26,664
Courier and shipping	4,910	2,636
Curriculum development	2,607	1,618
Equipment rental and maintenance	5,859	5,612
Examination services workshops	-	18,927
On-line examination fees	72,165	12,350
Salaries and benefits	100,846	101,249
Supplies and pins	10,334	20,168
	<u>\$ 224,478</u>	<u>\$ 189,224</u>
<b>MEMBER SERVICES EXPENDITURES</b>		
Annual conference	\$ 79,311	\$ 44,155
Board and committee meetings	44,913	43,542
Careers expense	263	-
Consulting services	228,375	147,550
International promotions	11,097	7,417
Leadership academy operations	32,638	34,112
Lobbying	251	-
Printing and reproduction	778	2,151
	<u>\$ 397,626</u>	<u>\$ 278,927</u>
<b>OFFICE AND ADMINISTRATION EXPENSES</b>		
Amortization	3,096	6,531
Bank charges	14,019	10,315
Computer support services	1,907	1,602
Courier and shipping	1,883	2,705
Insurance	1,617	4,559
Moving costs	1,427	4,268
Office repairs and maintenance	2,892	2,124
Office supplies	5,973	3,601
Professional fees (note 7)	52,100	15,935
Provision for impairment of accounts receivable	-	707
Rent	41,915	28,657
Salaries and benefits	96,522	59,463
Security	298	-
Subscriptions and promotions	1,757	6,301
Telephone, internet and fax	4,891	4,507
Training and development	370	-
	<u>\$ 230,667</u>	<u>\$ 151,275</u>
<b>PATHWAY PROJECT EXPENSES</b>		
Capital costs	\$ 5,191	\$ -
Contractors	3,000	-
Salaries and benefits	55,814	-
Telephone	577	-
Travel	9,892	-
	<u>\$ 74,474</u>	<u>\$ -</u>