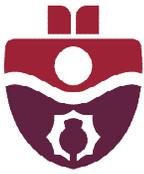


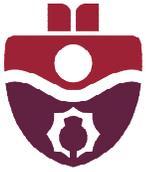
**Saint Mary's  
University**

# Annual Financial Report

March 31, 2022



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# Saint Mary's University

Office of the President

## Introduction

As President and Vice-Chancellor of Saint Mary's University, I am pleased to introduce the university's Annual Financial Report for the 2022 fiscal year

Saint Mary's has ambitious plans for our future. Despite a global pandemic, Saint Mary's University continues to strengthen our position as a place of opportunity and excellence. This report demonstrates that resilience in action and shows accountability to the community and a strong commitment to fiscal responsibility, in keeping with our values and the university's Strategic Plan.

The Board of Governors plays a key role as it oversees management of the university's financial, physical and human assets. Thus, the Board ensures that the annual financial statements are prepared in accordance with best practices and audited by the university's auditor, Grant Thornton LLP.

In this report, you will find commentary and key performance measures related to university debt, used by management and designed to inform all members of the university community. This discussion and analysis should be read in conjunction with the audited financial statements.

The financial statements (pages 15-30) show the university's overall financial picture and are included in this report. The reporting is on a fund accounting basis, using the restricted fund method of accounting for contributions. Our independent auditor has audited the financial statements and, in their opinion, (see page 15) the statements fairly present, in all material respects, the University's financial position at March 31, 2022 and the results of its operations for the year then ended.

The aim of this Annual Financial Report is to ensure our stakeholders have full and transparent information about the university's finances. Thank you for your interest and support for Saint Mary's.

A handwritten signature in black ink, appearing to read "Robert Summerby-Murray".

Robert Summerby-Murray Ph.D.  
President and Vice Chancellor



**Saint Mary's  
University**

# **Management Discussion and Analysis**

**March 31, 2022**



## AGE QUOD AGIS

### VISION

Saint Mary's, building on its strong tradition of accessibility and community engagement, will be the university of choice for aspiring citizens of the world.

### MISSION

The mission of Saint Mary's University is to offer undergraduate, graduate, and life-long learning programs; to engage in research and disseminate its results; and to serve the community from the local to the international level.

### VALUES

Our values articulate our distinctive contribution to civil society, locally and globally. These values are highlighted in the Santamarian Signature:

Pursuing academic growth, Demonstrating resilience, Developing intercultural competence, Engaging our alumni and community; and Exercising ethical wisdom



Discovery & Innovation in a Learning-centred Environment



Intercultural Learning



Institutional Sustainability

We recognize the importance of the contribution and growth of each individual in the university's success and promote a safe, respectful and inclusive learning environment.

Please see **Appendix 2** for the summary of Strategic Plan Initiatives – 2017-2022.

Saint Mary's University, founded in 1802, is located in Halifax, Nova Scotia and is the second largest educational institution in the province. The campus is home to 7,000 students from over 108 countries who are enrolled during the academic year and summer sessions, attending classes on the 42-acre campus in south end of Halifax and more than 800 faculty and staff supporting programs and operations.

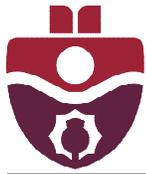
Saint Mary's vision is to be the University of Choice for aspiring citizens of the world. Culturally diverse and globally-connected, Saint Mary's is recognized as a national leader in international and intercultural education. Our global network of 51,000 alumni is strong and engaged; Saint Mary's boasts the 2<sup>nd</sup> highest level of alumni engagement in the country.

An urban, mid-sized university, Saint Mary's offers innovative and relevant programs in Arts, Science, Business, and Graduate Studies and Research. While Saint Mary's is primarily undergraduate, the university is increasingly recognized for research excellence and has strong and growing suite of graduate programs including five PhD programs. It is also well known for athletic excellence and a strong arts program.

The renowned Sobey School of Business is a national leader in business education. It is the only comprehensive business school in the region offering academic and research programming at the undergraduate, Masters, and PhD levels. Saint Mary's mentors innovators and entrepreneurs in every discipline. We are the only Canadian university to offer BA in Entrepreneurship, and the Master of Technology Entrepreneurship & Innovation program attracts ambitious entrepreneurs from around the world. The Saint Mary's University Entrepreneurship Centre is a hub for entrepreneurship for local businesses and award-winning student teams.

The introduction of the five-year Saint Mary's University Strategic Plan (2017-2022) signaled the intention to grow, elevate and expand Saint Mary's, building on the university's distinct strengths, values and culture. Our three key initiatives are: Promoting Discovery and Innovation in a Learning-Centred Environment, Fostering Intercultural Learning and Understanding, and Strengthening Institutional Sustainability. The strategic plan stems from our values which articulate our distinctive contribution to our students and to civil society, locally and globally.

Our Latin motto *Age Quod Agis* calls for us to 'do what we do', to act in the world, to shoulder responsibility, to champion social justice, and to uphold ethical values. It is at the heart of what it means to be a Santamarian.



## Responsibility for Financial Reporting

The administration of the university is responsible for the preparation, integrity and objectivity of the financial statements and the notes thereto. The administration believes that the financial statements present fairly the University's financial position as at March 31, 2022 and the results of its operations for the year then ended.

The administration has also prepared the unaudited financial information presented elsewhere in this financial report and has ensured that it is consistent with the financial statements.

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations per Part III of the CPA Canada Handbook and the standards for private enterprise as per Part II of the Handbook for items not addressed in Part III. Where alternative accounting methods exist, those deemed most appropriate in the circumstances have been chosen. Financial statements include amounts based on estimates and judgment. Such amounts have been determined on a reasonable and consistent basis to ensure that the financial statements are presented fairly, in all material respects.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, the administration has developed and maintains a system of internal control designed to provide reasonable assurance that university assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of financial statements.

The Board carries out its responsibility for review of the financial statements principally through its Audit and Risk Committee. All of the members of the Audit and Risk Committee are independent, i.e., not officers or employees of the University. The Audit and Risk Committee meets regularly with administration and with the external auditors, Grant Thornton LLP, to discuss the planning and results of audit examinations and financial reporting matters. The external auditors have full access to the Audit and Risk Committee with and without the presence of management.

The Board of Governors of Saint Mary's has responsibility to review and approve the financial statements upon the recommendation of management and the Audit and Risk Committee.

A handwritten signature in blue ink that reads "Michelle Benoit".

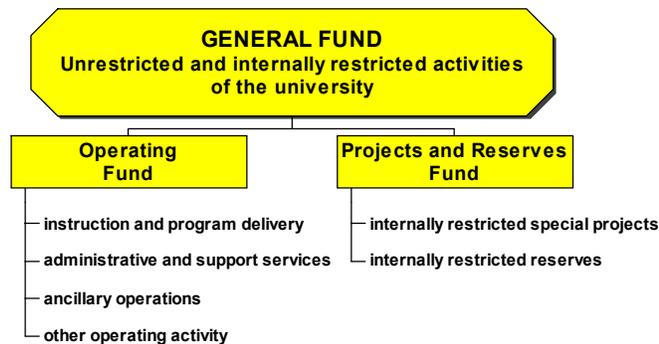
Michelle Benoit  
Vice-President, Finance & Administration

The Board of Governors and management have responsibility to set the strategic directions for the university, allocate resources, and then assess achievements associated with those decisions. Fund accounting assists by classifying financial statement items for accounting and reporting purposes into logical groupings with specified activities and objectives. Presentation of the financial information in fund format, based on restrictions and areas of activity, enables more effective performance evaluation and stewardship.

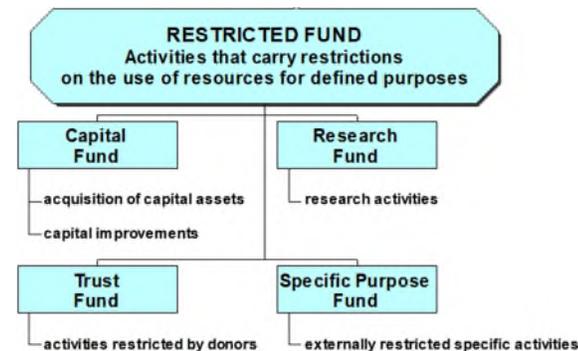
The university reports under the Canadian accounting standards for not-for-profit organizations in Part III of the *CPA Canada Handbook* and the standards for private enterprises as per Part II of the *CPA Canada Handbook* for items not addressed in Part III.

The financial statement structure for Saint Mary's University is comprised of:

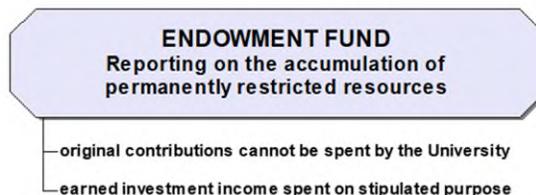
the General Fund



the Restricted Fund



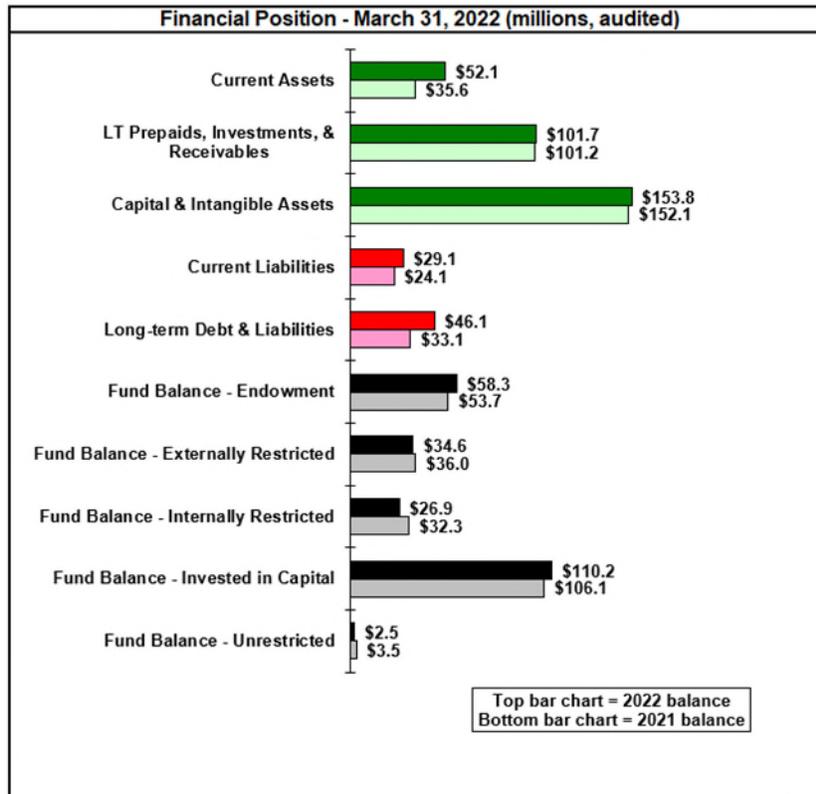
the Endowment Fund



## Financial Position and Fund Balances

(Millions \$)

The Statement of Financial Position reports what the university owns (assets), what it owes to others (liabilities) and the remaining interest or equity in the assets (fund balances) at the March 31, 2022 reporting date.



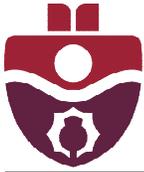
University current assets amount to \$52.1 and are comprised of cash, short-term investments, accounts receivable, inventories and prepaid expenses. The year-end balance of current assets was \$16.5 higher than the previous year. Cash and short-term investments increased by \$15.9. A large portion of the increase in cash is due to the receiving the proceeds of an \$18.5 long term loan which was used to repay the internal financing of the acquisition of land on Inglis Street and the construction of the new Dauphinee Arena.

In total, long-term prepaid expenses, receivables, and investments increased \$0.5 compared to the prior year due to long-term investments. The long-term investments are recorded at fair value and the investment income included net unrealized loss of \$2.0 (2021, unrealized gains of \$11.0) from the change in the fair value. The

university received \$9.3 in gifts and bequests, an increase of \$3.1 from the previous year. The gifts include funds for endowments, program support, and capital projects. Capital and intangible assets, with a net book value of \$153.8, are a prominent component of the university's statement of financial position. The university's buildings comprise 77% of net capital assets.

Current liabilities of \$29.0 include payables, accruals, students' deposits, deferred revenue and the current portion of long-term debt. The year-end balance increased \$5.0 compared to the prior year, for several reasons including; the resumption of on campus activities for residence and dining services, liabilities related to future employee benefits and, payables related to the construction of the Entrepreneurship and Innovation Hub. The increase in long-term debt & liabilities of \$12.9 was primarily due to the new loan of \$18.5 less the normal principal debt repayments (\$3.2), and the change in the fair value of interest rate swaps of \$1.4. These swaps do not qualify for hedge accounting.

The fund balances represent the university's residual interest in its assets after deducting liabilities. The fund accounting method of reporting used by Saint Mary's shows the restrictions on the balances. \$92.9 relates to resources that are constrained by endowments and other external restrictions; \$26.9 is internally restricted by the university for projects and reserves; \$110.2 is the net amount invested in buildings and other capital assets. The unrestricted General Fund balance represents the accumulated surplus and is \$2.5. In total, the fund balances of Saint Mary's University have increased over the past five years from \$188.9 as of March 31, 2018, to \$232.5 as of March 31, 2022.



## Debt Capacity

### Debt Capacity Analysis, March 31, 2022

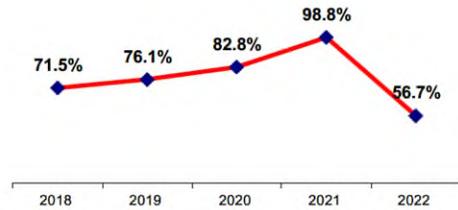
Critical Success Factor: **Ability to pay debt charges with medium term resources**  
 Key Performance Indicator: **Ratio of expendable resources to debt**

Financially healthy institutions are able to draw on an appropriate mix of capital funding. This would include capital grants, fundraising, debt and internally generated cash from operations. When measuring debt capacity, two levels of liquidity are important: i) unrestricted fund balances which are immediately available to be expended and ii) resources which the University can access in the medium term. Together these two types of liquid assets are termed "expendable resources" and provide the capacity to service debt which, in turn, enables the University to fund its educational mission.

Ability to pay debt with medium term resources	2021	2022
Expendable resources (millions)	\$31.6	\$26.8
Debt, incl. current portion of long-term debt (millions)	\$32.0	\$47.3
Ratio of expendable resources to debt	98.8%	56.7%

- in FY2022 the University borrowed \$18.5 million to repay the internal financing of the construction of the Dauphinee Arena and purchase of the Inglis Street Land.
- expendable resources decreased 15.2% and University debt increased 47.8%
- the ratio of expendable resources to debt decreased 42.6% in FY2022

Ratio of Expendable Resources to Debt



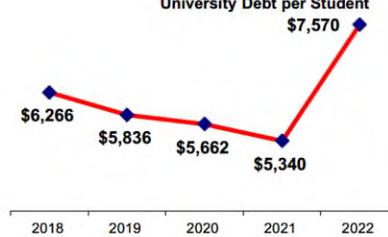
Critical Success Factor: **Manageable debt load**  
 Key Performance Indicator: **University debt per student**

Moody's Credit Research (Special Comment, 2001) indicates that debt capacity in higher education institutions is not a static concept, but changes over time as fundamental credit factors evolve. As a result, the University's debt capacity would increase as enrolment grows, provincial funding strengthens, external donations increase or the endowment levels improve. Student demand is a key indicator that can be used as a proxy for a combination of these fundamental credit factors. Accordingly, the amount of outstanding debt owed by the University per student should be kept at a level that is consistent with the university's tolerance for debt risk.

Manageable debt load	2021	2022
Debt, incl. current portion of long-term debt (millions)	\$32.0	\$47.3
Number of students (full time equivalents)	5,993	6,248
University debt per student	\$5,340	\$7,570

- University debt per student increased \$2,231 during the year as a result of the increase in long-term debt, new \$18.5 million loan
- University debt per student is still within the university's tolerable range for debt risk.

University Debt per Student



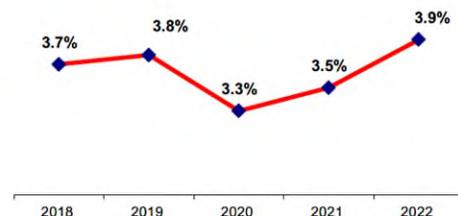
Critical Success Factor: **Debt funding strength arising from operations**  
 Key Performance Indicator: **Ratio of debt service cost to operating revenue**

Revenue growth (tuition + other sources of revenue) provides "funding room" for new debt. Projects such as residence ancillaries are often expected to be self-supporting and use less debt capacity than projects that do not have an associated revenue stream. Overall, the University must be concerned about the potential for reduced long-term financial flexibility when adding fixed costs in the form of principal and interest payments on debt. Debt charges add cost pressure to the expenditure side of the operating budget, so it is important to monitor the ratio of debt service cost to total operations.

Debt funding strength arising from operations	2021	2022
Debt service cost: principal + interest (millions)	\$4.5	\$5.3
Total operating revenue (millions)	\$129.2	\$135.1
Ratio of debt service cost to operating revenue	3.5%	3.9%

- exceeding 10% would raise concerns about being highly leveraged (Moody's)

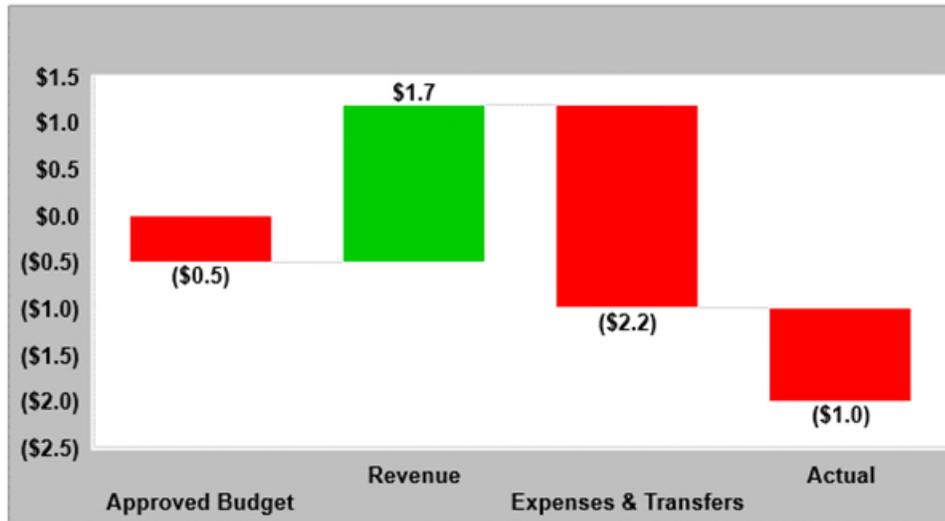
Operating Revenue



## General Fund Analysis - Operating Fund Budget

(Millions \$)

The university's Operating Fund continued to be impacted by the COVID-19 global pandemic. The university operated as a hybrid campus for the entirety of 2022.

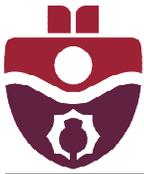


The university faced many significant challenges during the year. The largest was uncertainty around enrolment levels due to the hybrid campus and how this would impact cash flow.

The chart on the left portrays the overall variance of each major component of the Operating Fund's Approved Budget for 2022 (see Appendix 2 - Statement of Operations – Actual versus Budget)

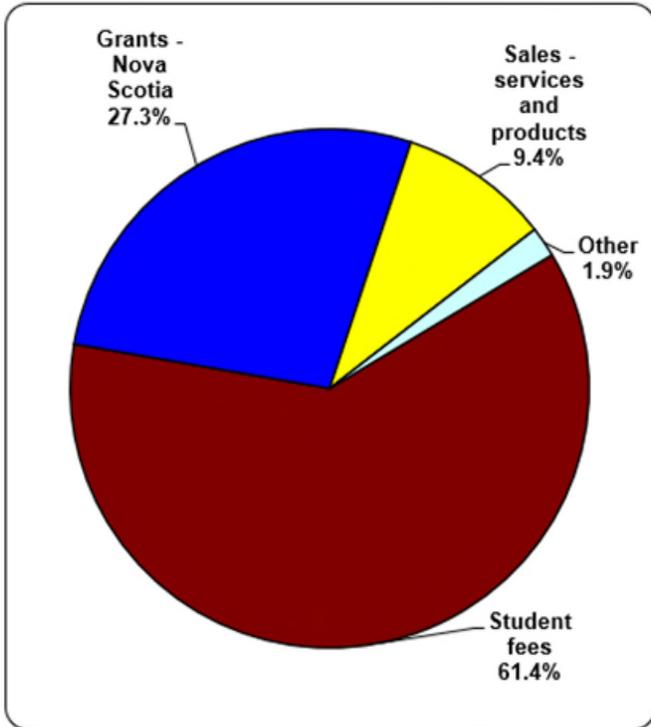
The university had been budgeting for a deficit of \$0.5 factoring in an expectation that the pandemic would continue to impact operations.

The university's Student Fee revenue varied negatively \$0.8 from budget, a result of continued negative impact of the pandemic which put pressure on the abilities of international students to travel. Sales of Services and Products, which relies almost exclusively on revenue from students on campus, varied positively \$2.9 from budget with meal plan revenue representing the largest component of that positive variance. Income from investments varied negatively by \$0.3 due to global market fluctuations.



## General Fund Analysis - Operating Fund - Revenues

The 2022 operations of Saint Mary's University produced revenues of \$135.1 (2021 - \$129.2). (see Page 29 – Operating Fund)



Student fees are the largest component of operating revenue. The majority of sales of services and products are also related to students and enrolment, i.e., residence fees, food service and bookstore sales. The chart on the right shows the breakdown of operating revenue including ancillaries.

Student fee revenue was increased \$1.1 from the previous year as a result of reopening the campus as we navigated through the continuation of the pandemic. Undergraduate program revenue decreased by \$3.6 over last year due to a shift in enrolment between domestic and international students. Graduate revenue increased \$1.0 from prior year. Professional Masters programs revenue grew positively \$2.0 compared to the prior year.

Sales of services and products were positively impacted by the reopening of campus, increasing \$7.9 from the prior year. Residence, food service, campus store and parking revenue represented \$6.5 of that number. Increases in membership and rental revenue for Athletic and Recreation facilities accounted for an additional \$0.4

Overall operating revenue was up \$5.9 over the previous year. The Unrestricted Fund Balance at the end of the year is at \$2.5, within the target range approved by policy of the Board of Governors.



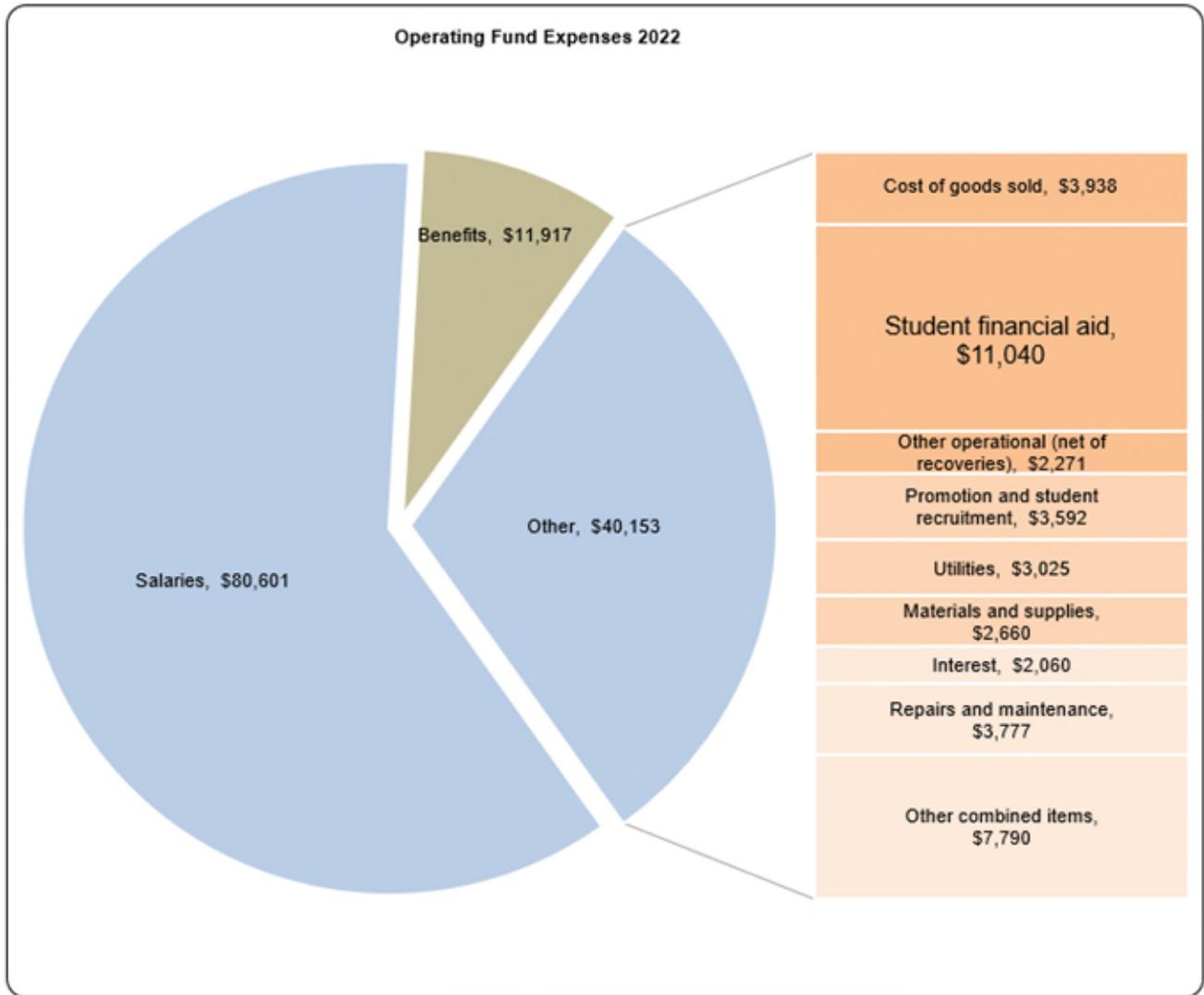
## General Fund Analysis - Operating Fund – Expenses

(Millions \$)

The 2022 operations of Saint Mary's incurred expenses of \$132.7 (2021 - \$116.1) excluding interfund transfers. The following chart (in thousands) shows the breakdown of operating expenses for the year by category, including ancillary operations and after grouping together a portion of "other" expenses. (see Page 29 – Operating Fund)

The largest component of the university's investment in its educational mission is salaries and benefits (69.7%) The next largest component of operating expenses is the investment in student financial aid. Student financial aid has grown from \$5.8 in 2016 to \$11.0 in 2022, increasing a further \$2.8 compared to the prior year.

The return to campus after the closure brought about by the global pandemic resulted in an increase in operating expenses relative to the prior year. Salaries and benefits increased \$5.6, cost of goods sold increased \$2.4 and other expenses including travel increased by \$8.5 with Student Financial Aid comprising \$2.5 of that amount, Equipment Rental and Maintenance comprising \$1.5 Promotion and Student Recruitment comprising a further \$0.8.

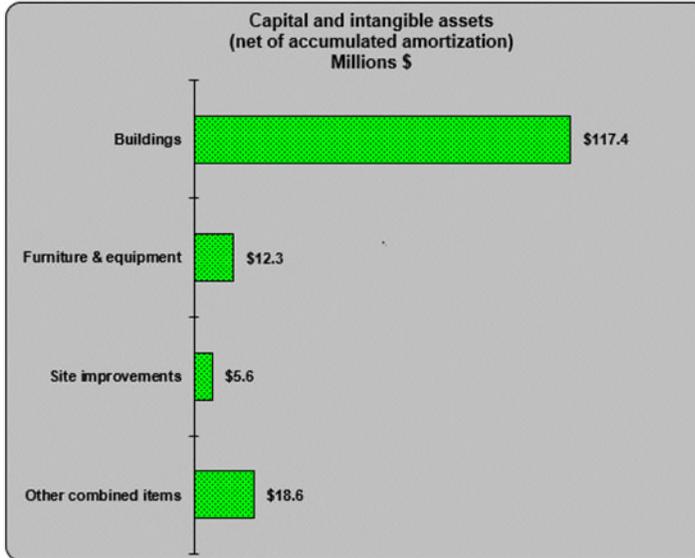




## Restricted Fund Analysis - Capital Fund

(Millions \$)

The Restricted Fund accounts for resources that are subject to restrictions on their use, either for capital assets or for specific purposes defined by external contributors to the university.



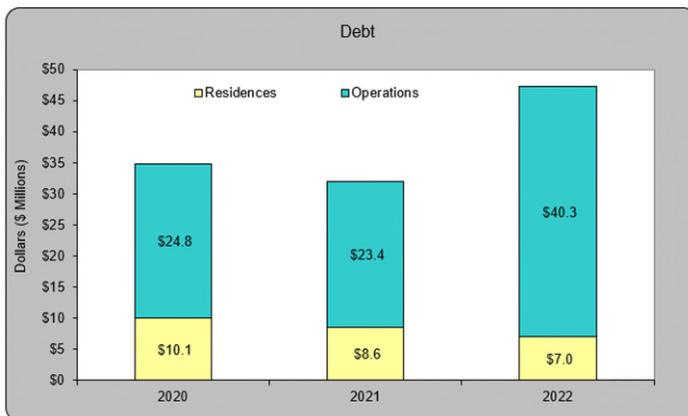
With a fund balance of \$110.2, the Capital Fund makes up the largest portion of the Restricted Fund. It accounts for all the capital and intangible assets of the university and the related debt. Capital and intangible assets are purchased by transfers from other funds, borrowing, or by contributions from external sources.

Contributions restricted for capital and intangible assets related to projects in progress are shown as revenue of the Capital Fund in the year the assets are acquired.

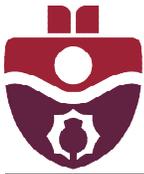
The Capital Fund's balance is the net investment in capital and intangible assets, which consists of the net capital and intangible assets less the related debt. During 2022 the university acquired

capital and intangible assets of \$13.5. Funding for these acquisitions included transfers from internally restricted funds of \$3.0, transfers from externally restricted funds of \$6.0, external financing of \$2.2, gifts and bequests of \$1.7, transfers from the Research Fund of \$0.3, transfers from the Operating Fund of \$0.3. The University uses internal working capital to reduce interest expense associated with bridge financing. The university secured long-term financing in March 2021 to replenish \$15.4 in working capital used to finance capital and intangible assets over the previous 5 years. The financing was received April 2021.

Included in the \$13.5 acquisitions of capital and intangible assets was \$10.0 for buildings, \$1.9 for furniture, equipment & campus improvements, \$1.0 for land, \$0.4 for Computer and Intangibles and \$0.2 for library books.



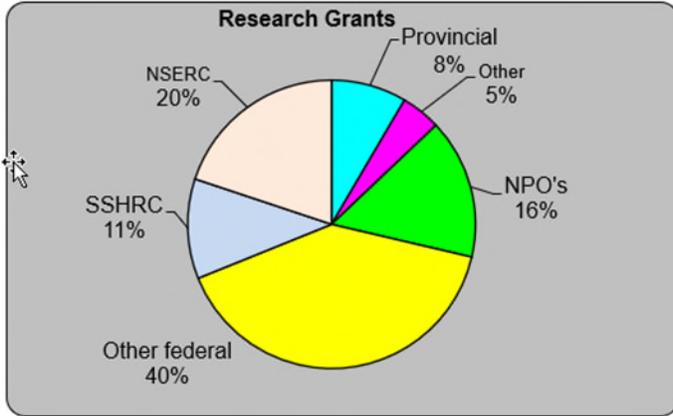
By the end of 2022 the university's debt has increased to \$47.3 from \$32.0 in 2021. The portion of debt related to academic and administration buildings at the end of 2022 was 85%. The remainder of the debt relates to the student residence buildings. In March 2021, the university secured funding in the amount of \$35.0 to fund working capital replenishment, and future capital projects. The first tranche of this debt, \$18.5, was drawn in April 2021. The second tranche, \$16.5, will be drawn in 2023. In March 2022 the University secured funding of \$8.5 to fund the Loyola Residence Recladding project beginning April 2022. This debt will be drawn in March 2023.



## Restricted Fund Analysis - Research and Other Restricted Funds

(Millions \$)

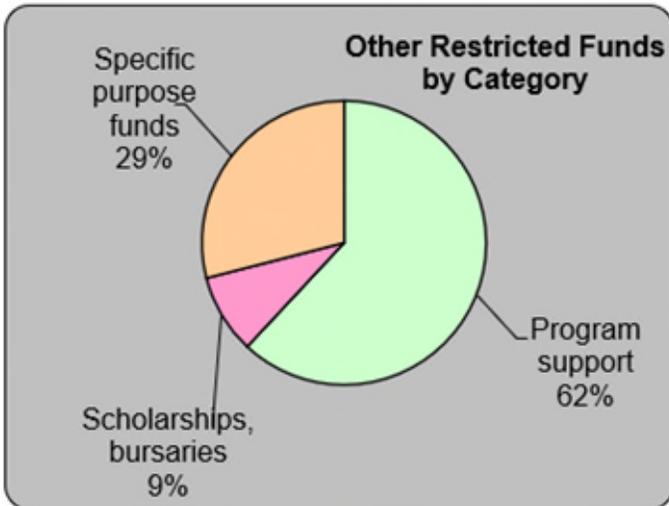
### Research Fund



Research is an integral part of the university's mission. Most research funding is provided by external organizations, such as the Natural Sciences and Engineering Research Council (NSERC), the Social Sciences and Humanities Research Council (SSHRC), Canadian Foundation for Innovation (CFI) and various not-for-profit organizations (NPO's). Contributions from these organizations are restricted for research purposes and are shown as revenue of the Research Fund when received. The balance of the Research Fund, \$9.2, consists of contributions available to be carried forward to the following year.

During 2022 Saint Mary's University received \$10.8 in contributions and funding for research, representing an 1.9% increase from 2021. The majority of the research expenses were for salaries for research assistants, financial aid for students and consulting relating to research and fieldwork.

### Other Restricted Funds

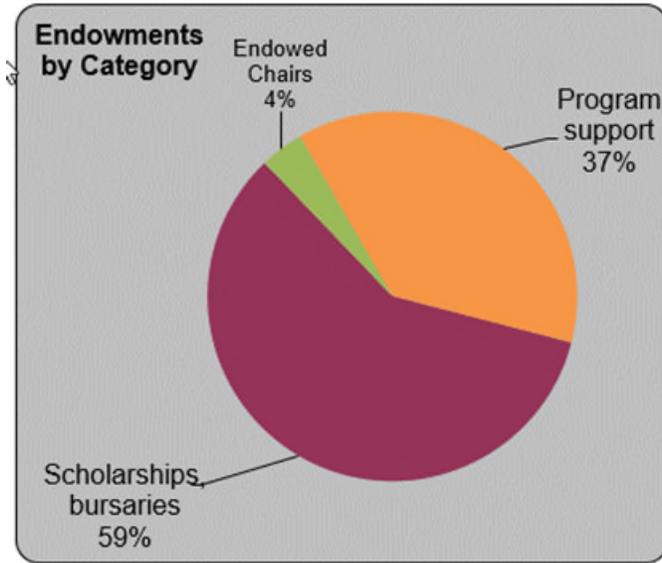


Other Restricted Funds include Trust Funds for program support and scholarships and bursaries and other Specific Purpose Funds for activities that have been stipulated by donors and contributors. The chart on the left shows the breakdown of these other restricted funds by category. During the year the university received donations of \$5.2 into the Trust Fund. The Trust Fund balance of \$20.2 consists of expendable trusts and the expendable portion of the university's endowment funds. The Specific Purpose Fund accounts for resources contributed to Saint Mary's that are restricted for specific purposes other than research. During the year the university received donations of \$0.3 for specific purposes. As of March 31, 2022, the Specific Purpose Fund balance was \$5.1. During the year, the Other Restricted Funds provided scholarships and bursaries totaling \$1.8.



## Endowment Funds Analysis

(Millions \$)



The \$58.3 in the Endowment Fund (2021 - \$53.7) must be maintained in perpetuity and is not available for spending. However, each year a portion of the investment income is available for spending in accordance with donors' restrictions and university policy. This portion of the investment income earned on the Endowment Fund is transferred to the Trust Fund for spending, increasing the expendable funds. The chart shows the breakdown by category of the Endowment Fund balance on March 31, 2022.

Endowment investments are recorded at fair value and investment income, including unrealized gains and losses, is allocated to the related endowments. Investment performance recognized net investment income of \$4.3. This included net unrealized gains of \$0.8.

The endowment spending policy provides an allocation of 4.0% of the market value of the endowment assets based on a three-year moving average. The spending limit is intended to preserve the purchasing power of the endowment principal over the long-term by adding investment returns greater than 4.0% to the endowment principal. Over the long term, these excess returns are expected to grow and offset the effect of inflation.

During 2022, Saint Mary's University received \$1.9 in endowed donations.



**Saint Mary's  
University**

# **Financial Statements**

**March 31, 2022**

# Independent auditor's report

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**Grant Thornton LLP**  
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To the Board of Governors of  
**Saint Mary's University**

## Opinion

We have audited the financial statements of Saint Mary's University (the "University") which comprise the statement of financial position as at March 31, 2022, and the statements of operations, changes in fund balances and cash flows 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 Saint Mary's University as at March 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

## 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 University 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.

## Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the University'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 University or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the University'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 University'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 University'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 University 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.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Halifax, Canada  
September 28, 2022

Chartered Professional Accountants



## Statement of Financial Position

As at March 31  
(\$ thousands)

	2022				2021			
	General	Restricted	Endowment	Total	General	Restricted	Endowment	Total
<b>Current Assets</b>								
Cash and short-term investments (Note 3)	38,326	2,472	228	41,026	22,422	2,459	229	25,110
Accounts receivable (Note 4)	8,080	130	-	8,210	8,176	226	-	8,402
Inventories	659	-	-	659	555	-	-	555
Prepaid expenses	2,185	9	-	2,194	1,493	-	-	1,493
	49,250	2,611	228	52,089	32,646	2,685	229	35,560
<b>Long-term Assets</b>								
Long-term prepaid expenses	5	-	-	5	12	-	-	12
Long-term investments (Note 5)	-	42,395	57,950	100,345	-	45,655	54,078	99,733
Long-term receivable	1,249	94	-	1,343	1,400	100	-	1,500
Capital assets (Note 7)	-	152,485	-	152,485	-	150,360	-	150,360
Intangible assets (Note 8)	-	1,316	-	1,316	-	1,723	-	1,723
	1,254	196,290	57,950	255,494	1,412	197,838	54,078	253,328
	50,504	198,901	58,178	307,583	34,058	200,523	54,307	288,888
<b>Current Liabilities</b>								
Amounts due to governments	2,179	-	-	2,179	1,832	-	-	1,832
Accounts payable and accrued liabilities	8,315	1,614	10	9,939	7,131	529	8	7,668
Unearned fees and other deferred revenue	13,349	367	-	13,716	11,571	164	-	11,735
Current portion of long-term debt (Note 9)	-	3,216	-	3,216	-	2,846	-	2,846
	23,843	5,197	10	29,050	20,534	3,539	8	24,081
<b>Long-term Liabilities</b>								
Long-term deferred revenue	30	-	-	30	70	-	-	70
Long-term accrued liabilities	2,762	-	-	2,762	3,273	-	-	3,273
Long-term debt (Notes 9 and 17)	-	44,100	-	44,100	-	29,191	-	29,191
Interest Rate Swaps (Note 10)	-	(829)	-	(829)	-	583	-	583
Due to (from) other funds (Note 13)	(5,575)	5,707	(132)	-	(25,619)	25,057	562	-
	(2,783)	48,978	(132)	46,063	(22,276)	54,831	562	33,117
	21,060	54,175	(122)	75,113	(1,742)	58,370	570	57,198
<b>Fund Balances</b>								
Endowment	-	-	58,300	58,300	-	-	53,737	53,737
Externally restricted	-	34,568	-	34,568	-	36,058	-	36,058
Internally restricted	26,944	-	-	26,944	32,300	-	-	32,300
Invested in capital assets	-	110,158	-	110,158	-	106,095	-	106,095
Unrestricted	2,500	-	-	2,500	3,500	-	-	3,500
	29,444	144,726	58,300	232,470	35,800	142,153	53,737	231,690
	50,504	198,901	58,178	307,583	34,058	200,523	54,307	288,888

Commitments (Note 14) Contingencies (Note 15)

Approved by the Board of Governors

Chair, Board of Governors

President and Vice Chancellor

See accompanying notes to the financial statements.



**Statement of Operations and Changes in Fund Balances**

For the year ended March 31  
(\$ thousands)

	2022				2021			
	General (See Schedule 1)	Restricted (See Schedule 2)	Endowment	Total	General (See Schedule 1)	Restricted (See Schedule 2)	Endowment	Total
<b>Revenues</b>								
Government grants and contributions								
Government of Canada	1,619	8,638	-	10,257	1,568	7,927	-	9,495
Government of Nova Scotia	36,930	2,682	-	39,612	40,478	1,123	-	41,601
Other	-	-	-	-	16	-	-	16
Other grants	114	2,213	-	2,327	136	2,670	-	2,806
Student fees	82,891	55	-	82,946	81,759	69	-	81,828
Gifts and bequests	284	7,120	1,934	9,338	45	5,590	584	6,219
Sales of services and products	12,731	218	-	12,949	4,866	78	-	4,944
Income from investments	(246)	(330)	4,295	3,719	1,552	1,582	11,143	14,277
Miscellaneous income	849	1,427	-	2,276	556	324	-	880
	<u>135,172</u>	<u>22,023</u>	<u>6,229</u>	<u>163,424</u>	<u>130,976</u>	<u>19,363</u>	<u>11,727</u>	<u>162,066</u>
<b>Expenses</b>								
Salaries	82,285	5,022	-	87,307	76,904	3,695	-	80,599
Employee benefits	12,089	449	-	12,538	11,567	274	-	11,841
Equipment rental	1,142	-	-	1,142	999	-	-	999
Materials and supplies	3,063	851	-	3,914	2,339	458	-	2,797
Communications	469	26	-	495	446	5	-	451
Travel	1,380	216	-	1,596	544	140	-	684
Utilities	3,025	-	-	3,025	2,434	-	-	2,434
Printing and duplicating	593	14	-	607	370	6	-	376
Library acquisitions	1,986	-	-	1,986	1,785	-	-	1,785
Hospitality	454	53	-	507	100	22	(1)	121
Repairs and maintenance	3,861	1,059	-	4,920	2,642	594	-	3,236
Promotion and student recruitment	3,674	76	-	3,750	2,873	70	-	2,943
Professional fees	2,371	3,103	233	5,707	1,867	1,711	184	3,762
Rent	45	48	-	93	107	18	-	125
Other operational expenses	3,576	1,227	13	4,816	3,265	1,112	11	4,388
Cost of goods sold	3,938	-	-	3,938	1,506	-	-	1,506
Student financial aid	11,483	4,212	-	15,695	8,431	3,954	-	12,385
Amortization of capital and intangible assets	-	9,920	-	9,920	-	10,021	-	10,021
Interest	2,060	40	-	2,100	1,728	-	-	1,728
Internal cost recoveries	(1,316)	1,112	204	-	(1,143)	981	162	-
	<u>136,178</u>	<u>27,428</u>	<u>450</u>	<u>164,056</u>	<u>118,764</u>	<u>23,061</u>	<u>356</u>	<u>142,181</u>
Revenues less expenses before transfers	(1,006)	(5,405)	5,779	(632)	12,212	(3,698)	11,371	19,885
Interest rate swap unrealized gains (losses)	-	1,412	-	1,412	-	(583)	-	(583)
Interfund transfers (Note 13)	(5,350)	6,566	(1,216)	-	(7,520)	6,539	981	-
Net increase in fund balances	<u>(6,356)</u>	<u>2,573</u>	<u>4,563</u>	<u>780</u>	<u>4,692</u>	<u>2,258</u>	<u>12,352</u>	<u>19,302</u>
Fund balances, beginning of year								
Endowment	-	-	53,737	53,737	-	-	41,385	41,385
Externally restricted	-	36,058	-	36,058	-	31,482	-	31,482
Internally restricted	32,300	-	-	32,300	27,608	-	-	27,608
Invested in capital assets	-	106,095	-	106,095	-	108,413	-	108,413
Unrestricted	3,500	-	-	3,500	3,500	-	-	3,500
Fund balances, beginning of year, total	<u>35,800</u>	<u>142,153</u>	<u>53,737</u>	<u>231,690</u>	<u>31,108</u>	<u>139,895</u>	<u>41,385</u>	<u>212,388</u>
Fund balances, end of year								
Endowment	-	-	58,300	58,300	-	-	53,737	53,737
Externally restricted	-	34,568	-	34,568	-	36,058	-	36,058
Internally restricted	26,944	-	-	26,944	32,300	-	-	32,300
Invested in capital assets	-	110,158	-	110,158	-	106,095	-	106,095
Unrestricted	2,500	-	-	2,500	3,500	-	-	3,500
Fund balances, end of year, total	<u>29,444</u>	<u>144,726</u>	<u>58,300</u>	<u>232,470</u>	<u>35,800</u>	<u>142,153</u>	<u>53,737</u>	<u>231,690</u>

See accompanying notes to the financial statements.

**Statement of Cash Flows**

For the year ended March 31  
(\$ thousands)

	2022				2021			
	General	Restricted	Endowment	Total	General	Restricted	Endowment	Total
<b>Operating Activities</b>								
Increase in fund balances from operations	(6,356)	2,573	4,563	780	4,692	2,258	12,352	19,302
Amortization of capital and intangible assets	-	9,920	-	9,920	-	10,021	-	10,021
Gain on Disposal of Capital Assets	-	(656)	-	(656)	-	-	-	-
Realized and unrealized investment losses (gains)	-	2,539	(1,347)	1,192	-	(1,755)	(9,518)	(11,273)
Interest rate swap unrealized (gains) losses	-	(1,412)	-	(1,412)	-	583	-	583
Gifts-in-kind	-	(1,750)	(1,307)	(3,057)	-	(1,022)	(179)	(1,201)
Change in non-cash working capital	22,260	(17,969)	(692)	3,599	(1,850)	1,227	(20)	(643)
Cash generated from operating activities	15,904	(6,755)	1,217	10,366	2,842	11,312	2,635	16,789
<b>Investing Activities</b>								
Purchase of investments	-	(7,308)	(8,029)	(15,337)	-	(4,478)	(7,319)	(11,797)
Disposal of investments	-	8,117	6,811	14,928	-	2,480	4,805	7,285
Purchase of capital assets	-	(11,733)	-	(11,733)	-	(5,699)	-	(5,699)
Disposal of capital assets	-	2,496	-	2,496	-	-	-	-
Purchase of intangible assets	-	(83)	-	(83)	-	(465)	-	(465)
Cash used for investing activities	-	(8,511)	(1,218)	(9,729)	-	(8,162)	(2,514)	(10,676)
<b>Financing Activities</b>								
Debt financing proceeds	-	18,500	-	18,500	-	-	-	-
Debt repayments	-	(3,221)	-	(3,221)	-	(2,817)	-	(2,817)
Cash used for financing activities	-	15,279	-	15,279	-	(2,817)	-	(2,817)
Increase (decrease) in cash and short-term investments	15,904	13	(1)	15,916	2,842	333	121	3,296
Cash and short-term investments, beginning of year	22,422	2,459	229	25,110	19,580	2,126	108	21,814
Cash and short-term investments, end of year	38,326	2,472	228	41,026	22,422	2,459	229	25,110

See accompanying notes to the financial statements.

## Notes to Financial Statements

For the year ended March 31, 2022

(\$ thousands)

### 1. Authority and purpose

Saint Mary's University (the University) is a provincially incorporated body operating under the authority of the Saint Mary's University Act, 1970 (amended 2007). The University is a not-for-profit entity and grants degrees, diplomas, and certificates in the Sobey School of Business, and the Faculties of Arts, Science, Graduate Studies and Research, and Education. The University also performs research activities. The Board of Governors has overall governance responsibility for the University and, subject to the powers of the Board of Governors, the Senate is responsible for the educational policy. The University is a registered charity under the Income Tax Act and accordingly is exempt from income taxes.

### 2. Summary of significant accounting policies and reporting practices

#### a) Basis of accounting

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles using Canadian accounting standards for not-for-profit organizations in Part III of the *CPA Canada Handbook*.

#### b) Use of estimates

The preparation of financial information requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Significant estimates and assumptions are involved in the calculation of the collectible portion of accounts receivables, amortization of capital assets, accrued liabilities for payroll and employee future benefits, unearned portion of tuition and fees, and the fair value of financial instruments. Actual results could differ from those estimates. Estimates are regularly reviewed by management and adjusted as required.

#### c) Fund accounting

The University follows the restricted fund method of accounting for contributions. Under fund accounting, resources are classified for accounting and reporting purposes into funds in accordance with specified activities or objectives.

The University has classified accounts with similar characteristics into major funds as follows:

- i) The General Fund is unrestricted and accounts for the University's program delivery, service and administrative activities. This fund is further divided into the Operating Fund and the Projects and Reserves Fund.

The Operating Fund accounts for the University's primary function of instruction, including academic, support services, administrative services, facilities management and other operating activities. It also accounts for ancillary operations that provide goods and services to the University community, which are supplementary to the functions of instruction, research and service and are expected to operate on at least a break-even basis.

The Projects and Reserves Fund accounts for money internally designated for specific projects or purposes.

- ii) The Restricted Fund carries restrictions on the use of the resources for particular defined purposes. The fund is further divided into the Capital, Research, Trust and Specific Purpose Funds.

The Capital Fund accounts for the acquisition of and major renovation or improvement to capital assets.

The Research Fund accounts for activities in support of research.

The Trust Fund accounts for activities that have been stipulated by donors and contributors.

The Specific Purpose Funds are externally restricted for specific projects and purposes.

- iii) The Endowment Fund accounts for resources received with the stipulation that the original contribution not be spent. The fund also consists of a portion of the investment income earned on these funds that is required by donors and the Board of Governors to be added to the fund to offset the eroding effect of inflation.

<b>Notes to Financial Statements</b>
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For the year ended March 31, 2022

(\$ thousands)

**d) Inventories**

Bookstore inventory and inventory on hand for repairs and maintenance are valued at the lower of cost and net realizable value.

**e) Capital assets**

Purchased and constructed capital assets are recorded at cost and subsequently measured at cost less accumulated amortization. Interest on financing during construction is added to the capitalized costs. The University reports donated capital assets at fair value upon receipt when the fair value can be reliably determined. Amortization expense is reported in the Capital Fund. Capital assets, other than land, art, and antiques, are amortized over their estimated useful lives. Land, art and antiques are not amortized. One-half year's amortization is recorded in the year of acquisition. Amortization of new construction and buildings begins in the year premises is available for use. Management reviews estimates of the useful lives of capital assets and adjusts the estimates as required.

Whenever events or changes in circumstances indicate a capital asset no longer has any long-term service potential to the University, the excess of its net carrying amount over any residual value would be recognized as an expense. Such a write-down is not reversed if the service potential subsequently improves.

Capital assets are amortized over the estimated useful life of the asset using the straight-line method. The range of the estimated useful lives of each category of capital asset is shown below expressed in years.

Buildings	3 - 40
Site improvements	8 - 25
Library materials	10
Equipment, furnishings and interior improvements	8
Leasehold improvements	3
Information technology and motor vehicles	5

**f) Intangible assets**

Purchased and developed intangible assets are recorded at cost and subsequently measured at cost less accumulated amortization. The University reports donated intangible assets at fair value upon receipt when the fair value can be reliably determined. Interest on financing during development is added to the capitalized costs. Amortization expense is reported in the Capital Fund. All intangible assets have limited lives and are amortized over their estimated useful lives. One-half year's amortization is recorded in the year of acquisition. Amortization of purchased and developed intangible assets begins in the year usage commences. Management regularly reviews estimates of the useful lives of intangible assets and adjusts the estimates as required.

Whenever events or changes in circumstances indicate an intangible asset no longer has any long-term service potential to the University, the excess of its net carrying amount over any residual value would be recognized as an expense. Such a write-down is not reversed if the service potential subsequently improves.

Intangible assets are amortized over the estimated useful life of the asset using the straight-line method. The estimated useful lives of each category of intangible asset is shown below expressed in years.

Enterprise Resource Planning System	15
Other software	5

**g) Financial instruments**

The University considers any contract creating a financial asset or liability as a financial instrument, except in certain limited circumstances. Financial instruments consist of cash, short and long-term investments, accounts receivables, accounts payable, and short and long-term debt.

The University initially measures its financial assets and liabilities at fair value. Cash denominated in Canadian dollars is measured and reported at face value. Cash balances denominated in foreign currency are translated using the exchange rate on the Statement of Financial Position date. Short-term investments are measured and reported at fair value.

## Notes to Financial Statements

For the year ended March 31, 2022

(\$ thousands)

### g) Financial instruments (continued)

The University has chosen to subsequently measure and report long-term investments at fair value calculated using quoted market values based on actively traded markets. The University records the change in the fair value as part of income from investments.

In addition the University has chosen to subsequently measure a restricted long-term receivable at fair value. The receivable is related to donations from an individual which are held in an irrevocable charitable trust with the income payable to the University. The funds must be held in the trust for a minimum of 10 years after the death of the individual. This 10 year period ended in March 2020. The University received its share of the principal in 2021.

Changes in fair value of financial assets are recognized in the Statement of Operations. All other financial assets including accounts receivable and other long term receivables, are recorded at amortized cost. Transaction costs related to financial assets are expensed as incurred. Financial liabilities, including accounts payable, accruals, and long-term debt are recorded at amortized cost. Financing fees related to financial liabilities are deferred and amortized over the period of the related liability. Management reviews financial instruments for impairment and adjusts as required.

If there is an indicator of impairment, the University determines whether there is a significant adverse change in the expected amount or timing of the future cash flows from the financial asset. If there is a significant adverse change in expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows (the amount that could be realized from selling the financial asset or the amount the University expects to realize by exercising its right to any collateral). If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

The University is exposed to various risks through its financial instruments. Included are the following significant risks:

#### Credit risk

The University is exposed to credit-related losses in the event of non-performance by counterparties to financial instruments. Credit exposure is minimized by dealing mostly with creditworthy counterparties such as highly rated financial institutions. The University provides credit to its students in the normal course of operations. To reduce this risk, the University places restrictions on registering for courses and the issuance of grades and degrees until payment on account is made. The University also uses third party agencies to collect outstanding receivables. The University assesses accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts.

#### Interest rate risk

The University minimizes interest rate risk by using fixed interest rate loans and interest rate swaps on floating rate loans to fix interest rates on its long-term debt.

#### Foreign currency risk

The University undertakes revenue and purchase transactions in foreign currencies, and therefore is subject to gains and losses due to the fluctuations in foreign currency exchange rates. All foreign currency is reflected in Canadian dollars for financial statement purposes.

The University is also exposed to foreign currency risk on a portion of its long-term investments. The University believes that, over the long term, fluctuations in currency tend to offset. The University believes there is a role for currency management within the funds however the benefits must be measured against the cost of management.

#### Market risk

The University's investments are affected by market conditions. The University has established an Investment Committee and a Treasury department to mitigate market risk.

#### Liquidity risk

Liquidity risk is the risk that the University will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The University maintains a \$5,500,000 line of credit with a major financial institution that is designed to ensure sufficient funds are available to meet current and forecasted financial requirements in the most cost effective manner. There are no amounts outstanding on the line of credit.

### h) Interest rate swap agreements

The University has entered into several interest rate swap agreements with chartered banks to reduce interest rate exposure associated with certain long-term debt obligations. The agreements have the effect of converting the floating rate of interest on certain debt to a fixed rate. It is the University's policy not to use derivative financial instruments for trading or speculative purposes. The University formally documents all relationships between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various interest rate hedge transactions. This process includes linking the derivatives to specific assets and liabilities on the statement of financial position or to specific firm commitments or anticipated transactions. The University also formally assesses, both at the hedges' inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

## Notes to Financial Statements

For the year ended March 31, 2022

(\$ thousands)

### **h) Interest rate swap agreements (continued)**

The University designates each interest rate swap agreement as a cash flow hedge of a specifically identified debt instrument. The swap agreements are effective hedges, both at maturity and over the term of the agreement, since the term to maturity, the notional principal amount, and the interest rate of the swap agreements all match the terms of the debt instruments being hedged. The swap agreements involve periodic exchange of payments without the exchange of the notional principal amount upon which the payments are based. The payments are recorded as an adjustment of the interest expense on the hedged debt instrument.

The University applies hedge accounting to qualifying interest rate swaps. When an interest rate swap does not qualify for hedge accounting because the date of the swap contract is earlier than the start date of the specified debt instrument, the University recognizes the fair market value of the interest rate swap on the Statement of Financial Position and recognizes changes in the fair market value as an unrealized gain or loss in the Statement of Operations. The fair value of interest rate swaps qualifying for hedge accounting are not recognized in the Statement of Financial Position.

In the event that the interest rate swap agreements are terminated or cease to be effective in part or in whole prior to maturity any associated realized or unrealized gains or losses are recognized in income. In the event a designated hedged debt instrument is extinguished or matures prior to the termination of the related interest rate swap agreement, any realized or unrealized gain or loss is recognized in income.

### **i) Revenue recognition**

Revenue from tuition fees, residence fees, contracts, and sales are recognized when the services are provided or goods are sold. Unearned revenue from these sources is deferred. For academic year credit course tuition, residence fees and dining services the amounts deferred are calculated on the basis of the portion of the service estimated to be provided after the fiscal year-end.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. Restricted contributions related to the acquisition of capital assets are recognized as revenue when the related assets are acquired. All other restricted contributions are recognized as revenue of the appropriate restricted fund when received or receivable.

Contributions for endowment are recognized as revenue in the Endowment Fund in the year received. Investment income earned on Endowment Fund resources that must be spent on restricted activities is recognized as revenue of the appropriate restricted fund. Investment income earned on restricted funds is recorded as revenue of the appropriate restricted fund. Other investment income is recognized as revenue of the General Fund when earned.

### **j) Donations and pledges**

Donations are recorded as revenue in the fiscal period in which they are received. Gifts-in-kind, including works of art, equipment, investments and library holdings are recorded at fair market value on the date of their donation.

Pledges of donations to be received in future years are not recorded in the financial statements.

### **k) Administrative leave, retirement incentives and allowances**

The University accrues the liability for the full cost of retirement incentives in the year in which the event that creates the obligation occurs. It accrues, on a yearly basis, accumulated administrative leave and retiring allowance obligations. The estimated amounts are recorded at their net present values and are reviewed annually and adjusted as circumstances or assumptions change.

### **l) Fundraising costs**

The University expenses fundraising costs in the year in which they are incurred.

### **m) Foreign currency translation**

Foreign currency transactions are recorded at the exchange rate in effect at the time of the transaction except when the transaction is hedged in which case the terms of the hedge are used. Monetary assets and liabilities denominated in foreign currency reported on the Statement of Financial Position are recorded at the exchange rate in effect on the financial statement date. Non-monetary assets and liabilities denominated in foreign currency are recorded at the exchange rate in effect on the transaction date.

**Notes to Financial Statements**

For the year ended March 31, 2022

(\$ thousands)

**3. Cash and short-term investments**

Cash and short-term investments include cash on hand, balances with banks net of overdrafts, and highly liquid temporary money market instruments.

**4. Accounts receivable**

The University is exposed to credit risk through payment default on its accounts receivable. Exposure to credit risk on accounts receivable is managed through active monitoring and collection practices. A provision for uncollectible accounts has been determined in the amount of \$2,397 (2021 \$2,601) based on respective aging of accounts, risk profile of certain accounts and collections subsequent to year end. Receivables written off during the year and adjustments to the allowance for doubtful receivables amounted to \$519 (2021 \$663).

**5. Long-term Investments**

Long-term investments are recorded at fair value. The change in fair value created an unrealized loss of \$2,003 (2021 gain \$11,012).

	2022		2021	
	Cost	Fair Value	Cost	Fair Value
Canadian equities	6,309	16,439	6,273	14,270
U.S. Equities	14	7	14	3
Pooled investment funds	81,179	83,899	78,603	85,460
<b>Total investments</b>	<b>87,502</b>	<b>100,345</b>	<b>84,890</b>	<b>99,733</b>

**6. Pension plans**

The University maintains a defined contribution pension plan for the benefit of its employees. Employer contributions for the year ended March 31, 2022 totalled \$5,243 (2021 \$5,053).

**7. Capital assets**

	2022			2021		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Land	13,809	-	13,809	13,938	-	13,938
Buildings	205,290	87,898	117,392	196,023	83,274	112,749
Site improvements	9,853	4,255	5,598	10,644	4,563	6,081
Library materials	2,852	1,460	1,392	3,100	1,541	1,559
Equipment, furnishings and interior improvements	24,524	12,274	12,250	24,926	11,135	13,791
Information technology	1,775	815	960	1,843	724	1,119
Art and antique collection	992	-	992	992	-	992
Motor vehicles	216	124	92	216	85	131
	<b>259,311</b>	<b>106,826</b>	<b>152,485</b>	<b>251,682</b>	<b>101,322</b>	<b>150,360</b>

Amortization expense for capital assets was \$9,426 (2021 \$9,544). Disposals of capital assets totalled \$451 (2021 \$582)

**8. Intangible assets**

	2022			2021		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Enterprise Resource Planning System	4,391	3,471	920	4,391	3,375	1,016
Other software	1,104	708	396	1,715	1,008	707
	<b>5,495</b>	<b>4,179</b>	<b>1,316</b>	<b>6,106</b>	<b>4,383</b>	<b>1,723</b>

Amortization expense for intangible assets was \$490 (2021 \$473). Disposals of intangible assets totalled \$156 (2021 \$6).

**Notes to Financial Statements**

For the year ended March 31, 2022

(\$ thousands)

**9. Long-term debt**

Debt	Principal and Interest Payments	Maturity Date	Debt Interest Rate	Hedged Interest Rate	2022	2021
					Total	Total
<b>Long-term loans (unsecured)</b>						
Enterprise Resource Planning System	Monthly	Jun 2021	CDOR +0.25%	5.16%	-	61
Loyola Residence and Academic Complex	Semi-annual	May 2022	5.34%	-	157	453
Residences Renovations	Monthly	Aug 2026	6.95%	-	3,987	4,716
Residences Renovations	Monthly	Sep 2026	CDOR +0.30%	5.97%	1,970	2,344
Residences Renovations	Monthly	Sep 2026	CDOR +0.30%	5.40%	921	1,099
Science Building Renewal Project	Monthly	Mar 2033	CDOR +0.20%	5.30%	12,685	13,509
Homburg Centre for Health & Wellness	Monthly	Jul 2037	CDOR +0.31	3.09%	1,582	1,658
960 Tower Road Building and Renewal of Athletic Facilities	Monthly	Jan 2039	4.64%	-	7,894	8,197
Dauphinee Arena and Inglis Street Land	Monthly	Apr 2051	CDOR +0.24%	2.76%	18,120	-
Subtotal					47,316	32,037
Less: current portion					(3,216)	(2,846)
Total long-term debt					44,100	29,191

Principal instalments payable in each of the next five years:

2023	3,216
2024	3,224
2025	3,399
2026	3,583
2027	2,888

Interest expense on long-term debt during the year totalled \$2,100 (2021 \$1,728).

**10. Interest rate swap agreements**

The University has entered into five interest rate swap agreements with two chartered banks to manage interest rate exposure with five specific long-term debt obligations. The University uses hedge accounting for these swaps. The notional underlying principal value of these five interest rate swaps related to debt outstanding at March 31, 2022 was \$17,158 (2021 \$18,670). The University has no plans to sell or terminate the interest rate swap agreements prior to maturity. If the University had terminated these swaps on March 31, 2022, it would have been obligated to pay the banks \$1,808 (2021 \$3,310), the fair value of the swaps as calculated by the banks.

On March 15, 2021, the University entered into two interest rate swaps to hedge the interest rates on two new long-term loans. The first swap hedges the interest rate at 2.52% on a 30 year floating rate loan for \$18,500 was received April 15, 2021. The second swap hedges the interest rate at 2.83% on a 28 year floating rate loan for \$16,500 to be received January 3, 2023. On March 24, 2022, the University entered into an interest rate swaps to hedge the interest rates on a new long-term loan. The swap hedges the interest rate at 3.33% on a 20 year floating rate loan for \$8,500 to be received March 15, 2023. These three swaps do not qualify for hedge accounting. The fair value of the three swaps is shown on the Statement of Financial Position.

**11. Interest Income**

Interest income earned on bank accounts, investments and long-term receivables, \$324 (2021 \$149), is reported as investment income and interest earned on student accounts, \$434 (2021 \$218), is reported as student fees in the Statement of Operations.

**12. Gifts-in-kind and donation pledges**

Gifts-in-kind received and recorded consist of the following:	2022	2021
Investments	1,599	1,201
Land and building	1,663	-
	3,262	1,201

**Notes to Financial Statements**

For the year ended March 31, 2022

(\$ thousands)

**12. Gifts-in-kind and donation pledges (continued)**
**Donation pledges**

Donations pledged but not received as at March 31, 2022, totalled \$13,721 (2021 \$14,437). These pledges are expected to be honoured during the subsequent ten-year period and will be recorded as revenue when received.

**13. Interfund transfers and amounts due to and from funds**

The University occasionally establishes internal loans from the Operating Fund to the Capital Fund related to various properties or systems. The loans are typically interest bearing with annual payments, with the exception of the loan for 5900 Inglis Street Property which is charged interest monthly and will be repayable at maturity. It was repaid in full in April 2021.

			2022	2021
	Term Remaining	Interest	Total	Total
Internal loans				
5900 Inglis Street Property	Repaid	Floating	-	8,583
Total			-	8,583

All other amounts due to and from funds are non-interest bearing and have no set terms of repayment. The interfund transfers received or paid among the General, Restricted and Endowment Funds are described below.

	2022			2021		
	General	Restricted	Endowment	General	Restricted	Endowment
Transfers received (paid)						
Purchase capital and intangible assets	(3,498)	3,498	-	(4,832)	4,832	-
Maintenance and replacements	(3,144)	3,144	-	(1,344)	1,344	-
Debt reduction	(3,226)	3,226	-	(2,817)	2,817	-
Research and specific purposes	2,265	(2,772)	507	296	(2,891)	2,595
Program support	2,253	(530)	(1,723)	1,177	437	(1,614)
Total	(5,350)	6,566	(1,216)	(7,520)	6,539	981

**14. Commitments**

Encumbrances at March 31, 2022 were \$28,950. The University has entered into various agreements for capital expenditures in the upcoming fiscal year. The capital budget for the 2022 fiscal year is \$3,909. A project to upgrade the University's central heating plant began in June 2020 at a cost of \$6,500. This project will significantly reduce the carbon footprint of the University, reduce energy use and improve infrastructure. The project was substantially completed in December 2021.

A \$42,000 project to construct the Sobeys Inspiration Hub & The Exchange began in April 2021. This project will result in additional space for teaching and collaboration for entrepreneurship and business innovation. The project is expected to be completed by June 30, 2023. On March 15, 2021, the University entered into a long term debt agreement for this project as detailed in Note 17 and an interest rate swap agreement as detailed in Note 10.

A five-year \$17.8 technology evolution project to address IT infrastructure modernization began in March 2021. This project, which includes migration of the University's Enterprise Resource Planning system to cloud-based, will create pathways to a more digitally connected presence.

The University has approved an \$8,500 project to replace the original precast panels on the Loyola Residence. In addition to replacing the aging panels and connectors, the full elevation of the exterior south wall will be replaced with aluminum composite panel complete with Photovoltaic solar panels. This solar panel addition to the residence increases the university's commitment to sustainability and provides renewable energy for the campus.

The University also has operating leases with minimum lease payments for the next four years as follows:

2023	995
2024	702
2025	311
2026	69

## Notes to Financial Statements

For the year ended March 31, 2022

(\$ thousands)

### 15. Contingencies

The University participates in a reciprocal exchange of insurance risks in association with over 60 Canadian universities through the Canadian Universities Reciprocal Insurance Exchange (CURIE). This self-insurance co-operative involves a contractual agreement to share the insured property and liability risks of member institutions for a term of not less than five years.

The projected costs of claims will be funded through members' premiums based on actuarial projections. As at December 31, 2021, CURIE had an accumulated excess of income over expenses of \$10,575 of which the University's pro-rata share is approximately 0.84% on an ongoing basis. CURIE wrote property policies with a limit of \$10,000 per occurrence and placed on behalf of subscribers an excess policy of \$1,140,000 above CURIE's \$20,000 limit. In respect of General Liability policies, CURIE's limit of liability per occurrence was \$5,000 and it purchased excess policies above these limits on behalf of subscribers in the amount of \$45,000. In respect of Errors and Omissions Liability policies, CURIE's limit of liability per occurrence was \$5,000 and it purchased excess policies on behalf of subscribers through a combined excess program with General Liability in the amount of \$45,000. As the originating insurer CURIE has a contingent liability in the event the reinsurer is unable to meet its obligations.

In the event premiums are not sufficient to cover claim settlements, the member universities would be subject to an assessment in proportion to their participation.

### 16. Impacts of COVID-19

The outbreak of a novel strain of coronavirus ("COVID-19") was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. Measures taken to contain the spread of spread the virus, including travel bans, quarantines, physical distancing and closures of non-essential services triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets also experienced great volatility. Governments and central banks responded with monetary and fiscal interventions to stabilize economic conditions.

The University has been impacted by COVID-19 in several ways as follows:

- Management responded to the impact of COVID-19 by establishing a virtual campus, requiring all non-essential employees to work remotely and transitioning teaching to a remote environment where possible.
- The University invested significantly in creating a virtual campus. Investments were made in online teaching resources and providing support for employees working from home.
- 2022 saw a gradual return to on-campus teaching and working. The university implemented Flexible Workplace @ SMU, a transformative approach to work that recognizes the increasing needs of staff for better work-life balance while ensuring the delivery of exceptional learning, services and supports that the Saint Mary's community has come to expect.
- Student fees were impacted negatively in 2022 relating to undergraduate tuition
- Sales of services and products increased significantly in 2022 due to the return to on-campus operations.
- Expenses increased as a result of the return to on-campus operations and rising costs.
- Investments (see Note 5) decreased significantly in the last quarter of 2022 as a result of market volatility.
- Investment income was impacted negatively in 2022 due to unrealized losses from market volatility.

The University continues to actively manage and respond to the impact of the COVID-19 global pandemic and the inherent uncertainty.

**Schedules to the Financial Statements – General Fund – Statements of Operations and Changes in Fund Balances**
**Schedule 1**
**General Fund - Statement of Operations and Changes in Fund Balances**

For the year ended March 31

(\$ thousands)

	<b>General Fund</b>					
	<b>2022</b>			<b>2021</b>		
	<b>Operating</b>	<b>Projects and Reserves</b>	<b>Total</b>	<b>Operating</b>	<b>Projects and Reserves</b>	<b>Total</b>
<b>Revenues</b>						
Government grants and contributions						
Government of Canada	1,539	80	1,619	1,507	61	1,568
Government of Nova Scotia	36,930	-	36,930	40,458	20	40,478
Other	-	-	-	16	-	16
Other grants	24	90	114	23	113	136
Student fees	82,891	-	82,891	81,759	-	81,759
Gifts and bequests	79	205	284	45	-	45
Sales of services and products	12,731	-	12,731	4,866	-	4,866
Income from investments	319	(565)	(246)	142	1,410	1,552
Miscellaneous income	590	259	849	380	176	556
	<u>135,103</u>	<u>69</u>	<u>135,172</u>	<u>129,196</u>	<u>1,780</u>	<u>130,976</u>
<b>Expenses</b>						
Salaries	80,601	1,684	82,285	75,943	961	76,904
Employee benefits	11,917	172	12,089	11,006	561	11,567
Equipment rental	1,142	-	1,142	999	-	999
Materials and supplies	2,660	403	3,063	2,164	175	2,339
Communications	466	3	469	443	3	446
Travel	1,304	76	1,380	504	40	544
Utilities	3,025	-	3,025	2,434	-	2,434
Printing and duplicating	590	3	593	368	2	370
Library acquisitions	1,986	-	1,986	1,785	-	1,785
Hospitality	425	29	454	99	1	100
Repairs and maintenance	3,779	82	3,861	2,334	308	2,642
Promotion and student recruitment	3,592	82	3,674	2,833	40	2,873
Professional fees	1,832	539	2,371	1,623	244	1,867
Rent	45	-	45	107	-	107
Other operational expenses	3,411	165	3,576	3,099	166	3,265
Cost of goods sold	3,938	-	3,938	1,506	-	1,506
Student financial aid	11,040	443	11,483	8,196	235	8,431
Interest	2,060	-	2,060	1,728	-	1,728
Internal cost recoveries	(1,141)	(175)	(1,316)	(1,040)	(103)	(1,143)
	<u>132,672</u>	<u>3,506</u>	<u>136,178</u>	<u>116,131</u>	<u>2,633</u>	<u>118,764</u>
Revenues less expenses before transfers	2,431	(3,437)	(1,006)	13,065	(853)	12,212
Interfund transfers	(3,431)	(1,919)	(5,350)	(13,065)	5,545	(7,520)
Net increase in fund balances	<u>(1,000)</u>	<u>(5,356)</u>	<u>(6,356)</u>	<u>-</u>	<u>4,692</u>	<u>4,692</u>
Fund balances, beginning of year						
Internally restricted	-	32,300	32,300	-	27,608	27,608
Unrestricted	3,500	-	3,500	3,500	-	3,500
Fund balances, beginning of year, total	<u>3,500</u>	<u>32,300</u>	<u>35,800</u>	<u>3,500</u>	<u>27,608</u>	<u>31,108</u>
Fund balances, end of year						
Internally restricted	-	26,944	26,944	-	32,300	32,300
Unrestricted	2,500	-	2,500	3,500	-	3,500
Fund balances, end of year, total	<u>2,500</u>	<u>26,944</u>	<u>29,444</u>	<u>3,500</u>	<u>32,300</u>	<u>35,800</u>

See accompanying notes to the financial statements.

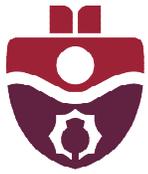
**Schedules to the Financial Statements – Restricted Fund – Statement of Operations and Changes in Fund Balances**

Schedule 2

**Restricted Fund - Statement of Operations and Changes in Fund Balances**  
 For the year ended March 31  
 (\$ thousands)

	Restricted Fund									
	2022					2021				
	Capital	Research	Trust	Specific Purpose	Total	Capital	Research	Trust	Specific Purpose	Total
<b>Revenues</b>										
Government grants and contributions										
Government of Canada	-	7,732	-	906	8,638	-	7,190	-	737	7,927
Government of Nova Scotia	-	917	-	1,765	2,682	-	797	-	326	1,123
Other grants	-	2,187	-	26	2,213	-	2,573	-	97	2,670
Student fees	-	-	-	55	55	-	-	-	69	69
Gifts and bequests	1,663	-	5,153	304	7,120	-	-	5,253	337	5,590
Sales of services and products	-	92	-	126	218	-	-	-	78	78
Income from investments	-	-	(297)	(33)	(330)	-	-	1,476	106	1,582
Miscellaneous income	656	10	392	369	1,427	-	29	289	6	324
	<b>2,319</b>	<b>10,938</b>	<b>5,248</b>	<b>3,518</b>	<b>22,023</b>	<b>-</b>	<b>10,589</b>	<b>7,018</b>	<b>1,756</b>	<b>19,363</b>
<b>Expenses</b>										
Salaries	612	3,065	244	1,101	5,022	260	2,696	96	643	3,695
Employee benefits	90	261	13	85	449	28	202	6	38	274
Materials and supplies	303	446	13	89	851	58	352	3	45	458
Communications	19	1	-	6	26	-	3	-	2	5
Travel	-	169	6	41	216	-	122	-	18	140
Printing and duplicating	-	13	-	1	14	-	3	-	3	6
Hospitality	-	1	32	20	53	-	6	12	4	22
Repairs and maintenance	1,059	-	-	-	1,059	594	-	-	-	594
Promotion and student recruitment	19	16	6	35	76	-	3	3	64	70
Professional fees	1,329	1,274	169	331	3,103	414	1,004	110	183	1,711
Rent	-	20	-	28	48	-	5	-	13	18
Other operational expenses	104	303	64	756	1,227	-	472	78	562	1,112
Student financial aid	-	2,404	1,609	199	4,212	-	2,046	1,746	162	3,954
Amortization of capital and intangible assets	9,920	-	-	-	9,920	10,021	-	-	-	10,021
Interest	40	-	-	-	40	-	-	-	-	-
Internal cost recoveries	-	330	110	672	1,112	-	228	95	658	981
	<b>13,495</b>	<b>8,303</b>	<b>2,266</b>	<b>3,364</b>	<b>27,428</b>	<b>11,375</b>	<b>7,142</b>	<b>2,149</b>	<b>2,395</b>	<b>23,061</b>
Revenues less expenses before transfers	(11,176)	2,635	2,982	154	(5,405)	(11,375)	3,447	4,869	(639)	(3,698)
Interest rate swap unrealized gains (losses)	1,412	-	-	-	1,412	(583)	-	-	-	(583)
Interfund transfers	13,827	(1,066)	(5,883)	(312)	6,566	9,640	(1,405)	(1,895)	199	6,539
Net increase (decrease) in fund balances	<b>4,063</b>	<b>1,569</b>	<b>(2,901)</b>	<b>(158)</b>	<b>2,573</b>	<b>(2,318)</b>	<b>2,042</b>	<b>2,974</b>	<b>(440)</b>	<b>3,424</b>
Fund balances, beginning of year										
Externally restricted	5	7,653	23,130	5,270	36,058	5	5,611	20,156	5,710	31,482
Invested in capital assets	106,095	-	-	-	106,095	108,413	-	-	-	108,413
Fund balances, beginning of year, total	<b>106,100</b>	<b>7,653</b>	<b>23,130</b>	<b>5,270</b>	<b>142,153</b>	<b>108,418</b>	<b>5,611</b>	<b>20,156</b>	<b>5,710</b>	<b>139,895</b>
Fund balances, end of year										
Externally restricted	5	9,222	20,229	5,112	34,568	5	7,653	23,130	5,270	36,058
Invested in capital assets	110,158	-	-	-	110,158	106,095	-	-	-	106,095
Fund balances, end of year, total	<b>110,163</b>	<b>9,222</b>	<b>20,229</b>	<b>5,112</b>	<b>144,726</b>	<b>106,100</b>	<b>7,653</b>	<b>23,130</b>	<b>5,270</b>	<b>142,153</b>

See accompanying notes to the financial statements.



**Saint Mary's  
University**

# **Appendix 1: University and Financial Governance**

**March 31, 2022**



## Board Committee Structure



Saint Mary's University operates under a shared governance structure. The Board of Governors has the overall conduct, management, and control of the University, and oversees all administration of the University, including property, revenues, expenditures, and business. The Senate oversees the academic and research activities of the university, subject to the powers of the Board of Governors.

Through its stewardship role, the Board oversees the conduct of the university's affairs, ensuring through the President that a qualified and diligent team carries out the day-to-day activities with respect to the university's financial and other resources, and together with the Senate, fulfills the mission of the university. The Board consists of members of the university community, including alumni, faculty, students, and committed volunteers from the community at large.

For greater clarity, the Board does not duplicate the role of the university's administration, which is responsible for the day-to-day business of the university and for the implementation of policies adopted by the Board. The governance structure is established in the Saint Mary's University Act, 1970.



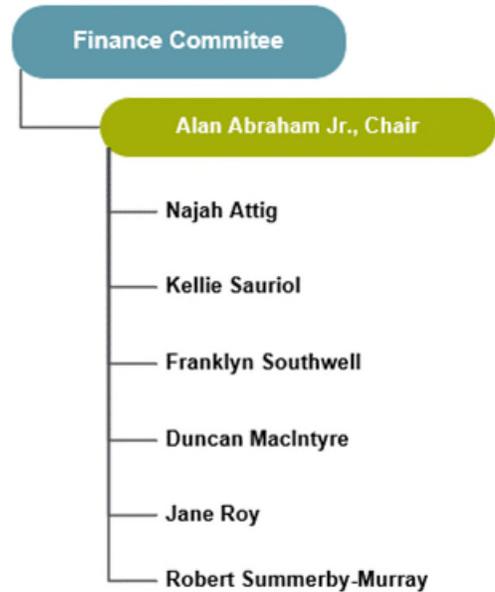
### Board Committee Structure

The Board of Governors has delegated responsibility to several committees, comprised of Governors, to carry out work on behalf of the Board. The following is a list of Board Committees (with Chairs shown in brackets) as at March 31, 2022. The financially oriented committees (Finance and Audit & Risk) are further discussed on page iv.

Each committee is governed by Terms of Reference approved by the Board. The by-laws of the University require that a majority of each standing committee be Governors and that the Chair of each standing committee is a Governor. Unless the Board specifically grants decision-making authority to a committee, the committees are advisory to the Board and make recommendations for the consideration of the Board.

The Finance Committee assists the Board of Governors in its oversight of university finances. The functions of the committee include:

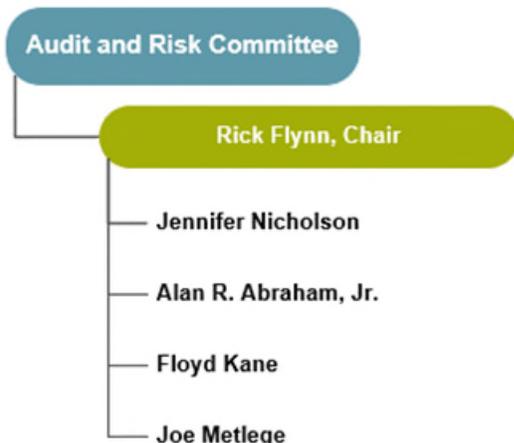
- Establishment, review and oversight of a Board of Governors policy framework concerning financial matters including those associated with the acquisition and disposition of capital assets (in collaboration with the Property Committee)
- Oversight and advice on the university's long-term financial planning, including its activities directed to financial risk assessment and risk management
- Oversight and advice on operating and capital budget planning and expenditures, including attention to both the university's immediate and long-term financial health
- Oversight and advice on operating and capital financing, including debt management
- Oversight and advice on the establishment, operations and management of university investments, including oversight of the Investment Advisory Committee.



The Finance Committee met four times during the year.

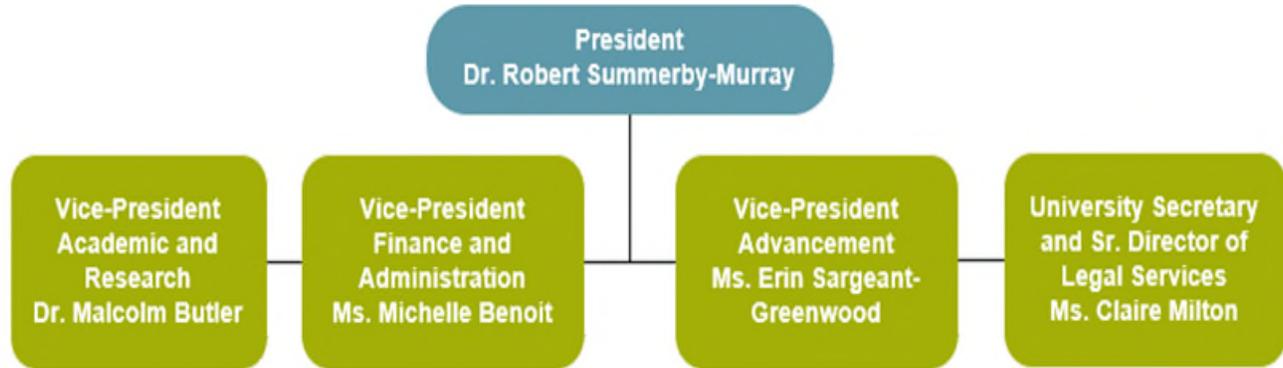
The primary purpose of the Audit and Risk Committee is to assist the Board of Governors in its oversight of:

- The financial reporting process to ensure the transparency and integrity of financial reports;
- The effectiveness of the university's internal control and risk management environment;
- The independent audit process, including recommending the appointment and assessing the performance of the external auditor; and
- The university's risk management framework



The external auditor, Grant Thornton LLP reports to the Audit Committee independent of management. All members of the Audit and Risk Committee must be external Board members. A majority of the Committee members are required to be financially literate and ideally, at least one member will have a professional accounting designation.

The Audit and Risk Committee met three times during the year.

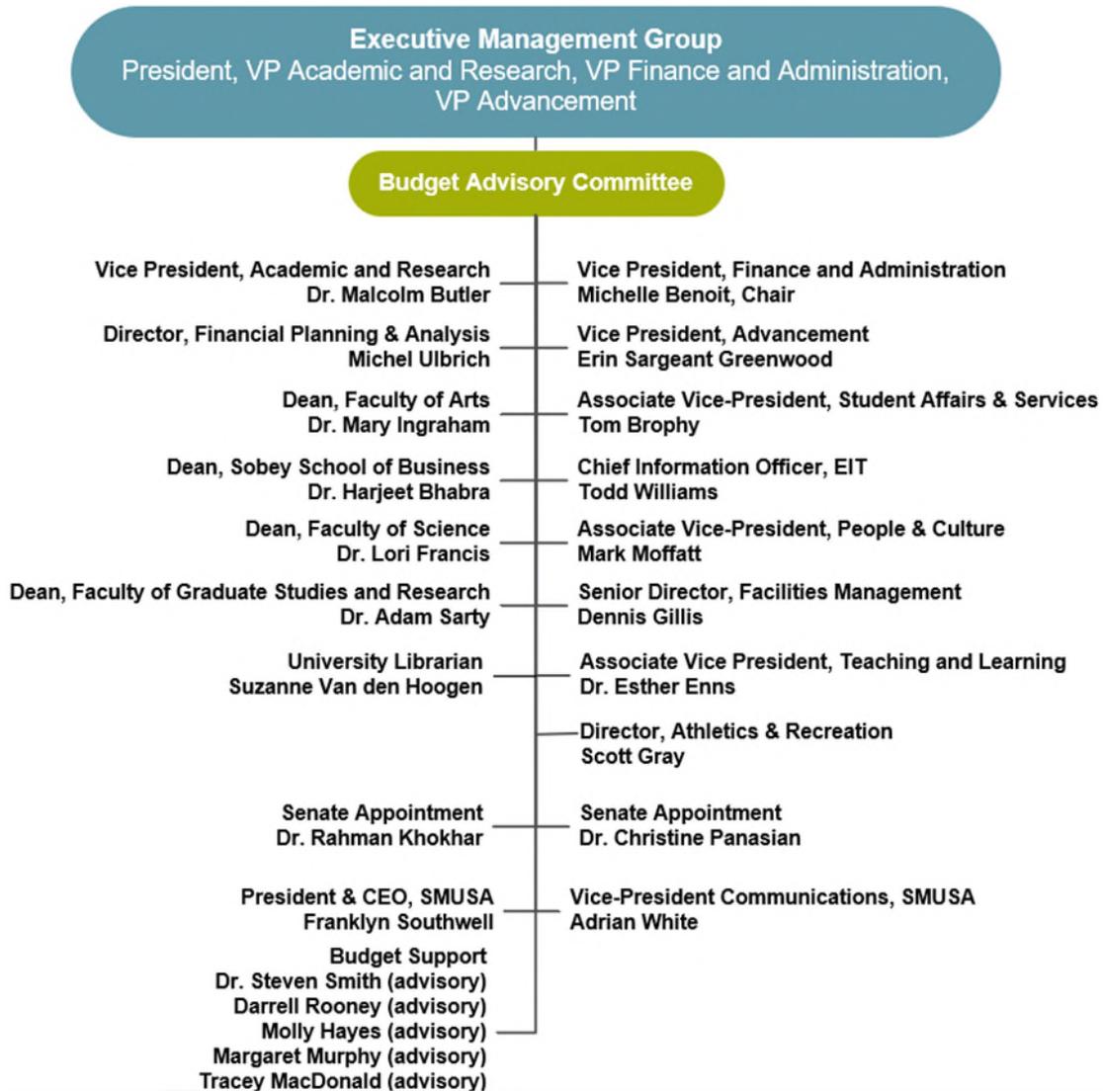
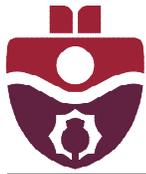


### **Saint Mary's University Act**

“The President of the University shall have general supervision of and direction over the academic and administrative work of the University and the teaching staff thereof and all officers and employees.”

### **Executive Management Group (EMG)**

The President and Vice-Presidents comprise the EMG, the senior management policy group at Saint Mary's. The EMG considers the academic and administrative environments and advises the President on a wide range of university policy issues, including such financial items as operating and capital budgets, tuition and student fees, financial reporting, funding, pension administration, business planning and risk management. The EMG's financial planning link to the Board of Governors is through the Finance Committee and Executive Committee of the Board.



The Budget Advisory Committee is a cross-functional team, designed to represent the interests of the Saint Mary's University community. The budget process begins with the EMG setting broad parameters and operational goals. The process is highly consultative, involving all departments in the development of budget papers. The Budget Advisory Committee is responsible for reviewing the budget proposals and preparing the draft operating and capital budgets.

The draft budget is routed through an extensive review process, including the following:

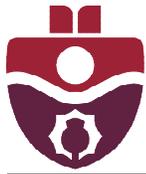
- Property and Campus Planning Committee (capital items)
- Senior Management Group
- Academic Senate
- SMUSA
- Executive Management Group
- Finance Committee (with Audit & Risk Committee)



**Saint Mary's  
University**

## **Appendix 2: Statement of Operations – Operating Fund- Actual vs. Budget**

**March 31, 2022**



# Saint Mary's University

## Operating Fund - Statement of Operations – Actual vs Budget

For the year ended March 31 (\$ thousands)

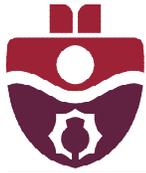
	Operating Fund					
	2022			2021		
	Actual	Budget	Variance	Actual	Budget	Variance
<b>Revenues</b>						
Government grants and contributions						
Government of Canada	1,539	1,426	113	1,507	1,413	94
Government of Nova Scotia	36,930	36,824	106	40,458	36,814	3,644
Other grants	24	74	(50)	23	60	(37)
Student fees	82,891	83,690	(799)	81,759	83,435	(1,676)
Sales of services and products	12,731	9,844	2,887	4,866	18,136	(13,270)
Income from investments	319	616	(297)	142	978	(836)
Miscellaneous income	590	903	(313)	380	892	(512)
	<u>135,103</u>	<u>133,436</u>	<u>1,667</u>	<u>129,196</u>	<u>141,809</u>	<u>(12,613)</u>
<b>Expenses</b>						
Salaries	80,601	81,057	(456)	75,943	80,205	(4,262)
Employee benefits	11,917	11,537	380	11,006	12,017	(1,011)
Equipment rental	1,142	990	152	999	841	158
Materials and supplies	2,660	2,985	(325)	2,164	3,270	(1,106)
Communications	466	534	(68)	443	759	(316)
Travel	1,304	1,896	(592)	504	4,247	(3,743)
Utilities	3,025	3,186	(161)	2,434	3,716	(1,282)
Printing and duplicating	590	692	(102)	368	965	(597)
Library acquisitions	1,986	1,879	107	1,785	2,060	(275)
Hospitality	425	334	91	99	1,059	(960)
Repairs and maintenance	3,779	4,501	(722)	2,334	3,468	(1,134)
Promotion and student recruitment	3,592	3,376	216	2,833	4,147	(1,314)
Professional fees	1,832	1,852	(20)	1,623	2,058	(435)
Rent	45	13	32	107	256	(149)
Other operational expenses	3,411	3,003	408	3,099	3,292	(193)
Cost of goods sold	3,938	2,442	1,496	1,506	5,274	(3,768)
Student financial aid	11,040	9,106	1,934	8,196	7,441	755
Interest	2,060	2,061	(1)	1,728	1,994	(266)
Internal cost recoveries	(1,141)	(628)	(513)	(1,040)	(681)	(359)
	<u>132,672</u>	<u>130,816</u>	<u>1,856</u>	<u>116,131</u>	<u>136,388</u>	<u>(20,257)</u>
Revenues less expenses before transfers	2,431	2,620	(189)	13,065	5,421	7,644
Interfund transfers	(3,431)	(3,120)	(311)	(13,065)	(6,321)	(6,744)
Net operations	<u>(1,000)</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>	<u>(900)</u>	<u>900</u>



**Saint Mary's  
University**

## **Appendix 3: Strategic Plan Initiatives 2017- 2022**

**March 31, 2022**



### VALUES

Our values articulate our distinctive contribution to civil society, locally and globally. These values are highlighted in the Santamarian Signature:  
Pursuing academic growth, Demonstrating resilience, Developing intercultural competence, Engaging our alumni and community; and Exercising ethical wisdom

**Discovery & Innovation in a Learning-centred Environment**

- Promote innovative and distinctive pedagogies and student curriculum
- Improve the holistic student learning experience
- Graduating students with creative and entrepreneurial mindsets
- Deliver a student-focused experiential and academic service-learning strategy
- Promote both foundational and community-engaged research

**Intercultural Learning**

- Position Saint Mary's as a national leader in international and intercultural education
- Enhance learning opportunities for Indigenous students and enhance Indigenous cultural education
- Provide intercultural learning opportunities for faculty, staff and students to develop global empathy
- Ensure our campuses are a microcosm of a diverse world
- Promote diversity

**Institutional Sustainability**

- Cultivate our 'people capacity' with students, staff, faculty
- Cultivate and diversify our revenue and fundraising capacity and sophistication through development and delivery of an integrated Advancement plan that enables achievement of the Strategic Plan goals and objectives
- Cultivate and protect our revenue capacity through focus on strategic enrolment management
- Cultivate excellence in our operational capacities through excellence in fiscal management, revenue generation and business process improvement. Create a risk intelligent culture through mitigation and education, preserving and enhancing physical infrastructure and information technology to enhance learning and working environments.
- Establish overarching and coordinated information reporting strategy to support evidence-based decision-making