Athabasca University

Comprehensive Institutional Plan 2015–18

Athabasca University

Comprehensive Institutional Plan 2015–18

CONTENTS

List of Tables and Figures

Tables

Figures

EXECUTIVE SUMMARY

Athabasca University's vision is to be a world-class online university, open to learners regardless of circumstance, internationally recognized for creativity and innovation and partnering with others to benefit the world.

As an online university, AU provides open access to innovative learning opportunities and disseminates knowledge to the broader community. AU collaborates with others both within Campus Alberta and beyond to identify and develop quality systems and services that benefit learners, promote fiscal prudence, enhance productivity and contribute to Alberta's leadership in the digital knowledge economy. Rooting its activities in principles of excellence, openness, flexibility and innovation, AU aspires to be the first choice of those seeking an online learning experience.

Environmental Context

Worldwide changes in the organization of post-secondary institutions and in learning technologies are aimed at facilitating learning. These changes are occurring in the context of a global economy that is hampered by financial instability, uncertain economic growth, high unemployment, weak commodity prices and social unrest.

Skills shortages limit economic performance worldwide, including in Canada and Alberta: more than half of the new jobs being created in Alberta require university degrees. Low productivity is another habitual problem affecting the Canadian economy. Both of these challenges can be addressed through increased flexibility in lifelong access to post-secondary learning, and AU is well positioned to contribute to solutions. Beyond contributing to economic strength, educated citizens are more likely to be innovative, politically engaged, concerned with health and well being, involved in their communities and devoted to public prosperity and social progress.

Barriers to post-secondary achievement include geographic isolation, family or work responsibilities, lack of recognition of previous learning and financial hardship. AU's flexible online learning methods can help Albertans overcome such limitations. However, AU's ability to maintain and advance the technology essential to its online learning system is being limited by government cuts to operating and capital grants.

Priority Initiatives

In the *Strategic University Plan: 2011-16*, AU articulated a set of goals to guide the university through the four-year planning period. They include maintaining AU's international leadership in quality open and distance education, ensuring the sustainability and adaptability of the university, recruiting and retaining excellent people, promoting excellence in research and building communities.

Access related priorities include developing and implementing a domestic and international recruitment plan; introducing new leadership, management development and productivity improvement courses and new programs of interest to northern Albertans; continued participation in provincial articulations committees Canada-wide; expansion of the AU Library's role in course and program development and community outreach; development of an Open Library website; and continued enhancement of AU courses through the use of open educational resources.

Priorities related to course and program quality include continued curriculum renewal in all faculties; continued focus on developing collaborative partnerships with corporations, government departments and other post-secondary institutions; continued implementation of administrative systems renewal; and continued university-wide review and updating of policies and procedures.

AU's research priorities include initiatives designed to increase research capacity; raise the profile of AU researchers; create strong research partnerships, including academic-industry partnerships; foster recruitment of research chairs; and enhance AU's research-related policies, procedures and business practices. A systematic review of the university's three research institutes and revision of its *Strategic Research Plan* will be carried out over the coming year.

Community engagement priorities include commitments to strengthen relationships with Campus Alberta partners, to strengthen and expand relationships with Indigenous communities, to continue to build partnerships with industry and professional groups, to connect with communities of interest through outreach initiatives and to strengthen connections with the AU alumni.

Internationalization

Education providers must increasingly focus on developing graduates equipped to live and work in an interdependent world. Though internationalization is an emerging area for AU, the university seeks to provide a global orientation for its students in a number of ways including providing opportunities for study and research abroad. AU interacts, through learning and research related collaborations, with universities and other educational institutions, students and researchers throughout the world. AU scholars are recognized worldwide for their expertise and research in distance education, and each year AU welcomes visiting international scholars representing a range of disciplines. In the coming year, the university will carry out a study designed to identify international markets for AU programs.

Consolidated Budget

AU remains committed to a sustainable budget strategy. The 2015-16 budget is balanced with revenues and expenses of $129.3 million. The university is projecting deficits of $5.5 million and $5.1 million in the subsequent two years.

Fiscal challenges include a decrease in the Campus Alberta base operating grant, elimination of the targeted enrolment grant, funding pressures for new ICT capital, negotiation of collective agreements, limits on tuition fee increases, volatility in investment markets and increasing competition.

Capital Plan

Sustainability is AU's top priority. Achievement of the university's core mission depends on the viability of its information and communication technology infrastructure. Additional funding is needed to fully develop digital capacity and to fully embed new pedagogies and services across operations.

The centrepiece of AU's five-year Capital Plan is the core initiative to fully realize the university's planned Open Personalized Learning Environment, a technological environment that will tailor functionality, services and information to each learner's needs. Its realization will establish a new standard for online learning, address significant knowledge gaps across multiple industries and reposition Alberta and AU as pioneers and innovators in distance education and research.

Priority physical infrastructure projects include upgrades to the Main Campus Building in Athabasca; improvements to roads, parking lots and trails on the Athabasca campus; identifying and correcting building deficiencies in the Academic and Research Centre; increasing the breadth and depth of the AU Library holdings; consolidation of AU operations in the Greater Edmonton Area; and construction of a field research station in Athabasca.

MESSAGE FROM THE PRESIDENT

Athabasca University is essential to Alberta and to Canada and plays a unique and vital role in Campus Alberta. AU is the country's premier provider of distance and online education, and its delivery model and commitment to students are hallmarks of innovation and service. One of four Alberta Comprehensive Academic and Research Institutions, AU provides opportunities for seamless transition within the province's post-secondary system.

As an open, online university, AU makes post-secondary education accessible to many people who might otherwise experience hardship in accessing it and to many more who might otherwise never access it at all. Innovations adopted by AU to remove barriers to learning and its history of helping learners to remove other barriers for themselves have, combined, improved access for Albertans and other Canadians to a university education.

Like its four predecessors, this Comprehensive Institutional Plan is an aspirational document intended to inform the Government of Alberta and other stakeholders about the university's ongoing activities and plans. Where it differs from previous planning documents, however, is in the context of its creation. AU faces persistent and critical sustainability issues attributable to an accumulation of factors that include (but are not limited to) enrolment demographics, government support expressed as a percentage of the operating budget funded by the provincial grant, and inadequate support for IT. These factors must be addressed for the university to identify and follow a sustainable path.

On February 26, 2015, the Board of Governors established a presidential task force to identify and review options for AU's sustainability. The task force is expected to report on June 1, 2015, and that report will demonstrate that the university's future cannot be "business as usual." The plans laid out in this Comprehensive Institutional Plan are incomplete without reference to the forthcoming task force report. Indeed, the two documents should be read together to obtain a full picture of AU's aspirations, plans and prospects.

Original signed by Peter MacKinnon

Peter MacKinnon, OC
Interim President

May 29, 2015

ACCOUNTABILITY STATEMENT

This Comprehensive Institutional Plan was prepared under the direction of the Governors of Athabasca University, in accordance with legislation and associated ministerial guidelines and in consideration of all policy decisions and material, economic or fiscal implications of which the Board is aware.

Original signed by Margaret Mrazek

Margaret Mrazek, QC
Acting Chair
The Governors of Athabasca University

May 29, 2015

INSTITUTIONAL CONTEXT

Mandate[1]

Founded in 1970 and operating as a Comprehensive Academic and Research Institution under the authority of the Alberta *Post-secondary Learning Act*, Athabasca University is a public, board-governed, open and distance education university which serves students throughout Alberta, across Canada and around the world. Working as a partner within Campus Alberta, AU is committed to collaborating with other key stakeholders to ensure a seamless and responsive advanced education system that provides high-quality learning opportunities in support of lifelong learning.

The university offers a range of courses and programs leading to graduate and undergraduate degrees, certificates and diplomas in the humanities, the social sciences, the sciences, technology, business and the health disciplines.

As an open university, AU seeks to remove barriers to undergraduate and graduate education. It offers flexible enrolment opportunities for learners, regardless of age, gender, culture, income, disability, career and family obligations, geographic location or educational background. As a distance education university, AU provides flexibility for lifelong learners who cannot or choose not to undertake residential post-secondary education. The university offers learners the opportunity to interact with students across Canada and around the world through programs in established and emerging areas as it seeks to meet the needs of career professionals, develop research expertise and create knowledge that fosters a global outlook among its graduates.

AU provides high-quality, interactive learning environments that include a variety of online and other media technologies for individualized and cohort learning. The university's library and tutorial services and extensive student support services that facilitate access and increase learner success are integral aspects of a quality open and distance education system. Similarly, its course designs and technology applications are based on current research in open and distance education, pedagogical advances in lifelong learning and contemporary developments in online learning technologies. The university actively pursues technological innovations that can enhance its teaching, research and administrative functions.

The university provides undergraduate degree completion opportunities for university transfer students and college diploma graduates through credit co-ordination, credit transfer, prior learning assessment and associated forms of learning accreditation. It supports collaborations such as its degree completion agreements with colleges and partnership with Alberta-North. These collaborations, together with its participation in initiatives such as the Canadian Virtual University, reflect AU's long-standing commitment to adult and lifelong learners, to Indigenous communities, to learners in remote, rural and northern areas, to under-served urban populations and to program students at other universities who seek courses to accelerate degree completion. The university also acquires and maintains accreditation in other Canadian provinces and in appropriate international jurisdictions.

AU pursues and demonstrates excellence in research and scholarship, viewing research as central to the creation and mobilization of knowledge, the enhancement of its programs, the education of its students, the betterment of its community and the development of its faculty and future scholars. Besides its international reputation for research in all aspects of open and distance education and learning technologies innovation, the university is developing notable strength in interdisciplinary research in several areas such as Canadian studies, globalization and cultural studies, Indigenous education, space and environmental sciences, project management, and nursing and health management. Aspects of technological change are integral to many of these theme areas. By supporting and conducting research activity in all program areas, AU makes significant contributions to cultural, scientific and professional development in Alberta and beyond.

[1] Approved by the Minister of Advanced Education and Technology, November 17, 2009

AU's academic, professional and support staff engage in professional service within the education system at local, provincial, national and international levels. The university encourages its members to serve a wide range of communities through activities such as volunteerism, community based research, involvement in local community organizations and participation in virtual learning communities.

Mission Statement[2]

Athabasca University, Canada's Open University, is dedicated to the removal of barriers that restrict access to and success in university-level study and to increasing equality of educational opportunity for adult learners worldwide. We are committed to excellence in teaching, research and scholarship and to being of service to the general public.

Principles

Adherence to four key principles underlines all of AU's activities:

Excellence   We are dedicated to achieving the highest standards in teaching, research, scholarship and student service.

Openness   We are committed to our mission of guaranteeing access to post-secondary learning to all who have the ability and desire to learn.

Flexibility   We are committed to providing flexible learning opportunities to meet learners' needs.

Innovation   We continue to adopt and develop learner-centred, technology-based learning models.

Values

The members of the AU community hold a set of complementary values that are fundamental to the university's identity and operations:

- We value excellence: The search for excellence is the hallmark of all our endeavours.
- We value learning: Student learning and satisfaction are measures of our success.
- We value scholarly research: We engage in reflective practice through the scholarship of discovery and the scholarship of teaching.
- We value the free exchange of ideas: A respectful climate for open discourse promotes innovation, discovery and social responsibility.
- We value openness and flexibility: Reducing barriers to education enhances access and social equity.
- We value diversity and inclusiveness: Diversity and inclusiveness enhance the quality of learning and of the workplace.
- We value employees: Their commitment, innovation, creativity and continuous learning contribute to our success.
- We value accountability: We are accountable to our students, to each other and to the public.

[2]   May 1985; reconfirmed October 2011.

COMPREHENSIVE INSTITUTIONAL PLAN DEVELOPMENT

Planning and Assessment Cycle

AU'S *Strategic University Plan: 2011-16*, approved by the Board of Governors in June 2011, is the foundation document for all long- and short-term university planning. Based on extensive internal and external stakeholder input, that plan gives direction to major academic and research initiatives as well as community development activities and human resources and fiscal policies. The document identifies five major university goals:

- to be the leader in quality open and distance education
- to ensure sustainability and foster adaptability
- to recruit and retain excellent people
- to promote excellence in research
- to build communities

The strategic plan also lists key objectives and expected outcomes and performance measures relative to each major goal. Those goals, objectives, expected outcomes and performance measures are reflected in the initiatives outlined in this Comprehensive Institutional Plan.

Within the larger context of ongoing discussions with Alberta Innovation and Advanced Education, the process of developing the Comprehensive Institutional Plan is part of a multi-year planning cycle in which assessment of activities carried out in past years informs planning and resource allocations for subsequent years. Yearly assessments in terms of the key measures and operational priorities are developed for the university's Annual Report during the May to July period, in accordance with annual reporting deadlines for units and divisions. Based on analysis of the information collected, deans and vice-presidents, in the early summer, identify priority actions and initiatives for the following year. These decisions, in turn, inform budget and divisional business planning documents, which are due in late October. About this time, department officials from Alberta Innovation and Advanced Education visit the university to provide an update and overview of ministry priorities and to discuss institutional opportunities and challenges. Each member of the executive consolidates the initiatives from divisional and cross-divisional plans and contributes to an environmental scan. Collation of the materials follows in January and, after rigorous consultation with various groups and the relevant committees, the draft Comprehensive Institutional Plan is approved by the Board of Governors in June, prior to its submission to Alberta Innovation and Advanced Education.

Internal Consultations

Through its formal governance and committee structures, the leadership team at AU consults regularly with internal stakeholders on development of the Comprehensive Institutional Plan. The draft document goes through several rounds of review and feedback by deans and members of the Executive Group before presentation to the Academic Planning and Policy Committee of General Faculties Council and General Faculties Council itself. The plan is then reviewed by the Finance and Property Committee, Academic Affairs Committee and Executive Committee of the Board before being finalized for full Board approval.

External Consultations

AU consults with a wide range of community, business, government and Indigenous organizations across Alberta. Ongoing work with a wide variety of stakeholders affects institutional priorities, and it provided information and context that influenced this plan. These stakeholders included federal, provincial and municipal government departments and agencies, non-governmental organizations, national and international educational and research bodies, board members from K-12 school jurisdictions and school administrators, private companies, professional associations, government-funded and private funding agencies and foundations, and individual donors.

ENVIRONMENTAL CONTEXT

Both the way higher education is organized and the way students learn are changing. All around the world, new frameworks are being developed for enhancing teaching and learning through new technologies and open digital content. The goal is to facilitate learning anywhere, any time. In the Canadian context, AU pioneered flexible learning through distance education in the 1970s. Today, AU is Canada's largest provider of distance and online university education, serving more than 40,000 students throughout Alberta, across Canada and around the world.

AU contributes to the diversity of Alberta's and Canada's higher education system by offering flexible online certificates, diplomas and undergraduate and graduate degrees in a broad range of academic and professional areas, including humanities and social sciences, business, nursing, science and computing systems. AU strives to increase access to post-secondary learning for groups traditionally under-represented in post-secondary education, to facilitate lifelong learning, to promote adaptability, to serve the ever-changing needs of the labour force and to address emerging skills gaps. The university is committed to enhancing student learning and support services, expanding its research portfolio and advancing Alberta's post-secondary education system in innovative ways to meet the needs of learners, communities and industry in the digital age and the knowledge economy.

In this context, the *Comprehensive Institutional Plan: 2015-18*, assesses AU's strengths, examines imminent opportunities and challenges, and highlights the university's vision for innovative, flexible and open education.

Global, National and Provincial Economies

The challenges facing the global economy are profound and diverse. Although it grew by three per cent in 2013, the economy continues to be affected by the financial and economic crisis of 2008.[3] Unemployment and underemployment continue to disproportionately affect young people.[4] Weaker commodity prices are affecting trade and investment, and economists fear resurgent deflation.[5] Economic growth is uneven and fragile; volatility and uncertainty are entrenched. These realities threaten economic progress and increase the risk of social unrest. Conditions in the labour market are also of concern. Discussions focus on the growing gap between worker skills and the demands of the labour market as individuals often lack the expertise or soft skills needed to compete for available jobs.[6] A recent global survey revealed that one in three employers has difficulty filling vacant positions with qualified candidates.[7] The skills needed are also changing rapidly in an ever-evolving technologically driven labour market: according to one recent study, 50 per cent of workplace skills will be outdated in three years.[8] Workers will increasingly need to upgrade their skills to keep up with technological change.

[3] International Monetary Fund, "Global Economy Still Struggling to Get on Track" (2014): http://www.imf.org/external/pubs/ft/ weo/2014/02/images/WEOinfo_1099.pdf.

[4] World Economic Forum, *Global Risks*, 9th ed. (Geneva, 2014), 9: http://www3.weforum.org/docs/WEF_GlobalRisks_Report_ 2014.pdf.

[5] TD Securities, 2015 *Global Outlook: Rates, FX and Commodities Research*, November 20, 2014: http://www.td. com/document/PDF/ economics/ global/2015GlobalOutlook.pdf; David Parkinson, Richard Blackwell and Iain Marlow, "The Seven-Year Slump: Why the Global Economy Can't Seem to Get Started" *Globe and Mail,* January 24, 2015: http://www.theglobeandmail.com/report-on-business/the-7-year-slump-why-the-global-economy-cant-seem-to-get-started/article22611665/.

[6] Global Agenda Council on Employment, *Matching Skills and Labour Market Needs: Building Social Partnerships for Better Skills and Better Jobs* (Geneva: World Economic Forum, 2014), 7: http://www3.weforum.org/docs/GAC/2014/WEF_GAC_Employment_ Matching Skills LabourMarket_Report_ 2014.pdf.

[7] World Economic Forum, *Global Risks*, 9th ed., 37.

[8] Emad Rizkalla, "Why the Skills Gap Will Widen: The People and Businesses that Training Forgot" (webinar) (Ottawa: The Conference Board of Canada, May 26, 2014): http://www.conferenceboard.ca/e-library/abstract.aspx?did=6006#ShowRatings.

The Organization for Economic Co-operation and Development projects steady growth of the Canadian economy in 2015 and an economic slowdown in 2016[9]; however, such projections are tenuous and dependent on resource revenue forecasts and overall foreign-market growth. Canada's competitiveness is also of concern. The World Economic Forum recently ranked Canada fifteenth out of 144 countries in its annual global competitiveness index, down two places from 2011 and five places from 2009.[10]

Alberta's economic growth has been integral to Canada's economic vitality in recent years: the province's high employment rate, good wages and oil and gas revenues have sustained national economic growth.[11] However, Alberta's heavy reliance on non-renewable resource revenues poses a great risk to the province's future economic growth and social stability. Although the province has demonstrated resiliency to resource price fluctuations over the past few decades,[12] it is important to eliminate economic volatility through long-term planning, increased competitiveness, diversification and innovation.

Canada's slipping competitive position highlights the need for more investment in education and training, both critical to future innovation. Inadequate investment in education will leave Canada in a precarious, stagnating position relative to other advanced economies. Fostering skill and knowledge development is also critical to Alberta's future. As one recent global report states: "Skills are one of the major drivers of economic growth, and labour markets reward highly skilled workers."[13] A well-educated workforce is essential to creating new businesses and innovative solutions that will help rebalance Alberta's economy in the face of potentially prolonged reduced resource revenues. Although industrial diversification and a competitive tax environment contribute to Alberta's competitiveness,[14] continuous education and skills development are essential to strong long-term economic growth.

AU is well positioned to help address the challenges facing Alberta's and Canada's economy. Open access to adult learning and flexible educational and training options are key to enhancing labour productivity and competiveness. Research demonstrates that strengthening equality of access to education and increasing pathways to continuous training are critical to maintaining competiveness.[15] Online education has a unique capacity to contribute to the realization of economic goals. As the World Economic Forum asserts: flexible access to online education creates resilient and adaptable economies and has the potential to lift nations out of economically troubled times because it enables people to "update their skills in response to the fast-changing job markets of modern knowledge economies."[16]

Skills Development and Labour Market Needs

In its planning and prioritization, AU recognizes the challenges facing the global, national and provincial economies and the needs of the Canadian workforce. Skills shortages are persistent in labour markets worldwide. The urgency of addressing skills shortages was highlighted in the 2014 OECD education report,

[9] "Canada - Economic Forecast Summary" (November 2014): http://www.oecd.org/economy/canada-economic-forecast-summary. htm; TD Economics, "Long-Term Economic Forecast" (December 17, 2014): http://www.td. com/document/PDF/economics/qef/ long_term_dec2014. pdf.

[10] Klaus Schwab, ed., *The Global Competitiveness Report 2013-14* (Geneva: World Economic Forum, 2013), 31: http://www3.weforum. org/docs/WEF_GlobalCompetitivenessReport_2013-14.pdf.

[11] Alberta Innovation and Advanced Education, *Highlights of the Alberta Economy 2014*: http://www.albertacanada.com/files/al-bertacanada/SP-EH_ highlightsABEconomyPresentation.pdf; Alberta Treasury Board and Finance, "Economic Outlook," *The Build-ing Alberta Plan, Budget 2014*: http://finance.alberta.ca/publications/budget/budget2014/fiscal-plan-economic-outlook.pdf.

[12] Alberta Treasury Board and Finance, "Economic Trends" (November 28, 2014): http://finance.alberta.ca/aboutalberta/economic-trends/2014/2014-11-economic-trends.pdf#page=3.

[13] OECD, *Education at a Glance 2014: OECD Indicators* (OECD Publishing, 2014), 104: http://dx.doi.org/10.1787/eag-2014-en.

[14] Alberta Innovation and Advanced Education, "Alberta Economic Quick Facts" (Edmonton: Alberta Government, 2015): http://www.albertacanada.com/files/albertacanada/SP-EH_AlbertaEconomicQuickFacts.pdf.

[15] Klaus Schwab, *The Global Competitiveness Report 2014-15* (Geneva: World Economic Forum, 2014), 7: http:// www3.weforum.org/docs/WEF_GlobalCompetitivenessReport_2014-15.pdf.

[16] *Global Risks*, 9th ed., 35.

which shows that deficiencies are becoming more and more evident as workers attempt to adapt to the rapidly changing, knowledge-based world economy.[17]

In Canada, labour shortages are largely due to demographic shifts. Over the past 40 years, the national economy was fuelled by population growth and immigration. As members of the baby boom generation reach retirement age in large numbers over the next two decades, however, the demand for technical and professional skills, especially in legal, health and social services fields, will grow rapidly. Changes to immigration policy, particularly *express entry* initiatives aimed at attracting skilled workers, are geared to addressing this demand.[18] The capacity for large-scale immigration to address these labour market needs is, however, limited by structural barriers to immigrants' integration into Canadian society. The most common difficulties reported by newcomers are language barriers and lack of recognition of foreign education, credentials and work experience.[19] Labour shortages are therefore expected to persist unless there is significant investment in post-secondary education accompanied by a shift in public policy with regard to recognition of foreign credentials.

Recent reports by the Conference Board of Canada and the Canadian Council of Chief Executives outline the depths of skills shortages in Canada.[20] These reports demonstrate that skills deficiencies particularly affect certain regions, most notably Alberta and Saskatchewan, and certain economic sectors and occupations, including technology and information technology, business and management, health care, sciences and skilled trades. Projections indicate that 550,000 Canadian workers will lack the skills needed to fill available jobs in 2016, growing to 1.1 million by 2021.[21] The Government of Alberta, in a recent analysis of labour market growth, projected a potential shortfall of approximately 96,000 workers by 2023 and predicted that about 63 per cent of new jobs are likely to require post-secondary education.[22] Employers are looking for highly qualified employees. Between 2008 and 2014, the number of net new jobs for university graduates grew by 800,000 in Canada, compared to 355,000 for college and trades graduates.[23] In Alberta, since 2008, 56 per cent of net new jobs have required university degrees, nearly double the number that required college diplomas and triple the number that required trades certificates.[24]

A second if not more important challenge for Canada is growth of productivity. Falling since 2002, Canada's productivity lags behind that of many of the countries with which it competes. The OECD has identified low productivity growth as Canada's highest long-term hurdle, one that represents a significant threat to future economic prosperity. Declining productivity is reducing the value of Canadian goods and services on the global market. Improving productivity requires producing goods and services in more efficient and effective ways. To enhance productivity, governments and businesses must invest in innovative technologies and post-

[17] *Education at a Glance 2014*, 74-78.

[18] Government of Canada, "Express Entry": http://www.cic.gc.ca/english/immigrate/express/express-entry.asp.

[19] Vikram Rai, *Labour Market Information for Employers and Economic Immigrants in Canada: A Country Study* (Ottawa: Centre for the Study of Living Standards, 2013): http://www.csls.ca/reports/csls2013-01.pdf.

[20] Daniel Munro, James Stuckey and Cameron MacLaine, *Skills – Where Are We Today? The State of Skills and PSE in Canada* (Ottawa: The Conference Board of Canada, 2014): http://www.conferenceboard.ca/temp/4f11033a-218a-4444-9baa-b36e1c96170d/6603_skills-whereare weat%20-%20rpt.pdf; Canadian Council of Chief Executives, *Second Survey Report: Skills Shortages in Canada* (Ottawa, 2014): http://www.ceocouncil.ca/ wp-content/uploads/2014/03/Second-survey-report-skills-shortages-in-Canada-13-March-20141.pdf;

[21] Bernard Simon, *Skills Development in Canada: So Much Noise, So Little Action* (Ottawa: Canadian Council of Chief Executives, 2013), 5-6: http://www.ceocouncil.ca/wp-content/uploads/2013/12/Bernard-Simon-December-2013.pdf.

[22] Alberta Jobs, Skills, Training and Labour, *Alberta's Occupational Demand and Supply Outlook 2013-2023* (Edmonton, Government of Alberta, 2014): http://work.alberta.ca/documents/occupational-demand-and-supply- outlook-2013-2023.pdf.

[23] Association of Universities and Colleges of Canada, *Brief Submitted to the House of Commons Standing Committee on Finance on Youth Employment in Canada* (April 2014), 2: http://www.aucc.ca/wp-content/uploads/2014/04/aucc-submission-on-youth-employment-april-2014.pdf.

[24] Association of Universities and Colleges of Canada, "Higher Education for a Stronger Canada" (2014) http://www .aucc.ca/wp-content/uploads/2014/09/higher-education-for-a-stronger-canada-aucc-prebudget-long-submission2015.pdf.

secondary education and training.[25] According to the OECD, fostering a more flexible educational system "that facilitates lifelong learning along a diverse range of student pathways" should be Canada's priority.[26] Increased participation in and access to post-secondary learning is the key to productivity growth and is critical to "socially inclusive growth in a knowledge-driven economy."[27]

AU addresses the economic challenges of the future through a deep commitment to realizing its mandate: to remove the educational, geographical, financial, social and cultural barriers that restrict access to post-secondary achievement. AU guarantees access to a broad range of learners who would not otherwise have the opportunity to pursue university studies. Consistent with its mission as an open university, AU denies entry to no qualified Alberta student.

In AU, the provincial government finds a dedicated partner in achieving its goals of a dynamic Alberta economy and a strong post-secondary system. AU strives not to compete with Alberta's traditional, campus-based universities but to complement them. Over 3,100 college graduates per year seek to upgrade their professional qualifications through AU university completion programs, and over 4,300 students from other Alberta post-secondary institutions take AU courses for transfer to their home institution. AU provides the credentials that help prepare learners for a wide variety of professional opportunities.

AU students are also uniquely connected to the economy: the majority are full-time workers. While campus-based institutions focus on serving the needs of young learners who aspire to join the workforce in the future, AU serves the needs of adult learners, most of whom already have significant workplace, family and community responsibilities.

AU Students

Over 40,000 students study at AU each year.

- The average AU undergraduate student is 29; the average graduate student, 39.
- 87 per cent of students work while they study.
- 43 per cent of students support dependents.
- 67 per cent of students are women.
- 70% of graduates are the first in their family to earn a university degree.

AU's distance delivery model facilitates the development of highly-valued and transferable skills. Achieving academic success in AU's online learning environment requires a broad range of twenty-first century skills including self-motivation, time management, entrepreneurship, organizational ability, digital literacy, reading and critical thinking. Research suggests that the knowledge and skills gained through online learning are commonly applied in the workplace,[28] contributing to higher productivity, enhancing competiveness and ultimately fostering economic growth.[29]

AU recognizes its strengths and its ability to contribute to a resilient and viable economy and to help address the trend toward declining productivity. The university is looking for creative and innovative solutions to social and economic challenges. Recently, AU's Faculty of Business and the National Research Council established a partnership to develop a series of innovation and productivity management courses to assist professionals in developing needed capacity to support improved productivity in Canadian

[25] OECD Economic Surveys, *Canada June 2014: Overview* (2014), 6-7: http://www.oecd.org/eco/surveys/Overview%20_CANADA_2014.pdf; The Conference Board of Canada, *How Canada Performs*, "Labour Productivity Growth" (March 2013): http://www.conferenceboard.ca/hcp/details/economy/measuring-productivity-canada.aspx.

[26] The 2014 OECD report builds on recommendations first made in 2012. See: OECD Economic Surveys, *Canada. June 2012: Overview, 1*: http://www.oecd.org/eco/50543310.pdf.

[27] Ibid.

[28] Alan R. Roper, "How Students Develop Online Learning Skills," *Educause Quarterly,* 1 (2007): 62-65.

[29] International Labour Organization, *Conclusions on Skills for Improved Productivity, Employment Growth and Development* (2008): http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---ifp_skills/documents/publication wcms_103457.pdf.

businesses. The first series of courses was launched in early 2014 with a well-attended Innovation and Productivity Symposium. Today, participants in innovation and productivity management courses are exploring techniques, systems and strategies related to improving operational quality and performance goals in organizations, with a focus on practical application of this learning. In creating the first university-accredited innovation and productivity management program in Canada, AU has entrenched these national and provincial priorities in the post-secondary curriculum. The university looks forward to playing a leadership role in advancing this important area of study and research.

Higher Education in Perspective

Well-documented benefits of higher education include contributions to business innovation, productivity, economic growth, political and community involvement, and heightened health and well-being.[30] These benefits are being realized around the world as educational completion increases globally. One in three adults in OECD countries now holds a post-secondary degree.[31] The increase in the post-secondary participation is most pronounced in emerging economies, as many residents of such countries invest in education with the hope of improving their lives.[32] Worldwide post-secondary enrolment is expected to grow from 100 million students today to over 250 million by 2025.[33] Educational attainment in Canada is also increasing as more Canadians seek higher education. Fifty-three per cent of 25 to 64-year-olds had completed tertiary level education in 2012 compared to 40 per cent in 2000.[34]

Investing in a post-secondary degree is perceived to offer significant financial rewards to individuals, families and societies.[35] Across OECD member countries, an average 80 per cent of people with post-secondary education are employed, compared to less than 60 per cent of those with only secondary education.[36] In Canada, the 2013 unemployment rate for recent university graduates aged 25 to 29 was significantly lower than that of trades graduates and college graduates (See Figure 1).[37]
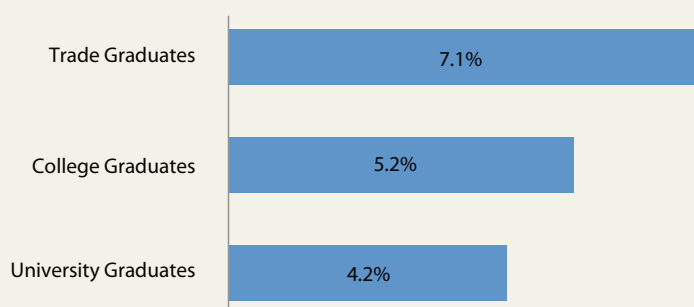
Figure 1: Unemployment Rates for Canadian 25 to 29-year-olds, 2013

[30] See for example: Sandy Baum, Jennifer Ma and Kathleen Payea, *Education Pays: The Benefits of Higher Education for Individuals and Society* (Washington, DC: The College Board, 2013): http://trends.collegeboard.org.sites/default/files/education-pays-2013-full-report.pdf.

[31] OECD, *Education at a Glance 2014: OECD Indicators*, 31.

[32] Ibid, 13.

[33] High Level Group on the Modernisation of Higher Education, *Report to the European Commission on New Modes of Learning and Teaching in Higher Education* (Luxembourg: Publications Office of the European Union, 2014), 14: http://ec.europa.eu/education/library/reports/modernisation-universities_en.pdf.

[34] OECD, *Education at a Glance 2014: OECD Indicators,* 45.

[35] "Post-secondary Education is the Best Investment You Can Make." *TD Economics: Special Report,* September 12, 2011: http://www.td.com/document/PDF/economics/special/sf0911_education.pdf.

[36] OECD, *Education at a Glance 2014: OECD Indicators*, 13.

[37] AUCC, *Brief Submitted to the House of Commons Standing Committee on Finance on Youth Employment,* 1.

In Alberta, the 2012 unemployment rate for recent university graduates was 3.2 per cent compared to 3.3 per cent for trades and college graduates and 4.7 per cent for high school graduates.[38] Given that university-level education has such positive returns, it is important to maintain and invest in open and flexible avenues of higher learning for all individuals seeking to advance their skills or acquire new credentials.

University graduates also have a strong income advantage. Internationally, the relative income of university-educated adults is more than double that of adults without post-secondary education.[39] The data demonstrate that university-degree premiums increased substantially between 1995 and 2005 in many areas including commerce, health care, education, social sciences and humanities.[40] Canadian data indicate that university graduates earn an average $1.3 million more during their careers than high school graduates and $1 million more than college graduates.[41] People with a post-secondary education also enjoy better pension plans and fewer layoffs.[42] University education is a path to success in the job market. Educational attainment is therefore an important measure of relative wealth and of skills contribution and distribution in society.

An educated workforce is essential to Alberta's future, and it can be achieved by ensuring that Albertans have the opportunity to engage in open and flexible lifelong learning. The level of enrolment in post-secondary programs and the composition of the student body are key factors in determining the province's capacity to address current and projected labour and skills shortages. The province must create more pathways to post-secondary completion since 42 per cent of working Albertans lack a post-secondary credential,[43] leaving much room for improvement. The relatively low post-secondary participation rate of Alberta men is of particular concern.[44] This trend has been attributed to a strong labour market providing high-paying, low-skill resource sector jobs; however, given the uncertain future and Alberta's participation in a globalized knowledge economy, it is essential for all sectors of the workforce to engage in higher education: an educated workforce can foster innovation and productivity and enhance Albertans' quality of life. AU is exploring means of attracting male students, including tailoring some outreach activities, particularly dual credit opportunities as a means of attracting young men to higher education and encouraging their participation.

It is important for institutions, governments and industry to support university-level education across all disciplines. Criticism of humanities and social science programs, common in recent years, is of particular concern. Liberal arts programs are denounced for providing a general education and for yielding "low returns"[45] (meaning that graduates have difficulty finding high-paying, full-time employment), but these attacks are unwarranted. Across Canada, only 10 per cent of university students study in the liberal arts.[46] Those that do, are very successful in the workforce. The humanities and social sciences equip students

[38] Statistics Canada. Unemployment Rates of 25-to-29-year-olds, by Educational Attainment, Canada and Provinces, 1995, 2000, 2005 and 2008 to 2012" (2013): http://www.statcan.gc.ca/pub/81-582-x/2013001/tbl/tble3.2-eng.htm.

[39] OECD, *Education at a Glance 2014: OECD Indicators,* 14.

[40] OECD Economic Surveys, *Canada June 2014: Overview*, 18.

[41] Richard Dominic Wiggers, "Combining Work and Learning in Higher Education" (paper presented at 23rd Annual Conference of the Canadian Institutional and Planning Association, Hamilton, ON, October 28, 2014).

[42] Marc Frenette, "An Investment of a Lifetime? The Long-term Labour Market Premiums Associated with Postsecondary Education" (Ottawa: Statistics Canada, 2014 http://www.statcan.gc.ca/pub/11f0019m/11f0019m2014359-eng.pdf; Martin Hicks and Linda Jonker, *Still Worth It After all These Years,* (Toronto: The Higher Education Quality council of Ontario, 2015), 7-8: http://www.heqco.ca/SiteCollectionDocuments/Still_Worth_It_EN.pdf.

[43] Alberta Innovation and Advanced Education, "Value for Investment" (Campus Alberta Planning Resource infographic) (2014): http://iae.alberta.ca/media/427164/viinfographic.pdf.

[44] Alberta Innovation and Advanced Education, 2014 Campus Alberta Planning Resource: *A Profile of Alberta's Advanced Learning System* (Edmonton: Province of Alberta, 2014): http://iae.alberta.ca/media/427131/capr2014.pdf.

[45] Michael Grant, *The Economic Impact of Post-secondary Education in Canada* (Ottawa, The Conference Board of Canada, 2014), 83: http://www.conferenceboard.ca/temp/4d1c57eb-0ecc-451b-81bf-05a62d19b132/6607-spse%20seconomic%20impact-rpt.pdf.

[46] Stephen J. Toope, "I Love You, Please Change: Universities and Their Relationships," *Taking Action for Canada: Jobs and Skills for the 21st Century* (Canadian Council of Chief Executives, 2014), 12: http://www.ceocouncil.ca/wp-content/uploads/2014/09/Toope-CCCE-Paper-FINAL.pdf.

with invaluable skills—*soft skills*, such as critical thinking, problem-solving, cultural understanding and effective written and oral communication—skills that employers want.[47] These skills are relevant and necessary, both for participation in the labour market and for engagement in social and civic life. A recent study has shown that social sciences and humanities graduates have more stable careers in the long run, while those who choose to pursue educational opportunities related to more highly paid professional fields such as computer science, engineering and natural sciences have more volatile earnings due to fluctuating labour market needs.[48]

With respect to contributions to innovation, two recent international surveys of post-secondary education graduates five years after graduation show that innovation requires "a broad mix of qualifications" including skills attained through the study of humanities and social sciences.[49] Humanities and social sciences graduates contribute to an adaptable and creative workforce.

At AU, the Faculty of Humanities and Social Sciences is dedicated to AU's social mission to equip students with critical skills for community development and engaged citizenship. Through the faculty's commitment to the personalization of knowledge, AU is contributing to healthy intellectual diversity and innovation.

> **AU Graduates**
>
> During 2013-14, AU offered 879 courses (647 undergraduate, 232 graduate) in a broad range of degree, diploma and certificate programs and awarded 1,720 academic credentials, 836 at the graduate level and 884 at the undergraduate level.

Barriers to Post-Secondary Education

Although higher education plays a critical role in public prosperity and social progress, many people continue to face significant barriers to accessing post-secondary programs, leaving them less successful than they could be. Factors such as the necessity to work, a lack of recognition of previous learning and the distance to post-secondary institutions inhibit some from participating in higher education. Rising tuition costs are another significant hurdle for many. Since the early 1990s, tuition and other compulsory fees have nearly tripled at Canadian universities, mainly because government funding of university operations has decreased, from an average of 79 per cent in 1991 to 55 per cent in 2011.[50] At the same time, the share of university operating revenue derived from tuition fees has risen from 18 per cent to 37 per cent.[51] As tuition and other compulsory fees rise, students are accumulating more and more debt. In Alberta, the average undergraduate student is $61,600 in debt after completing a four-year degree program.[52]

[47] Global Agenda Council on Employment, *Matching Skills and Labour Market Needs: Building Social Partnerships for Better Skills and Better Jobs* (Geneva: World Economic Forum, 2014), 7: http://www3.weforum.org/docs/GAC/2014/WEF_GAC_Employment_MatchingSkillsLabourMarket_Report_2014.pdf.

[48] Ross Finnie, Stephen Childs, Dejan Pavlic and Nemanja Jevtovic, "How Much do University Graduates Earn?" (Ottawa: Education Policy Research Initiative, 2014): http://socialsciences.uottawa.ca/irpeepri/eng/documents/EPRIBRIEF3OverallGradEarnings.pdf.

[49] Francesco Avvisati, Gwenaël Jacotin and Stéphan Vincent-Lancrin, "Educating Higher Education Students for Innovative Economies: What International Data Tell Us," *Tuning Journal for Higher Education*, 1 (November 2013): 226: http://www.tuningjournal.org/public/site/01/11_Educating_Higher_Education_Students_for_Innovative_Economies.pdf.

[50] Erika Shaker and David Macdonald, *Tier for Two: Managing the Optics of Provincial Fee Policies*, (Ottawa: Canadian Centre for Policy Alternatives, 2014), 5: https://www.policyalternatives.ca/sites/default/files/uploads/publications/National%20Office/2014/09/tier_for_two.pdf.

[51] Ibid, 7.

[52] Ibid, 15.

Athabasca University	$4,760
University of Alberta	$5,321
University of Calgary	$5,386
University of Lethbridge	$4,974
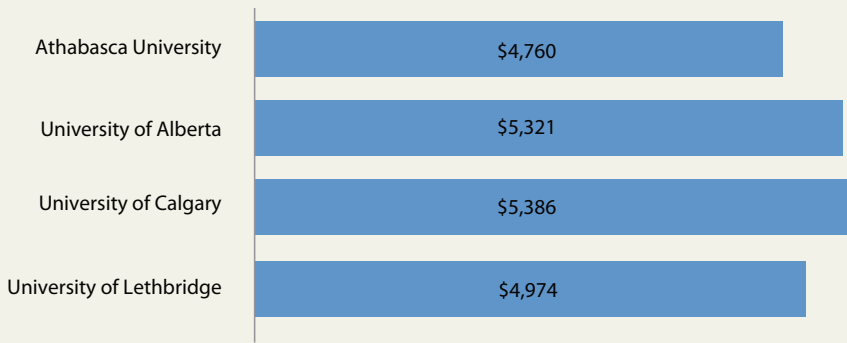
Figure 2: Comparative 2014 Tuition at Alberta CARI Institutions[53]

One key to AU's success has been its ability to serve the educational needs of dispersed learners who cannot afford, for economic or other reasons, to attend conventional residential institutions, especially those living in rural, remote and Indigenous communities. Seventy-seven per cent of AU students report that they face barriers that prevent them from pursuing their educational goals at campus-based universities. At AU, equity in education means providing all prospective students, regardless of their location, socio-economic status or other characteristics, with opportunities to benefit from post-secondary study.

Technology and the Learning Environment

The financial constraints and diminished resources that the post-secondary sector faces as a result of government cuts to operating and capital grants are exacerbated by the exponential evolution of technological capacity. New technologies and online platforms are transforming learning activities and resources. Nationally, the campus-based student cohort is shrinking and is projected to continue to do so until 2021, if not beyond.[54] In contrast, Alberta enrolment is projected to grow until at least 2022.[55] However, neither of these projections for traditional campus-based institutions allows for the anticipated exponential worldwide growth in online learning. A Global Silicon Valley Advisors report projects 30 per cent annual growth in online learning until 2017.[56] European research supports this projection, a recent report to the European Commission noting that e-learning is "projected to grow fifteen-fold, accounting for 30 per cent of all education provision."[57] This wave of innovation, expanding very quickly at all levels of education includes MOOCs, open educational resources and blended learning initiatives.[58]

In Alberta, the shift toward e-learning is reflected in eCampusAlberta statistics showing a growing demand for convenient, open, flexible, high-quality online learning opportunities. Registration in

53 Association of Universities and Colleges of Canada, "Tuition Fees by University" (2015): http://www.aucc.ca/canadian-universities/facts-and- stats/tuition-fees-by-university/.

54 Fallis, George, "Canada Has Achieved Universal Higher Education. Now What?" *Rethinking Higher Ed: Meaningful, Generative Dialogue about the Future of Education in Canada* (London, ON: Academica Group, 2014): http://forum.academica.ca/articles/2014/9/25/canada-has-achieved-universal-higher-education-now-what.

55 Alberta Innovation and Advanced Education, *2014 Campus Alberta Planning Resource*, 48.

56 GSV EDU, *Education Sector Factbook 2012*: http://gsvadvisors.com/wordpress/wp-content/uploads/2012/04/GSV-EDU-Factbook-Apr-13-2012.pdf.

57 High Level Group on the Modernisation of Higher Education, *Report to the European Commission on New Modes of Learning and Teaching in Higher Education.*

58 Ibid.

eCampusAlberta courses grew by 6.4 per cent in 2013-14.[59] Digital learning resources are having, and will continue to have, a profound impact on higher education. With enrolment in campus-based programs decreasing or flattening across Canada, it is important for Alberta to invest in the information technology needed to facilitate capacity expansion in flexible, online learning. The province must have an appropriate mix of traditional campus based learning opportunities and online opportunities to ensure access to education for all and to ensure that the skills needs upon which the Alberta's increasingly diversified economy depends continue to be met.

Interest in blended teaching and learning is also growing in the K-12 sector, providing AU with an opportunity to provide leadership, consistent with its *Strategic University Plan: 2011-16* goal to be a leader in quality open and distance education. A recent study of the state of education in Canada revealed that students, parents and teachers believe that digital education has the potential to lower costs, make education more engaging, accommodate different learning preferences through personalization and, ultimately, better prepare learners for the future.[60] With investment in technology and a continued commitment to access, quality and student-centred approaches, AU will be well positioned and prepared to provide leadership in ways that are responsive to learners and the needs of the communities it serves. The university has already piloted a dual credit initiative with Aspen View Public School Division No. 78, and the project was expanded during the fall and winter of 2014-15 to include a wider variety of AU courses. The program is now being promoted to other school districts, and interest is strong.

[59] eCampusAlberta, *Where Life and Learning Click: Annual Report 2013-2014,* 11: http://www.ecampusalberta.ca/sites/default/files/pdf/2014-eCampusAB-Annual_Lres.pdf.

[60] PwC Canada, *The Connected Classroom: How Canadians See the Evolution of Education: A Citizen Compass Report* (2014): http://www.pwc.com/en_CA/ca/public-sector-government/publications/pwc_citizencompass-theconnectedclassroom2014_june13.pdf.

GOALS, PRIORITY INITIATIVES, EXPECTED OUTCOMES AND PERFORMANCE MEASURES

AU is essential to Alberta and to Canada. The university's diploma, certificate and degree programs allow learners to increase their knowledge and upgrade their skills while remaining in the workforce. AU is well positioned to address changing approaches to higher education and to eliminate barriers to post-secondary access and educational achievement. Openness is the hallmark of AU's uniqueness: its open and flexible courses and programs are accessible to all learners, including those disadvantaged by geography, time and socio-economic circumstances, many of whom would otherwise not have the opportunity to engage in university-level study.

AU distinguishes itself from other online distance education providers through the quality of academic support it provides. High-quality, personal and responsive academic and support services represent the solid foundation of an effective learning environment. AU's commitment to student retention, program completion and student success is reflected in a coherent and effective learning system, sustained by qualified academic professionals and support staff. The university consistently monitors and updates services to ensure that they are modern, flexible and appropriate to learner needs. Enhancing contact between students and academic and support staff in all divisions of the university through a standardized information and communication technology that captures data is a priority. Technology-enabled student services enhance the quality of the learning environment, contribute to the educational experience and support student success.

Sustainability is AU's top priority. The university is committed to identifying strategies to increase enrolment through recruitment from traditionally under-represented groups and other avenues to growth. Commitment to the university's mandate—to champion innovation in higher education delivery, particularly with respect to promoting learner access and mobility and providing opportunities for those who are traditionally underserved by conventional campus-based institutions—remains firm; however, enrolment growth by itself is not enough. The key to long-term success and sustainability is investment in the university's ICT infrastructure. AU must continue to facilitate students' learning experience by deploying ever newer and more advanced technologies; consequently, additional investment is needed.

To maintain a competitive position in online and distance education and enhance the educational services it provides, AU has developed a comprehensive ICT Infrastructure Capital Plan. The plan is integral to success as new generations of students expect AU to make use of current and emerging information and communication technologies. Competition in distance and online education is growing among the nearly 100 public universities and university colleges across Canada. Departments of continuing education at many universities are dedicated to meeting the needs of adult learners who wish to upgrade their skills and credentials to meet ever-changing labour market needs. Competitor institutions are developing rapidly and investing in the sophisticated technology needed to provide enhanced learning and student service environments.

AU's ability to compete depends upon timely access to educational innovations that require ICT infrastructure. The university needs and deserves investment in support of its critical role in providing Albertans and Canadians with opportunities to engage in lifelong learning. Achievement of the university's core mission depends on the viability of its information and communication technology infrastructure. Additional funding is necessary to fully develop the university's digital capacity and to fully embed new technologies and pedagogies across its operations.

Despite fiscal challenges, AU has recently embarked on a number of major initiatives to improve operations and online services to students. The goal is to adjust processes, practices and resources to ensure effectiveness and efficiency of all operations. These initiatives include implementation of the ICT Investment Governance Framework to provide consistent, transparent and equitable processes for the prioritization and funding of ICT-related projects, expansion of the student relationship management system and development of a new responsibility-centred budget model that will increase accountability and promote better long-term planning.

A culture of continuous improvement facilitates and enhances AU's ability to recognize opportunities; however, the university faces persistent and critical fiscal sustainability issues. AU is under-resourced in terms of overall budgetary resources, faculty complement and administrative and technological support. These resource issues are compounded by increased competition in the distance and online post-secondary market. In addition, AU, like many post-secondary institutions, is experiencing flattening enrolment due to demographic changes in Canadian society.

Defining Success

In terms of its mission and mandate, success for AU means
- Meeting learner needs through exceptional student academic and support services
- Investing in and continuously upgrading and adopting learning technologies that   enhance open learning environments
- Continuously improving the quality and responsiveness of undergraduate and graduate courses and programs
- Increasing research capacity and building a sustainable research enterprise
- Being of service to the communities and communities of interest within which it operates

Goals

AU's strengths, opportunities and plans are detailed below under key CIP goals:
- Access
- Quality
- Research
- Community Engagement

Each of these sections provides a synopsis of AU's achievements and planned priority actions in the context of Government of Alberta and Innovation and Advanced Education policies and goals. The included performance measures will be addressed in the Annual Report for the year ended March 31, 2016.

The five goals of AU's *Strategic University Plan: 2011-16* underlie the priorities for the three-year planning period of this Comprehensive Institutional Plan:
1. To be the leader in quality open and distance education
2. To ensure sustainability and foster adaptability
3. To recruit and retain excellent people
4. To promote excellence in research
5. To build communities

Access

Ensuring that students can easily move into and through the advanced learning system is an important part of an accessible system.[61]

AU responds to labour market needs and increases learner flexibility by reducing barriers to student access. AU's open and flexible approach supports student mobility through Prior Learning Assessment and Recognition and transfer credit arrangements. Students transfer credits from other institutions, take courses

---

[61] Alberta Innovation and Advanced Education, *2014 Campus Alberta Planning Resource*, 51.

for transfer to partner institutions, take courses from other institutions or attend in-class AU courses at partner institutions inside and outside Alberta. AU's processes reflect Alberta's Action Plan to advance PLAR on a systems level as a tool to help leverage the existing skills and abilities of Canadians and newcomers and to contribute to the growth of a successful knowledge-based economy.[62] The university continues to lead and engage in research related to PLAR, learning, mentoring and open and distance education.

AU is committed to removing barriers to learning for traditionally underserved populations, and maintaining high registration levels and graduation rates among students from under-represented communities is an institutional strength. In realizing its commitment to open access, AU plays an integral role in realizing Campus Alberta goals[63] and Government of Alberta policy directives, as outlined in *A Learning Alberta*[64] and the *Roles and Mandates Policy Framework*.[65] These policy directives, in turn, reflect and support AU's mandate and mission to remove barriers to learning.

AU's flexibility and online delivery allow residents of rural and remote communities to access higher education. According to Statistics Canada, people who live more than 80 kilometres from a university are 58 per cent less likely to enrol in post-secondary education than those who live only 40 kilometres away.[66] As over 20 per cent of Canadians live more than 80 kilometres from a university, distance is certainly a real barrier.

Many First Nations and Métis Peoples are among the Albertans that live in rural and remote communities,[67] and AU is committed to serving Indigenous learners, whose rate of participation in university education is one-third that of the non-Indigenous population.[68] This gap in educational attainment must be narrowed to ensure the full participation of Indigenous Albertans in society. A notable challenge is to reduce the unemployment rate of off-reserve Indigenous residents, which, at 8.2 per cent in 2013, was nearly double that of non-Indigenous Albertans (4.5 per cent). This gap can be narrowed through educational attainment.[69]

AU is committed to serving First Nations and Métis learners by strengthening existing partnerships, developing new initiatives and providing culturally appropriate student services. At the present time, AU is facilitating realization of the educational goals of Indigenous learners who were directly affected by the Indian Residential School System, serving over 60 students who applied for courses under the Indian Residential Schools Settlement Agreement funding framework. AU also continues to facilitate learning opportunities for northern Indigenous residents through the Learning Communities Project, a collaborative initiative in support of strong knowledge-based communities, one that fosters capacity building through transfer of knowledge and learning opportunities at the grass-roots level.[70] As the Indigenous population is growing,[71] the potential for continuing enrolment growth exists; however, infrastructure investment is required to ensure that residents of northern Alberta's rural and remote communities, including First Nations and Métis communities, have the necessary reliable and affordable Internet connectivity. The findings of a recent Conference Board of Canada study

---

[62] Alberta Advanced Education and Technology, *Advancing PLAR in Alberta: An Action Plan* (2008): http://eae.alberta.ca/media/126762/plaractionplanoct2008.pdf.

[63] Alberta Innovation and Advanced Education, *Campus Alberta:* http://eae.alberta.ca/post-secondary/campusalberta.aspx.

[64] Alberta Advanced Education, *A Learning Alberta: Final Report of the Steering Committee* (Edmonton: Government of Alberta, 2006): http://eae.alberta.ca/media/133863/steering_committee_final_report.pdf.

[65] Alberta Advanced Education and Technology, *Roles and Mandates Policy Framework for Alberta's Publicly Funded Advanced Education System* (Edmonton, Government of Alberta, 2007): http://eae.alberta.ca/media/133783/rmpf.pdf.

[66] "Distance as a Post-secondary Access Issue" (2008): http://www.statcan.gc.ca/pub/81-004-x/200404/6854-eng.htm.

[67] Statistics Canada. *Aboriginal Peoples in Canada: First Nations People, Métis and Inuit: National Household Survey, 2011* (Ottawa, Minister of Industry, 2013): http://www12.statcan.gc.ca/nhs-enm/2011/as-sa/99-011-x/99-011-x2011001-eng.pdf.

[68] Association of Universities and Colleges of Canada, "Higher Education for a Stronger Canada," 15.

[69] Alberta Innovation and Advanced Education, *2014 Campus Alberta Planning Resource*, 79.

[70] http://www.learning-communities.ca/.

[71] Population research suggests that the Canadian Aboriginal population could reach 2.2 million by 2031, a 35 per cent increase of over 2011. See Éric Caron Malenfant and Jean-Dominique Morency, *Population Projections by Aboriginal Identity in Canada, 2006 to 2031* (Ottawa: Statistics Canada, 2011): http://www.statcan.gc.ca/pub/91-552-x/91-552-x2011001-eng.htm?fpv=10000.

revealed that "The critical infrastructure required to support broadband and even basic telecommunications in many regions of the North requires renewal and reinvestment."[72]

AU has a strong reputation for serving students with disabilities. Almost 14 per cent of adult Canadians live with a disability, and nearly half of them are unemployed.[73] The number of Canadians and Albertans with disabilities seeking access to services and accommodations in both K-12 and post-secondary institutions continues to grow.[74] Their completion rates, however, are lower than those of students without disabilities. Among bachelor's degree program students, for example, 33 per cent of students with disabilities graduate compared to 48 per cent of students without disabilities.[75] Studies show that a significant roadblock to university completion is program delivery: poor design and technical incompatibilities often prevent comprehension.[76] At AU, learning design is inclusive from the outset. Creating effective conditions for universal student satisfaction and learning success is the goal, reflecting the university's commitment to accessible learning for all. In addition, AU's Access to Students with Disabilities Office is committed to providing students who self-identify as having a disability with individualized accommodations and support services to facilitate access and successful completion of undergraduate and graduate courses and programs. Personalized solutions, including integrating assistive technology and alternating and repurposing AU's versatile course content, lead to student success.

AU will support Campus Alberta access goals through the following priorities:

- Development and implementation of domestic and international recruitment plans, including a collaboration/partnership strategic plan and identification of potential new markets for AU programs and courses

- Informed by Government of Alberta strategic planning,[77] exploration of broadly based, market-driven courses in leadership, management development and productivity improvement and new programs of interest to northern Albertans, to address Alberta's skills needs and to ensure open learner pathways in support of the provincial economy

- Continued participation in articulation committees of the Alberta Council on Admissions and Transfer and the British Columbia Council on Admissions and Transfer and active future support of student mobility in Canada, as contemplated in the recent memorandum of understanding among ACAT, BCCAT, the New Brunswick Council on Admissions and Transfer and the Ontario Council on Articulation and Transfer.

- Further development of AU Library's role as manager of collections, digitizer, contributor to course and program development processes, source of information literacy approaches and programs, community builder and collaborator with the copyright office and AU archives

- Development of an Open Library website that will list open and free resources and be available to learners using MOOCs and anyone interested in open access

- Continued enhancement of courses through the use of open educational resources, offering AU

[72] Adam Fiser, *Mapping the Long-term Option for Canada's North: Telecommunications and Broadband Connectivity* (Ottawa: The Conference Board of Canada, 2013), 64: http://www.conferenceboard.ca/temp/2fca7b9e-34d8-4f95-8469-0c40637f5420/14-061_connectivity_cfn_rpt.pdf.

[73] Statistics Canada, "Disability in Canada: Initial Findings from the Canadian Survey on Disability," December 3, 2013: http://www.statcan.gc.ca/pub/89-654-x/89-654-x2013002-eng.htm.

[74] Alberta Innovation and Advanced Education, 2014 *Campus Alberta Planning Resource*, 71.

[75] Edward M. Levison, *Transition from School to Post-School Life for Individuals with Disabilities: Assessment from an Educational and School Psychological Perspective* (Springfield, IL: Charles C. Thomas Ltd., 2004), 222.

[76] See, for example, Susan D. Moisey, "Students with Disabilities in Distance Education: Characteristics, Course Enrolment and Completion, and Support Services," *Journal of Distance Education* 19, no. 1 (2004): 73-91.

[77] Innovation and Advanced Education, *Business Plan 2014-17*: http://eae.alberta.ca/media/409159/innovation-and-advanced-education.pdf; *2014–17 Government of Alberta Strategic Plan: Building Alberta*: http://www.finance.alberta.ca/publications/Budget/budget2014/goa-business-plan.pdf

students current, relevant and engaging course content and supporting the government's long-term strategy, as expressed in Innovation and Advanced Education's Open Educational Resources Initiative, to reduce costs for post-secondary students

In alignment with AU's strategic goals, the university aims to meet the measurable access targets shown in Table 1 below.

Table 1: Access Performance Measures and Targets

Performance Measures	Three-Year Average 2012-14	Target 2013-15	Target 2014-16	Target 2015-17
Number of full-load equivalent students (graduate and undergraduate)	8,393	8,486	8,615	8,725
Number of Aboriginal students (self-identified)	1,149	1,170	1,194	1,217
Number of students using services for students with disabilities	1,580	1,553	1,583	1,583
Number of rural and northern students (based on postal code)	5,877	5,887	5,877	5,877
Value of student awards	$1,124,292	$1,146,778	$1,158,245	$1,164,037
Number of students from Alberta colleges and technical institutes enrolled in AU post-diploma programs*	285	258	260	265
Number of active students with addresses outside of Canada	911	915	918	918

* Includes Bachelor of Professional Arts, Post-RN and Post-LPN Bachelor of Nursing, and post-diploma streams in arts, science and business.

Quality

AU is committed to continuously improving student support services, the extent and quality of which are defining characteristics of the university. Each student is unique and has particular needs, which are addressed by several departments providing services, information, assistance and advice to both program and visiting learners. The recent appointment of an associate vice-president, student and academic services, is already enhancing the university's focus on student services.

AU's academic planning reflects its dedication, as an open university, to removing barriers that restrict access to and success in university-level study by increasing opportunities for individuals to access their chosen academic and professional development programs.

AU program students acquire a broadly based education that prepares them for the modern workplace, and the university is exploring partnerships that will provide the funding needed to ensure that its programs and research activities remain relevant to employers. AU graduates bring innovative ideas and approaches and the skills needed in the Alberta workplace.

Visiting students at AU enhance their ability to progress through the post-secondary system and to create their own pathways to university completion. Credential recognition and transferability allow students the flexibility to move among institutions to pursue a variety of skills development pathways and to tailor their qualifications as they see fit.

AU prepares graduate program students to meet workplace expectations in an increasingly knowledge-centred economy and to gain the credentials they need to advance their careers.

AU prides itself on delivering quality courses that engage learners through effectively designed course materials, the inclusion of high-quality scholarly resources, opportunities for individual interaction with tutors, and online discussion and interaction. Effective course design is essential to successful learning, and at AU, course design is a collaborative process: academic staff work with learning designers in AU's Centre for Learning Design and Development to ensure that student engagement strategies are woven into courses. Such strategies include incorporating online debates, open educational resources and technological learning aids such as virtual simulations. Academic staff and learning designers work with librarians to incorporate pedagogically appropriate learning resources from the AU Library's online collections and library developed tutorials on information seeking skills. The university strives for continuing improvements in course design through formative evaluation by students and tutors and continues to explore new pedagogical approaches. This approach is validated by student success; for example, 188 students graduated from Faculty of Health Disciplines undergraduate programs in 2014, and their success rate on national nursing licensure examinations was above the national average. AU's graduate satisfaction rates have also historically exceeded the provincial average.[78]

AU continues to enhance the quality of its courses and programs through curriculum renewal, program review and completing the transition of courses to online delivery. The now completed curriculum renewal project, initiated in the Faculty of Humanities and Social Sciences in 2013, resulted in the closure of 64 courses. The faculty is now planning new courses and programs to meet emerging needs and exploring the feasibility of an interdisciplinary research institute with the potential to attract significant external funding and lead to the development of new collaborations. All AU faculties are engaged in strategic planning processes and are committed to creating efficiencies where possible, including realigning courses with reference to capacity, growing undergraduate and graduate programs to align with professional development opportunities, and building research capacity.

As the first Canadian university to be accredited in the United States, in 2005 by the Middle States Commission on Higher Education,[79] AU has demonstrated a commitment to quality assurance and continuous improvement by adhering to the commission's rigorous accreditation standards. The last comprehensive institutional self-study in 2011 resulted in reaffirmation of AU's accreditation. To maintain its accreditation, AU must next submit a period review report to the commission in mid-2016. Two priorities of the accreditation standards are the current focus: integrating financial budgeting into the university's planning processes and determining institutional effectiveness in the assessment of student learning outcomes. The period review report process has initiated broad discussion of the university's achievements, opportunities and challenges. The findings of this assessment will lead to further improvements in programs and services and inform future planning and resource allocation.

AU will support Campus Alberta quality goals through the following priorities:

- Continued curriculum renewal in all faculties
- Completion of the six projects funded by the Campus Alberta Open Educational Resources Initiative and continued integration of open education resources into AU courses
- Continued internal and external relationship building and maintenance, with a view to increasing the number and quality of collaboration and partnership agreements with corporations, government departments and other post-secondary institutions
- Continued university-wide implementation of administrative systems renewal to improve system and service efficiencies, reduce inconsistencies and enable staff to provide more effective and timely service to students
- Continued review and updating of policies and procedures in all divisions of the university to guarantee compliance with applicable provincial legislation and to assure effective governance practices

---

[78] Alberta Innovation and Advanced Education, "Value for Investment."

[79] Middle States Commission on Higher Education: http://www.msche.org/.

- Completion of strategic planning at the faculty level, a process that will inform development of AU's next Strategic University Plan (2016-20)

In addition to the priorities outlined above, the university aims to fulfill the quality performance targets outlined below.

Table 2: Quality Performance Measures and Targets

Performance Measures	Class of 2010	Target Class of 2014	Target Class of 2016	Target Class of 2018
Graduate satisfaction with educational experience as shown on the Alberta Graduate Student Outcomes Survey (Next data collection 2016. 2014 results not yet released.)	97% satisfied or very satisfied	95% satisfied or very satisfied	95%+ satisfied or very satisfied	95%+ satisfied or very satisfied
	Actual 2014	**Target 2015**	**Target 2016**	**Target 2017**
Undergraduate student rating of AU education on the National Survey on Student Engagement (Next data collection 2014.)	84%+ good or excellent	85% good or excellent	85% good or excellent	85%+ good or excellent
	Three-Year Average 2011-13	**Three-Year Average 2012-14**	**Target 2013-15**	**Target 2014-16**
Number of graduate program students completing six credits in one year (Based on enrolled and net started within the year.)	60%	60%	60%	60%
Number of undergraduate program students completing six credits in one year (Based on enrolled and net started within the year.)	24%	24%	26%	26%
Undergraduate course completion rate (Excluding non-starts.)	85%	85%	85%+	85%+
Number of credentials awarded	1,774	1,744	1,755	1,764

Enrolment Plan

AU plans to position the university as a first-choice university for the prospective students that it is mandated to serve. In the past, AU experienced rapid enrolment growth, driven by an increasing number of students seeking service courses to help them complete programs at other post-secondary institutions. Since 2005, however, due to demographic shifts and increased competition in the online post-secondary market, growth in this area has decreased to one to two per cent annually.

In 2013-14, 8,504 full-load equivalent students enrolled at AU, a 2.9 per cent increase over the previous academic year. Continued slow growth is anticipated, particularly in the visiting student segment. Capacity pressures are expected to limit growth in the Faculty of Health Disciplines; however, enrolment in new programs in the Faculty of Science and Technology and the Faculty of Business are expected to offset that limitation.

AU is implementing a Strategic Enrolment Management Plan, developed to manage enrolment in a constantly changing and competitive online post-secondary environment. The goals are to increase market awareness, spur student recruitment, strengthen the student experience and support innovative programming. The university continues to explore new enrolment opportunities through its close association with

developments in educational technologies, online learning and professional learning and is keeping abreast of the requirements of knowledge economy so as to best meet learner demands.

AU remains committed to comprehensive integration all of university planning, policies and practices to achieve positive results in the recruitment, retention and graduation of students.

Table 3: Enrolment Projections by Program Band 2014-15 to 2017-18

	Actual 2011-12	Actual 2012-13	Estimate 2013-14	Actual 2013-14	Revised Estimate 2014-15	Target 2015-16	Target 2016-17	Target 2017-18
Business	1,051	1,108	1,127	1,115	1,204	1,232	1,251	1,276
Education	155	208	212	180	168	170	173	176
Health Disciplines	1,279	1,382	1,441	1,481	1,634	1,640	1,665	1,698
Language, Social Sciences, Arts and Humanities	5,084	5,181	5,269	5,208	5,104	5,114	5,191	5,295
Legal and Security	78	82	83	77	78	80	81	83
Physical, Natural and Applied Sciences	227	307	276	445	453	465	472	481
Total	**7,875**	**8,268**	**8,408**	**8,504**	**8,641**	**8,701**	**8,832**	**9,009**
Growth Rate		5%	1.7%	2.8%	1.6%	0.7%	1.5%	2%

Research

Cultivation of research excellence underlies a number of strategic initiatives that will continue for the duration of the planning period. These include initiatives designed to

- increase research capacity
- raise the profile of AU researchers
- create strong disciplinary, interdisciplinary and multi-sectorial collaborations, including productive academic-industry partnerships
- foster recruitment of research chairs
- enhance AU's research-related policies, procedures and business practices

New initiatives planned for the upcoming year include a systematic review of the university's three research institutes and revision of AU's Strategic Research Plan. Together these initiatives will help build a strong research enterprise for the future.

AU is mindful of the need to systematically build a sustainable research enterprise that incorporates diverse sources of both internal and external funding. To increase research capacity, a grantsmanship mentorship program was introduced in the fall of 2014 in the form of a full-day workshop, followed by one-on-one mentorship for grant applicants. In the coming years, this mentorship will be extended to academics engaged in peer-review of grant applications and manuscripts for publication. These initiatives, coupled with the spring 2015 introduction of *Research Professional*, which is a comprehensive database of funding opportunities in Canada, the United States, Europe and beyond, are specifically aimed at continuing to increase the success rates of researchers and students in securing competitive, external research grants and awards and in disseminating their research findings.

Two new initiatives to increase the profile of AU's researchers are planned. The first will employ a database to more efficiently capture information about the research and scholarly output of AU researchers that is being collected by other means. The second will enhance AUSpace (a digital content repository of the publications and creative works by AU scholars), rendering it a more useful for self-archived research outputs. Together these initiatives allow the university to systematically profile its researchers and celebrate their success.

Creating generative research collaborations and partnerships takes time and resources. There has been a significant increase in the number of AU researchers assuming lead, co-applicant or partner roles on proposals to establish complex multi-site and, in some cases, multinational teams of researchers, practitioners and citizen participants who are committed to advancing knowledge and shaping policy in fields such as Aboriginal health, social economy and sustainability, green buildings, blended learning and patient engagement. Other partnerships centre on engaging with industry to bring emerging technologies to market. Securing matching funds to validate its commitment to these and other research endeavours remains a challenge for AU in the face of current fiscal constraints.

Recruitment of research chairs is key to bolstering research capacity. Research chairs provide intentional leadership in advancing research excellence and training high-quality skilled personnel. Fierce competition, coupled with international recruitment challenges, makes the timely recruitment of research chairs difficult. The process is made more complex by the fact that some chairs are in emerging fields in which few qualified candidates are available. AU is currently recruiting to a Campus Alberta Innovation Program Chair in Hydroecology and Environmental Health, a Canada Research Chair in Community, Identity and Digital Media, and an Alberta Innovates – Health Solutions Translational Research Chair in eHealth Literacy. Success with these searches will fill AU's complement of nine research chairs, create synergies within and beyond the academy and allow the university to plan for the addition of other research positions, including endowed chairs.

A sound suite of research-related policies, procedures and business practices is also essential to increasing research capacity. Considerable progress has been made in enhancing policies and procedures, and completion of this process is a priority for the coming year. Review of policies and procedures related to intellectual property, commercialization, hiring of research personnel (e.g., research trainees, associates, technicians) and administration of research grants are of primary concern.

Growth in the number of grants applications, together with the increasing complexity of grant application and administration processes, motivated the creation of the AU Research Portal. Users of the portal— academics, students, committee members and administrative staff—can enter data directly, track the status of an application, archive files and, in some cases, compile select individual or aggregate reports. Both the certification and awards modules of the portal were launched in the past year, and they have eliminated much of the labour intensive manipulation of files previously required to submit, receive and review applications for internal funding, prepare for committee meetings and generate reports for various purposes. Ongoing user training and the introduction of refinements to the portal are planned for the coming year. Long-term plans include an examination of the merits of administering other internal monetary awards via the portal.

A systematic review of AU's three research institutes (the Technology Enhanced Knowledge Research Institute, the Athabasca River Basin Research Institute and the Project Research Institute) is scheduled for 2015-16. Leaders of each institute will be invited to delineate their research initiatives, raise critical issues and outline their development plans.

The priority initiatives described above will inform and be informed by a planned revision of the Strategic Research Plan. Changes in the nature and scope of the research being conducted by AU academics, including a shift in focus from individual to collaborative research and from primarily desk research to an increasing amount of bench research, will increase the demand for sustainable human resources (e.g., high-quality skilled personnel training, from the undergraduate to the post-doctoral level) and material resources,

including financial, equipment and space (physical and computing) resources. Together, these changes necessitate a rethinking of existing practices, coupled with sound strategic planning to systematically advance AU's research agenda.

Synergies with the *Alberta Research and Innovation Plan* 2012

Research carried out at AU can be grouped into two broad categories: disciplinary and mission-critical (i.e., research that focuses on pedagogical, cognitive, technological and student support aspects of distance learning, open access, learning technologies and digital media studies). Both types of research advance the priorities articulated in the *Alberta Research and Innovation Plan 2012*, including

- effective resource and environmental management
- broadened economic base
- resilient, healthy communities

The examples below demonstrate the synergies between the ARIP priorities and research work being carried out at AU.

Effective Resource and Environmental Management

The Athabasca River Basin, within which AU is located, is ecologically significant, rich in resources and home to diverse communities. AU researchers, including two research chairs and other researchers associated with the Athabasca River Basin Research Institute, are actively engaged in research that will support evidence-based management of the cumulative effects of land and water use in the area. Other researchers are focused on the basin's inhabitants, including Indigenous communities, and the impact of land and water use and other factors on their lives. Development of the Repository of the Athabasca River Basin is also ongoing. The repository provides free online access to hundreds of publications and reports, interactive maps and audio-visual resources about the basin.

Broadened Economic Base

Economic diversification depends on the creation, adaptation and dissemination of knowledge of various sorts. The Project Research Institute takes advantage of the power of social networking and crowd wisdom enabled by the Internet to improve the knowledge and practice of project management. Researchers associated with the Technology Enhanced Knowledge Research Institute explore questions about the use of social networking, cloud computing, data analytics, personalization and adaptivity, and open educational resources in creating virtual learning environments for students in Alberta and beyond. Athabasca University Press fosters the dissemination of knowledge and research findings through open access digital journals and monographs and through new electronic media, providing other avenues for the dissemination of knowledge on a broad range of topics. Initiatives such as these have the potential to foster economic growth by providing access to educational materials that enable lifelong learning.

Increased federal and provincial government emphasis on applied research and innovation presents opportunities and challenges for AU. Alberta Innovates – Technology Futures funding has been instrumental in forging strong academic-industry partnerships with small and medium sized enterprises in the Alberta educational technology sector, and increasing the number of industry-experienced high-quality skilled personnel has become a focus of each partnership. Future planned activities (pending funding) include the creation of a robust database to connect academic researchers with small and medium sized enterprises across the province and beyond.

Community Health and Resilience

AU researchers continue to make a substantive contribution to evidence-informed policy development in relation to health promotion and the management of chronic diseases such as cancer and diabetes.

Emerging areas of health-related research include e-health literacy, patient engagement, dementia and pain management, and relationship-based parenting. Other researchers are exploring the use of mobile devices to improve the health and well-being of Canadians.

A newly recruited research chair will examine how digital media shapes individual and collective identities and its effects on public and civic life. Other researchers are focused on health and well-being in Indigenous communities and the preservation of Aboriginal cultures. Still others are fostering community-engaged scholarship to explore a broad range of questions about sustainability. As a result, AU's research capacity in the humanities and social sciences is expanding into new fields of endeavour, contributing further to the goal of enabling individual and community health and resilience.

The preceding overview reveals only a sampling of the wide-ranging research being conducted at AU. The planned revision of the Strategic Research Plan is expected to result in the delineation of a limited number of research priorities that will shape AU's future research enterprise.

AU will support Campus Alberta research goals through the following priorities:

- Fostering research partnerships within and beyond Alberta
- Increasing opportunities for training of high-quality skilled personnel
- Increasing the profile of AU's researchers and students nationally and internationally using diverse electronic means

Table 4: Research Performance Measures and Targets

Performance Measures	Three-Year Average 2012-14	Three-Year Average 2013-15	Target 2014-16	Target 2015-17
Number of Alberta graduate students enrolled in priority research areas*	29%	29%	30%	30%
Number of peer reviewed publications	352	378	388	402
Value of sponsored research income per faculty member with research responsibilities	$26,690	$27,200	$27,250	$27,400
Council grant success rate	28%	28%	30%	30%
Research revenues from tri-council, industry and community sources	$4,700,000	$4,720,000	$4,750,000	$4,760,000

* Includes health disciplines and science and technology.

Community Engagement

AU is committed to building relationships with the communities it serves. A collaborative environment strengthens community engagement and supports and enhances student access and success.

Over the years, AU has established strong relationships with First Nations and Métis communities, organizations and students. These relationships have been strengthened through continued close collaboration with First Nations and Métis governing bodies, First Nations college partners and First Nations and Métis community members. Indigenous studies courses, offered through AU's Centre for World Indigenous Knowledge and Research, are presented entirely by Indigenous elders, subject matter experts and academics, and students registered in these courses are supported by Indigenous tutors. This unique degree of engagement, including respectful engagement with Indigenous ways of knowing and measures to support student recruitment and retention, assures both students and the community that the university's approach to Indigenous education is designed to support student success.

Through the Learning Communities Project, launched in 2007 and the recipient of further Access to the Future Fund support in 2015, AU is working at the grassroots level and in partnership with 16 northern Alberta First Nations and Métis communities, northern Campus Alberta partners and other community organizations to increase community education capacity and eliminate barriers to academic achievement.

AU also continues to work with Campus Alberta partners to facilitate on-site delivery of its programs at partner locations and to explore options for ensuring the sustainability of these partnerships. Ongoing partnerships involve Bow Valley College, Grande Prairie Regional College, Lakeland College, Lethbridge College, MacEwan University and Medicine Hat College.

Agreements between AU and various school divisions, in Alberta and beyond, provide high school students with opportunities to earn university credits while completing their secondary schooling. For example, a successful partnership with Aspen View Public School Division No. 78 provides dual credit opportunities for courses in disciplines including anthropology, art history, computer science and education. A new agreement, to be signed in 2015, will expand the range of courses available. A recently signed agreement with the Saskatoon Catholic Cyber School allows high school students to take university-level science and technology courses. AU also works with the Alberta Distance Learning Centre, under the governance of Pembina Hills Regional Division No. 7, to share expertise and provide professional development opportunities in distance education, online learning and facilitation.

Through partnerships with professional and other associations AU provides learning opportunities for members of the workforce. A partnership with the Western Hockey League, for example, has improved access to university-level courses for WHL players both during and after their period of league eligibility. In collaboration with the Business of Hockey Institute, AU has developed an elite, new hockey-specific executive MBA initiative, designed to elevate the business side of the game: to develop leaders for the hockey boardroom, rather than for the ice. AU and Architecture Canada | Royal Architectural Institute of Canada have partnered to form the RAIC Centre for Architecture at AU, offering Canada's first online architecture programs to serve general interest students, professionals working in the field who want to upgrade their qualifications and foreign-trained architects who wish to qualify for Canadian certification.

AU will support Campus Alberta community engagement goals through the following priorities:

- Strengthening relationships with Campus Alberta partners:
  - building on opportunities for college students to ladder to degree programs
  - facilitating transfer credit opportunities for university students
  - fostering opportunities for student success in local communities
- Maintaining, strengthening and expanding relationships with Indigenous communities through the Learning Communities Project and other initiatives designed to encourage Indigenous youth and adults to continue their education
- Continuing to build partnerships with industry, professional groups and other associations
- Continuing to connect with various communities through a range of outreach initiatives of interest to their members:
  - working with teachers, parents and scientists through Science Outreach – Athabasca to promote science awareness in the Greater Athabasca Area and beyond
  - working with members of the university community and others through the Writer in Residence Program to engage individuals and groups interested in the writing process
- Strengthening connections with the AU alumni community to support and encourage alumni engagement with the university

Table 5: Community Engagement Performance Measures and Targets

	Three-Year Average 2012-15	Target 2013-16	Target 2014-17	Target 2015-18
Number of AU students enrolled through Campus Alberta partnerships	337	340	350	350+
Number of new courses offered through Campus Alberta partnerships	13	14	15	15
Number of Indigenous communities served by the learning Communities Project	16	16	20	20+
Number of participants in workshops held in Indigenous communities	700	700	800	800+
Number of Science Outreach – Athabasca activities and events	57	60	60	60
Number of alumni activities and events	10	10	12	12

INTERNATIONALIZATION

Through processes of interaction and integration, globalization continues to transform societies, giving rise to both challenges and opportunities. Education providers must focus on developing graduates equipped to live and work in an increasingly complex and interdependent world. The internationalization of higher education, defined by one expert as "the process of integrating an international, intercultural or global dimension into the purpose, functions or delivery of post-secondary education,"[80] can be a mechanism for addressing the challenges and realizing the opportunities presented by globalization.

Internationalization is an emerging area for AU. About 2.1 per cent of the university's students live and study outside of Canada, and both they and their Canadian classmates can benefit from an internationalized learning environment. AU seeks to facilitate internationalization and a global orientation for its students in a number of ways including providing opportunities for study and research abroad.

Students in AU's cohort based graduate programs, such as the Master of Nursing (Generalist), Master of Health Studies, Doctor of Business and Doctor of Education programs, can be drawn from anywhere in the world. Through their interactions with each other, with Canadian students and with their instructors, international students help to create an intercultural learning environment. Similarly, international undergraduate students enrolled in programs such as Heritage Resources Management or Health Administration may choose to come to Alberta for the practicum component of their program, thereby contributing to an international environment. AU's Faculty of Business facilitates residential courses in international business through a number of partnership agreements. In 2015, for example, MBA students will be offered study abroad opportunities in the United Kingdom through which they will obtain an understanding of the business context of another country, gain an appreciation for the challenges associated with operating successful enterprise there and be in a position to compare and contrast that reality with the challenges faced by businesses operating in the Canadian marketplace.

AU collaborates with universities and other educational institutions, students and researchers throughout the world. For example, the university recently opened its Master of Distance Education program in Greece as a result of a 2014 agreement with the Eastern Macedonia and Thrace Institute of Technology. Agreements signed in 2015 with the Vienna Boys Choir and the Wirth Music Academy in Austria provide a framework for co-operation in research and scholarship among the three institutions, primarily in the areas of digital learning and learning technologies. A 2014 agreement with Beijing Normal University, China, provided for joint faculty and graduate student research initiatives and established an annual research symposium in Beijing or Alberta. The first symposium was held in Edmonton in June 2014. AU also facilitates undergraduate students' opportunities to study abroad through the University of Alberta's Canadian Summer School in Germany Program.

AU continues to seek opportunities to increase international collaborations and partnerships. An agreement with the Arab Open University to deliver a variety of AU undergraduate programs on AOU campuses in several Middle Eastern countries will be finalized in 2015. The first program, to be launched in September 2015, is expected to enrol 100 students in three countries. Graduates will receive a degree from both AU and the AOU.

AU scholars, recognized worldwide for their expertise and research in distance education, are invited each year to deliver keynote addresses around the world. Recent keynotes by members of the Centre for Distance Education have included presentations to the International Conference on Open Learning, Kuwait City; the China International Distance Education Conference, Beijing; the European Distance and E-Learning Network Conference, Zagreb; the Language Educator Symposium, Philadelphia; the International Conference on E-Learning, Taipei; the Australian Learning Analytics Summer Institute, Sydney; the Social Business

---

[80] Jane Knight, "Internationalization Remodeled: Definition, Approached and Rationales," *Journal of Studies in International Education*, 8, no 5 (2004):11.

Forum, Milan; and the Wharton Global Leadership Conference, Pittsburgh. In addition, the UNESCO Chair in Open Educational Resources at AU has been invited to deliver keynote addresses at a number of international conferences including those of the International Council for Open and Distance Education, Tianjin, China; Learning Innovations and Quality: The Future of Digital Resources, Rome; and the Pan Commonwealth Forum on Open Learning, Abuja, Nigeria. Keynote topics have included improving access to education, mobile learning, learner centred education, MOOCs, learning analytics, open educational resources and the future of learning.

Each year, AU welcomes visiting scholars from around the world. Recent visitors have included specialists in computing and information systems (Seoyeong University, Republic of Korea; Central South University, China), biology (Villanova University, U.S.A.) and distance education (KTH Royal Institute of Technology, Sweden; Qatar University; Beijing Normal University). Future planned visits include those by scholars with expertise in distance education (Tsinghua University, China) and health studies (National Changhua University of Education, Taiwan). In April 2015, AU and the Open Education Consortium, a worldwide community of universities and organizations committed to advancing positive developments through open education, co-hosted the 2015 Open Education Global Conference in Banff. The theme of the conference, which attracted representatives of open universities from around the world, was innovation and entrepreneurship in open education.

AU is taking new steps to expand student recruitment beyond Canada's borders. A comprehensive research and marketing study will be initiated in 2015 to target international markets for AU programs and modes of instruction. Based on the findings of the study, the Advancement Office will work with deans and other academic and administrative units to promote the right programs to the right audiences and to ensure that the infrastructure is in place to provide optimal services to international students. AU is committed to being truly *open, online, everywhere.*

AU will continue to explore ways to provide meaningful internationalization opportunities for students, faculty and other members of the university community, including opportunities for research collaboration, study and research abroad, cross-border program delivery and international recruitment.

FINANCIAL AND BUDGET INFORMATION

Financial Overview

AU is committed to a sustainable budget strategy that aligns the available resources with the mission and priorities articulated in the *Strategic University Plan: 2011-16.*

The budget for 2015-16, a balanced budget with revenues matching expenses of $129.3 million, represents the period April 1, 2015 through March 31, 2016. In the subsequent 2016-17 and 2017-18 fiscal years, AU is projecting deficits of $5.5 and $5.1 million respectively.

The overarching goal of the 2015-16 budget is to focus on maintaining excellence in teaching and research and ensuring student access and program affordability. Most importantly, it is a balanced plan that allows for the continued advancement of AU's Information and Communications Technology Infrastructure Plan.

Like other Alberta universities, AU is experiencing and will continue to experience significant fiscal challenges:

- decreases in the Campus Alberta base operating grant of 1.4 per cent in 2015-16 and 1.7 per cent in 2016-17
- elimination of the targeted enrolment grant of $678, 000 in 2015-16, $852,000 in 2016-17 and $852,000 in 2017-18
- funding pressures for new ICT capital, essential for development of the university's Open Personalized Learning Environment
- negotiation of collective agreements
- a maximum tuition fee increase of 2.2 percent
- continuing volatility in investment markets
- increasing competition from other post-secondary providers provincially, nationally and internationally

Developing this budget has been a particular challenge given the 3.16 per cent reduction in the combined value of the operating grant and targeted enrolment grant for 2015-16. This reduction is in addition to ongoing cost pressures that exceed changes in the Alberta Consumer Price Index and tuition fee increases. Nevertheless the budget has been balanced in accordance with the fiscal expectations of the Government of Alberta. The following measures have been employed to achieve a balanced budget:

- approval of only mission critical position requests
- approval of only unavoidable non-salary requests
- cancellation of a land development planning contract
- reduction of discretionary costs, where possible
- continuation of the review and rationalization of vacant positions (excluding tutors and externally funded positions)
- identification and implementation of opportunities for increased efficiency

The university will continue to focus on revenue-generation and opportunities that will position it for future growth and development.

Budget Assumptions

The following assumptions are reflected in the financial tables below:

1. The Campus Alberta base operating grant will be decreased by 1.4 per cent in 2015-16 and 1.7 per cent in 2016-17.

2. Targeted enrolment grants of $678,000 in 2015-16, $852,000 in 2016-17 and $852,000 in 2017-18 are eliminated.

3. Infrastructure maintenance funding will be increased by $453,000 or 33.8 per cent.

4. Individualized study enrolment will grow by 0.5 per cent in 2015-16 and by two and three per cent respectively in the following two years.

5. Graduate enrolment will grow by 3.5 per cent in 2015-16 and one per cent in each of the two following years.

6. Tuition fees will increase by an average of 2.2 per cent in 2015-16 and one per cent in each of the following two years.

7. In salary and benefits, the average annual merit increase will be 2.4 per cent, and there will be no increase in negotiated wage settlements.

8. Inflation in the cost of course materials will average between four and 6.5 per cent annually.

9. Inflation in the cost of software maintenance agreements will be 10 per cent annually.

Table 6: Statement of Operations

For the year ended March 31
(thousands of dollars)

	BUDGET 2014-15	BUDGET 2015-16	PLAN* 2016-17	PLAN* 2017-18
Revenue				
Government of Alberta grants	$ 43,805	$ 42,516	$ 41,767	$ 42,109
Tuition and other student fees	67,083	67,375	69,002	70,529
Sales of goods and services	15,367	15,362	15,657	15,864
Donations and other grants	228	497	475	420
Federal and other government grants	2,612	1,865	1,824	1,751
Other Revenue	801	619	621	554
Investment income	1,060	1,060	1,060	1,060
	130,956	129,294	130,406	132,287
Expenses				
Instruction and non-sponsored research	74,976	75,379	78,968	80,647
Academic and student support	15,816	14,779	15,436	15,799
Institutional support	12,126	14,197	16,379	16,019
Ancillary services	8,763	9,330	9,712	10,114
Computing and communication	8,614	7,187	7,365	7,466
Facility operations and maintenance	6,655	4,751	4,430	4,454
Sponsored research and special purpose	3,984	3,671	3,658	2,876
	130,934	129,294	135,948	137,375
(Deficiency) excess of revenue over expense	$ 22	$ -	$ (5,542)	$ (5,088)

* Revenue and Expenditures in these years are preliminary and will be refined in future year budgets.

Table 7: Expenses by Object

For the year ended March 31
(thousands of dollars)

	BUDGET 2014-15		BUDGET 2015-16		PLAN* 2016-17		PLAN* 2017-18
Salaries	$	73,199	$	**71,754**	$	76,032	$	76,607
Employee benefits		15,801		**15,182**		15,934		16,065
Fees and purchased services		16,440		**16,679**		17,163		17,250
Materials and supplies		11,784		**13,077**		13,331		13,611
Travel		1,970		**1,765**		1,747		1,682
Communications		2,674		**1,777**		1,835		1,854
Institutional Operations		1,022		**924**		942		943
Rent		1,848		**1,736**		1,783		1,781
Amortization of Capital Assets		4,996		**5,180**		5,938		6,170
Scholarships		1,200		**1,220**		1,243		1,411
	$	130,934	$	**129,294**	$	135,948	$	137,375

* Revenue and Expenditures in these years are preliminary and will be refined in future year budgets.

Table 8: Statement of Cash Flows

For the year ended March 31
(thousands of dollars)

	BUDGET 2014-15	BUDGET 2015-16
OPERATING TRANSACTIONS		
Excess (Deficiency) of revenue over expense	$ 22	$ -
Add (deduct) non-cash items:		
Amortization of tangible capital assets	4.996	5,180
Amortization of deferred capital contributions	(3,666)	(3,372)
Change in employee future benefit liabilities	-	-
	1,330	1,808
(Increase) decrease in accounts receivable	(269)	(1,192)
(Increase) decrease in inventories and prepaid expenses	750	718
Increase (decrease) in accounts payable and accrued liabilities	1,363	(4,221)
Increase (decrease) in deferred revenue	(2,318)	99
Cash Provided by (Applied to) Operating Transactions	$ 878	$ (2,788)
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(718)	4,413
Cash Provided by (Applied to) Capital Transactions	(718)	53
INVESTING TRANSACTIONS		
Purchases of investments, net of sales	(334)	53
Cash Provided by (Applied to) Investing Transactions	(334)	53
FINANCING TRANSACTIONS		
Endowment contributions	51	32
Cash Provided by (Applied to) Financing Transactions	51	32
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(123)	1,710
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR *	6,156	3,877
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 6,033	$ 5,587

* Note: The beginning of year cash and cash equivalents. amount is projected based on forecasted operating results for the previous year. The 2015-16 amount varies from the approved budget amount for 2014-2015 by the variances for 2013-14 and 2014-15.

Tuition

AU's tuition fee projections for 2014-15 to 2017-18 are shown in Table 9 below.

Table 9: Tuition Fee Projections

	2014-15 Actual	2015-16 Proposed	2016-17 Plan*	2017-18 Plan*
Course-Based Fees				
Undergraduate Student Fees				
Course fee (3-credit)	$ 476	$ **489**	$ 494	$ 499
Percentage change	.8%	**2.7%**	1.0%	1.0%
Graduate Student Fees **				
Master of Education (Distance Education)				
Course fee	$ 1,350	$ **1,380**	$ 1,394	$ 1,408
Learning resource fee	$ 160	$ **$160**	$ 160	$ 160
Master of Health Studies and Master of Nursing				
Course fee	$ 1,350	$ **1,380**	$ 1,394	$ 1,408
Learning resource fee	$ 75	$ **$75**	$ 100	$ 125
Master of Arts (Integrated Studies)				
Course fee	$ 1,350	$ **1,380**	$ 1,394	$ 1,408
Learning resource fee	$ 160	$ **$160**	$ 160	$ 160
Post-Baccalaureate Diploma in Architecture				
Course fee	$ 1,350	$ **1,380**	$ 1,394	$ 1,408
Learning resource fee	$ 160	$ **$160**	$ 160	$ 160
Master of Science (Information Systems)				
Course fee	$ 1,350	$ **1,380**	$ 1,394	$ 1,408
Learning resource fee	$ 160	$ **160**	$ 160	$ 160
Graduate Diploma in Heritage Resources Management				
Course fee	$ 1,350	$ **1,380**	$ 1,394	$ 1,408
Learning resource fee	$ 160	$ **160**	$ 160	$ 160
Post-Baccalaureate Diploma in Legislative Drafting				
Course fee	$ 1,350	$ **1,380**	$ 1,394	$ 1,408
Learning resource fee	$ 160	$ **160**	$ 160	$ 160
Program-Based Fees				
Graduate Student Fees**				
Master of Business Administration				
Program tuition	$ 35,140	$ **35,578**	$ 35,934	$ 36,293
Learning resource fee	$ 9,444	$ **9,444**	$ 9,444	$ 9,444
Master of Counselling				
Program tuition	$ 22,890	$ **23,250**	$ 23,483	$ 23,717
Learning resource fee	$ 900	$ **900**	$ 1,200	$ 1,500
Doctor of Business Administration				
Program tuition	$ 48,350	$ **49,225**	$ 48,717	$ 50,214
Learning resource fee	$ 5,250	$ **5,250**	$ 5,250	$ 5,250
Doctor of Education (Distance Education)				
Program tuition	$ 43,210	$ **43,960**	$ 44,400	$ 44,844
Learning resource fee	$ 1,650	$ **1,650**	$ 1,650	$ 1,650

* The fee changes are preliminary and will be refined in future year budgets.

** AU Graduate Students Association fee of $13 per credit is over and above the graduate program tuition fees stated above.

FIVE-YEAR CAPITAL PLAN
Information and Communication Technology Infrastructure Projects

AU has demonstrated its ability to pioneer and forge new frontiers in online and distance education and research. The first evidence of this success was the relocation of the university to Athabasca from its former Edmonton location. This move provided proof of concept that a university, a Comprehensive Academic and Research Institution, could realize a successful distance education model in a remote rural community. AU was also a pioneer in leveraging the Internet and information and communication technology to further its mission of removing barriers to post-secondary learning, and it developed a reputation for creating and delivering high-quality courses and programs to learners throughout Alberta, across Canada and around the world. These successes demonstrate AU's ability to respond effectively to significant environmental changes and to pioneer new frontiers in online and distance education.

One key to AU's success has been its ability to provide superior post-secondary learning services to meet the educational needs of a geographically dispersed community of learners, the members of which cannot or choose not to attend, for economic or other reasons, traditional, residential, campus-based institutions. Indeed, this community is realized only through the educational opportunities that AU affords its members. It is served through continuous investment in the development of AU's Open Personalized Learning Environment, which leverages a range of technological capabilities to realize the learning goals of this community and the mandate of the university.

With a view to expanding and advancing the OPLE and maintaining its leadership position in online and distance education, AU has developed a comprehensive five-year ICT Capital Plan, addressing both short- and long-term information and communication technology infrastructure capital investments. To fulfil its mandate and support strategic growth, the university must upgrade and expand its ICT infrastructure, and achieving that goal will require just under $39.5 million in strategic capital investments over the next five years.

Achieving the capital priorities outlined in this plan will position AU not only to solidify its reputation as one of the world's foremost online and distance education specialists but also advance the key mission of making post-secondary education available to all Albertans.

Challenges

Recognition that ICT is AU's Capital

As an online institution, AU's campus is virtual. AU's primary infrastructure is comprised not of campus buildings but of online systems, services and resources. Current capital funding criteria remain geared toward addressing reinvestments or new investments in physical facilities and infrastructure. These criteria place a virtual organization like AU at a competitive disadvantage and greatly restrict its ability to develop its ICT infrastructure and online learning environment to address the needs of current and future learners. This disadvantage is further compounded by the fact that AU's ICT infrastructure needs to transition to hosted virtual services to reduce costs, achieve economies of scale and improve disaster recovery capabilities. Provisioning these services must be funded from operations budgets, limiting AU's ability to achieve operational goals in support of the university's broader strategic plan.

AU's Unique Dependence on ICT

AU's dependence on ICT is of a different magnitude than that of traditional, campus-based institutions as university operations rely entirely on ICT-enabled capabilities. Nearly all AU students interact with the university through the Internet for educational access, learner support services and administrative activities. AU's client-facing operations depend on

- the university website to create awareness and provide information
- online enrolment and course registration services

- online course provision and instruction
- online assessment, including assignment and exam submission
- online student services for advising and assisting students, and for maintaining students' academic records

Indeed, there is no alternative channel through which the university can deliver its services and programs. The nature of its student body and educational delivery mechanisms do not allow AU to substitute a campus building, for example, for its ICT infrastructure. AU's reliance on ICT infrastructure is further demonstrated by

- continuous undergraduate enrolment (Students start programs and courses year-round.)
- asynchronous, self-paced study and open course scheduling (Course materials are readily available online, and students complete courses on their own schedule and can choose to start any course in any month.)
- distributed learning (Students do not receive instruction or course materials at a specific location such as a university campus, allowing them to remain in their home communities and places of employment.)

AU's ICT infrastructure, therefore, must provide students with continuous and reliable service in support of their academic success. To continue to provide high-quality learning opportunities and student services, AU must continually reinvest in its core ICT infrastructure as it is the university's capital: its classrooms, workspaces, meeting rooms, communication channels, and knowledge repositories.

Insufficient Capital Funding to Develop and Align AU's ICT Infrastructure With Strategic Goals and Vision

Providing educational services to AU's community of learners depends upon the innovative use of technology to create a rich, flexible and open learning environment, one that is recognized by AU's peer institutions for its high standards. AU has succeeded in offering value to learners in Alberta, across Canada and around the world through its ability to leverage the Internet and ICTs to improve access to learning and to create new knowledge and approaches to distance education. However, ICTs are constantly evolving, and capital funding levels have been neither sufficient nor sufficiently reliable to enable AU to keep pace with technological change in evolving its ICT infrastructure to support its learning environment and maintain its position in the Alberta post-secondary distance education arena.

The level of funding received has necessitated a piece-meal and best-effort approach to evolving AU's ICT infrastructure. However, at key stages in an organization's evolution, a significant rebuild is required to realign and optimize business processes and strategies with ICTs. AU is now at that point in its evolution: it requires a significant reinvestment to establish an agile and aligned ICT infrastructure that will be more responsive to technological change and will allow the university to continue to innovate and provide its community with quality services and solutions.

Increased Competition in Online Distance Education

AU has developed strong educational partnerships across Canada and internationally and is an active member of Campus Alberta. Through its provincial mandate, AU is responsible for leading post-secondary e-learning in Alberta. Today, however, AU faces a number of challenges in seeking to maintain its leadership position in online distance education.

In Alberta, AU's Campus Alberta partners are increasingly transitioning their traditional courses to an online distance education model, and partners are not mandated to work with AU to develop and deliver these offerings. In addition, since AU's conception, more and more degree-granting post-secondary institutions have been established in the province. These factors have resulted in increased competition, redundancies and inefficiencies across the sector, and a failure to leverage AU's distance education knowledge and expertise and its proven online learning environment to serve learners.

Educational institutions worldwide are investing in the development of sophisticated technologies to provide advanced learning and student service environments. This global competition represents a very real and imminent threat as web technologies allow education providers to offer learners anywhere a high-quality education at a competitive price. AU's reputation and the quality of its offerings are determined in this global context. AU, Alberta and Canada cannot stand still but must constantly innovate to retain a competitive position and leadership standing in online distance learning.

Opportunities

Investing in AU's Open Personalized Learning Environment

Over the past several years, AU has been striving to achieve the vision of the Open Learning Environment, an innovative online post-secondary system in which technologies integrate with advanced pedagogical practice to form a supportive, world-class learning environment. The word open not only embodies AU's mission of removing barriers that restrict access to and success in university-level study, it also reflects AU's open admission policy, continuous enrolment model and access to learning facilitated through ICTs.

The OLE vision, however, has now evolved to reflect the fact that a system's core purpose is to provide information and functional capabilities to accomplish people's personal objectives. These objectives will vary among learners, teachers, researchers and administrators, but the ideal learning environment (comprised of multiple integrated systems, services and resources) will respond according to the needs, preferences and behaviours of each user. This is the vision behind AU's Open Personalized Learning Environment: an environment that tailors technological functionality, services and information to optimize experiences and facilitate completion of an each person's individual objectives.

As envisioned, AU's OPLE is no small undertaking, and it will require significant capital investments over the next five years. Its realization, however, will establish a new standard for online learning, address significant knowledge gaps across multiple industries and reposition Alberta and AU as pioneers and innovators in distance education and research. AU's intention is to share these innovations with other members of Campus Alberta, allowing partners to benefit from world-class distance education research, and allowing Albertans to access world-class personalized learning—anywhere, any time.

ICT Capital Investment Plans for the Open Personalized Learning Environment

An overview of a five-year investment plans for the development and renewal of AU's OPLE is presented below. AU is requesting that the Government of Alberta provide project funding to support holistic development of the environment to ensure the continued provision of high- quality learning opportunities for Albertans and online learners, and to create new distance education knowledge and innovations.

Table 10 provides a breakdown of the estimated annual investment costs for each program within the OPLE portfolio over the duration of the five-year plan. All proposed technology projects will follow AU's ICT Investment Governance Framework. This framework assesses the value of ICT investments, their alignment with the university's strategic goals and the value returned upon their completion. Table 11 provides a summary of the proposed funding sources to collectively develop the OPLE. Over the next five years, AU plans to contribute $19 million to develop and strengthen the OPLE and is requesting that the Government of Alberta or other potential funding sources contribute $21 million.

Table 10: Estimated Annual Investment Cost by OPLE Program (5 Year Plan)

	Estimated* ICT Project Costs Per Fiscal Year					
	FY 2016	**FY 2017**	**FY 2018**	**FY 2019**	**FY 2020**	**Program Totals***
Interfaces Program	$ 1,050,000	$ 1,225,000	$ 900,000	$ 1,550,000	$ 900,000	$ 5,625,000
Application Suite: Pedagogy and Research Program	1,567,000	520,000	750,000	350,000	790,000	3,977,000
Application Suite: Student Service and Administration Program	4,713,000	960,000	920,000	1,905,000	1,155,000	9,653,000
Application Suite: Enterprise Resource Planning Program	820,000	-	510,000	-	1,850,000	3,180,000
Analytical Platform Program	350,000	4,270,000	2,100,000	2,500,000	920,000	10,140,000
Infrastructure Operations Support Program	188,000	440,000	790,000	690,000	540,000	2,648,000
Infrastructure Renewal Program	1,683,000	90,000	741,000	100,000	740,000	3,354,000
Enterprise Architecture Planning Program	450,000	-	135,000	-	300,000	885,000
Totals	**$10,821,000**	**$ 7,505,000**	**$ 6,846,000**	**$ 7,095,000**	**$ 7,195,000**	**$39,462,000**

* Based on the Rough Order of Magnitude Estimates (External Costs).

Table 11: Summary of Proposed Funding Sources for OPLE Program Development

		Proposed Funding Sources	
	Program Totals*	**AU ****	**Government or Other**
Interfaces Program	$ 5,625,000	$ 1,050,000	$ 4,575,000
Application Suite: Pedagogy and Research Program	3,977,000	3,977,000	-
Application Suite: Student Service and Administration Program	9,653,000	9,653,000	-
Application Suite: Enterprise Resource Planning Program	3,180,000	3,180,000	-
Analytical Platform Program	10,140,000	-	10,140,000
Infrastructure Operations Support Program	2,648,000	-	2,648,000
Infrastructure Renewal Program	3,354,000	750,000	2,604,000
Enterprise Architecture Planning Program	885,000	-	885,000
Totals	**$ 39,462,000**	**$ 18,610,000**	**$ 20,852,000**

* Based on the Rough Order of Magnitude Estimates (External Costs).
** Based on FY16 operating grant, amortization and $1M IMP annually.

Capital Program Development Summaries (2016-20)

The key development goals for each of the OPLE's programs over the next five years and the associated risks should insufficient investment occur are detailed below.

Interfaces Program

The interfaces program addresses projects aimed at renewing or establishing new capabilities related to the primary web-based interfaces that users use for effective access to information, systems, services and resources within the OPLE. The program has three primary goals. The first is to provide users of the OPLE with intuitive and consistently designed interfaces that tailor content based on the user's role and needs, including redesign and renewal of AU's student and staff portals. The second is to improve access to that content by providing users with the ability to access information from both desktop and mobile computing platforms. Achieving this goal will require creation of a suite of mobile applications and the underlying ICT infrastructure to support effective access and security. The third goal is to strengthen AU's reputation for expertise in distance education by establishing an Alberta Distance Education Innovation Centre, a virtual space where students, faculty, researchers and staff from both AU and other Alberta post-secondary institutions can work with industry leaders to assess emergent technology, share knowledge and collaborate. The interfaces program deals with the initial stages of this proposed investment to establish the required portal to build community and serve as an innovation incubator. The virtual computing space itself is addressed in the Infrastructure Renewal Program (See page 47).

Risk Statement: The usability and effectiveness of interfaces is paramount to creating a quality user experience and maximizing efficiencies. Poor user experiences and the lack of required functionality can have a direct impact on student and staff recruitment and retention, particularly in a virtual organization like AU where users are served remotely and are reliant upon these interfaces to access the OPLE's online offerings. AU must also invest in mobile computing technologies as web statistics clearly indicate a rise in mobile devices. Users increasingly expect to be able to use their phones and tablets for anywhere, any time access to AU services. All Alberta post-secondary institutions need to pilot emergent technologies. Realization of the Alberta Distance Education Innovation Centre will maximize provincial investments by sharing knowledge, experience and infrastructure. Without this space, the dissemination of research, lessons learned and expertise will be difficult, and the potential for forging new Alberta partnerships will be limited by reliance on traditional channels that do not leverage the capabilities and economic benefits of ICTs.

Applications Suite: Pedagogy and Research Program

The pedagogy and research program addresses projects aimed at renewing capabilities or establishing new capabilities within the OPLE related to teaching, learning and research-related systems and services. The first goal of this program is the continued modernization of AU's learning management system. Currency and integration of the LMS with core systems and services is required to transform and personalize the distance learning experience and support the success of learners from varied backgrounds, degrees of preparation and geographic locations. Integrations between LMS functions and other systems within the OPLE facilitate the collection and assessment of information about learners' progress and timely intervention with appropriate supports. The second goal is to establish capabilities to streamline the development, delivery and invigilation of exams, a particular challenge given AU's virtual learning environment. The final goal is to create a virtual toolkit or e-lab for students, providing access to software and resources to aid them in their studies or creating temporary spaces from which to collaborate with other community members.

Risk Statement: The LMS is a core component of AU's OPLE and is critical to sustaining the university's reputation as a leader in online and distance education in Alberta and the global community. Distance education students expect the delivery of quality learning materials, and the benchmark is continually rising as more institutions compete in the global distance education market. Failure to deliver a high-quality online experience achieved through a fully integrated LMS will result in student dissatisfaction, lower academic success rates, poorer learning outcomes and loss of reputation and competitiveness for AU, culminating in

enrolment decline. An online exam system is an essential component of online courses. Students increasingly regard the requirement to write exams in pre-authorized exam centres as problematic source of frustration and expense. Moreover, process delays and administration costs associated with existing exam capabilities represent an increasing financial and reputational burden to the university.

Applications Suite: Student Service and Administration Program

The student service and administration program addresses projects aimed at renewing capabilities or establishing new capabilities related to the suite of student service and administrative systems. The emphasis of this program to ensure the continued provision of quality student services, a goal which will require significant investment in the implementation or renewal of a broad range of capabilities, including course content and records management, relationship management, contact management, web publishing, social networking, portfolio development, and communication and collaboration. The key is not only to deliver these functions independently but to make logical integrations among them to create a unified, service-oriented user experience. A second goal is to ensure these integrations are optimized for future scalability, adaptability and performance. Achievement of this goal will be facilitated by implementing standards and removing redundant data sources or shadow systems, allowing AU's suite of applications to respond effectively to change.

Risk Statement: AU prides itself on high student satisfaction rates. Unless its student service and administrative systems are renewed, the university will be unable to serve students or provide for enrolment growth without disproportionately increasing overhead costs. Services to students and other stakeholders will be compromised, and AU will lose its competitive advantage in terms of price and quality of service, resulting in a significant reduction in the university's market strength.

Applications Suite: Enterprise Resource Planning Program

The enterprise resource planning program addresses projects aimed at renewing capabilities or establishing new capabilities related to the ERP suite and its related system modules (e.g., finance, human resources/ payroll system, student information systems). AU operates in an environment of fiscal restraint and increasing competition from traditional universities in the delivery of online distance education. Efficient operations and planning are critical to AU's ability to achieve the goals set forth in its Strategic University Plan and ICT Strategic Plan and, ultimately, its ability to provide a flexible, high-quality and innovative learning environment. AU has successfully implemented an enterprise resource planning solution (Ellucian Banner) with the recent addition of finance and human resource/payroll modules to its existing student module. However, the student module is highly customized and out-of-date. These customizations were made years ago based on AU's unique continuous enrolment business model; however, many of these functions have since been incorporated into the baseline versions of these products. AU requires capital investment to re-engineer business processes in parallel with student de-customization efforts to leverage new features, to integrate the ERP with other core systems in the OPLE and to enable effective data collection, analytics and reporting capabilities.

Risk Statement: Enterprise resources planning systems are critical business enablers. Failure to invest in the ERP program risks inaccuracy and inefficiency in data collection and reporting. It also jeopardizes a broad range of business processes and sub-systems that are reliant on ERP data and functionality.

Analytical Platform Program

The analytical platform program addresses projects aimed at establishing data mining, analytics, reporting and enabling system personalization capabilities. The analytical platform is the heart of the OPLE. Establishing a data warehouse and an operational data store and aligning and integrating critical data sources are foundational aspects of creating robust analytical capabilities. The platform will facilitate data mining and the creation of student information and learning content information warehouses or hubs. Analytical interfaces to these hubs will provide insights into course design and delivery, service

improvements and research. In particular, data collected about a learner's ability to achieve learning objectives can be used to adjust teaching resources or tactics to meet the individual's learning preferences and improve outcomes and experiences. The analytical platform can also be used to collect information on knowledge gaps or skilled labour shortages across markets to inform the development of new courses or learning resources.

Risk Statement: If AU does not invest in its analytical platform, it will not be able to achieve the vision underlying the OPLE. Evidence-based research, strategic and operational decision-making, and the delivery of personalized solutions rely on the collection and analysis of data from across the entire environment.

Infrastructure Operations Support Program

The Infrastructure Operations Support Program addresses projects aimed at ensuring effective business operations and continuity for all users across the OPLE. AU has a dispersed staff and a distributed student body, and both require consistently performing systems to carry out their respective activities. The goal of this program is to provide the necessary support capabilities to ensure continuous operations, including investing in intrusion detection capabilities, establishing robust system monitoring capabilities, standardizing identity management and continuing expansion of the virtual desktop computing environment. Another key development goal is to establish remote system recovery capabilities. AU has been collaborating with the University of Alberta and has successfully achieved a small-scale proof-of-concept in this regard. The next step is to attain provincial funding, solidify the partnership and expand the pilot project with the goal of achieving continuous operational capabilities for critical systems. This collaboration has the potential to significantly reduce the capital requirements of implementing a second AU site.

Risk Statement: Monitoring the ICT infrastructure environment and intervening in a timely manner to ensure systems availability are critical ongoing activities. Without the supporting systems to ensure operational support, AU risks unauthorized access to information or loss of data, jeopardizing the university's reputation and exposing it to legal or regulatory consequences. Without sufficient system recovery capabilities, AU's business could be crippled. In its Report to the Audit Committee for the Year Ended March 31, 2010, the Office of the Auditor General of Alberta underlined this risk: "The university relies heavily on its IT systems and infrastructures to deliver online student services, including course materials and course evaluations as well as daily corporate financial activities. Failure to recover promptly from a disaster affecting the data centre at the main campus in Athabasca would affect the university's ability to continue providing these services."

Infrastructure Renewal Program

The infrastructure renewal program addresses projects aimed at ensuring that the foundational infrastructure or utility layer (e.g., network, servers, storage, power) is capable of supporting the OPLE's technological requirements. Innovation and ongoing improvement across the OPLE is enabled by enhanced computing performance, capability and reliability. AU's existing storage, server and network solutions are antiquated and insufficient to address current and future needs. The goal is to renew AU's ICT infrastructure, bringing improved data transmission and network connectivity, improved application performance and reliability, optimized storage, increased functionality, improved interoperability, and greater security and data integrity. This program also encompasses the creation of a virtual research environment in which students, faculty, researchers and staff from other post-secondary institutions can work together to assess emergent technologies, share knowledge and collaborate. This environment, coupled with the proposed innovation portal (See Interfaces Program, page 45) are key to the realization of an Alberta Distance Education Innovation Centre, an innovation incubator.

Risk Statement: Failure to renew ICT infrastructure substantially increases the risk to AU's capacity to perform its day-to-day operations. Failure to invest in this program will instigate an ongoing decline in the state of the OPLE's physical ICT infrastructure, resulting in more frequent breakdowns, inability to support newer versions of software, lack of compatibility with the needs of operating systems, lack of vendor support

and a high probability of catastrophic failure. In addition, the OPLE's enterprise architecture would become increasingly heterogeneous and inefficient. Lack of system integrity could also limit the university's ability to satisfy legal requirements to safeguard information and user privacy.

Enterprise Architecture Planning Program

The enterprise architecture program addresses projects aimed at renewing capabilities or establishing new capabilities to better design, manage and plan the OPLE's enterprise architecture. AU requires a comprehensive inventory and a living architectural design of its ICT assets. The scale, complexity and diversity of the OPLE requires the acquisition and implementation of enterprise architecture technologies, which would facilitate mapping of existing strategic and operational processes to the underlying enabling technologies and infrastructural components that support their efficient development and delivery. Attaining an enterprise architecture perspective is critical to establishing standards in an effort to reduce costs and to revealing vulnerabilities or deficiencies in processes, systems and services. Of particular importance is attaining a clear understanding of how to best integrate the necessary components of the OPLE to establish data collection and analytical capabilities. These capabilities are foundational to the realization of the OPLE vision and to informing the creation of personalized learning solutions, new course and service offerings, and distance education innovations.

Risk Statement: Establishing an enterprise architecture framework and supporting technologies is critical to effective ICT investment planning, risk management, resource management and security management and to ensuring that AU's enterprise architecture is responsive to the ever-changing needs of the university community. The need for AU to formalize "IT architecture standards to guide the university to develop common IT infrastructure that would reduce the university's long-term IT operating costs" was noted in the Report to the Audit Committee for the Year Ended March 31, 2010 by the Auditor General of Alberta. Alberta Innovation and Advanced Education's ITM Control Framework has also recommended adoption of enterprise architecture standards and controls.

Facility and Physical Infrastructure Projects

Although AU's pedagogical platform is based on open and distance education, delivered largely through the Internet to students dispersed across Canada and around the world, it still requires physical facilities for the operations of its faculties and administrative and support services. Over the past three years, the university has focused on upgrading existing aging infrastructure and on relocating departments from one leased location to another in Calgary and from a leased location in St. Albert to another in northwest Edmonton. The Main Campus Space Configuration Project, funded through the Government of Alberta's Infrastructure Maintenance Program, was also completed, and the Main Campus Building emergency electrical infrastructure was upgraded and fortified, including installation of a larger and more reliable emergency generator to support the AU main server complex.

AU's Athabasca campus was constructed in 1983. Facilities there require renewal and upgrading to reflect current building codes and building management technologies and the demands of sustainable operations. AU must also address the effects of 30 years of infrastructure degradation to ensure that existing facilities continue to provide the infrastructure necessary to maintain the university's ability to serve its students.

The additional facilities called for by this long-term capital plan will support the university's goals of expanding its academic reach, of significantly increasing its environmental research capacity and of making better use of operating grants and other funding by gradually moving away from leased spaces in its main urban market locations.

Except for the buildings on its Athabasca campus (Main Campus Building, Academic Research Centre) and the nearby Tim Byrne Centre (course materials production facility), AU leases all of its facilities, including spaces in Edmonton and Calgary. As leasing costs in major downtown urban centres are expected to rise significantly, securing appropriate university-owned, cost-effective consolidated space to ensure long-term

continuity and sustainability of educational services to students (or participating with partner institutions in a Campus Alberta project to achieve the same goals) is critical. Securing a single stand-alone site for the university's now dispersed Capital Region operations is a high priority.

If AU is to continue to succeed in the twenty-first century, its facilities must

- enable learning and research
- accommodate growth
- anchor and support the objective scientific study of environmental impacts of oilsands and other resource development in northern Alberta
- be environmentally sustainable
- equip the university to become an integral part of the Athabasca regional economic engine and a contributor to northern Alberta's growing economic clout
- be flexible and adaptive to evolving technology and networking
- provide spaces for collaborative activities and encourage collegiality and interaction
- meet current building code and building systems standards
- provide a hospitable work environment attractive to prospective employees
- promote wellness and social progress within the AU community, the Town and County of Athabasca and the Indigenous communities in the surrounding area

In pursuit of these goals, AU has developed a clear vision for steady, sustainable growth over the coming decade. Realization of this vision requires significant investment in the development of AU's lands and physical assets and in the creation of essential educational and research facilities.
AU's Facility and Physical Infrastructure Plan, outlined below, focuses on preserving the university's existing facilities and physical assets and includes one expansion or replacement project, and one proposal for a facility of major economic benefit to Alberta. Table 12 provides a breakdown of the estimated annual investment costs for facilities and physical infrastructure projects over the duration of the five-year plan. Table 13 provides a summary of the proposed funding sources. Over the next five years, AU plans to contribute about $1.1 million to facilities and physical infrastructure projects and is requesting that the Government of Alberta or other potential funding sources contribute $20.5 million.

Table 12: Facility and Physical Infrastructure Projects (Five-Year Plan)

	Estimated Facility and Other Projects Costs Per Fiscal Year					
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Program Totals
AU Main Campus Building Major Systems Upgrade	$ -	$ 500,000	$ 500,000	$ 1,500,000	$ 2,000,000	$ 4,500,000
AU Main Campus Internal Roads, Parking Lots and Trail System	-	500,000	1,250,000	-	750,000	2,500,000
ARC Building Deficiencies Follow-Up	-	400,000	1,200,000	400,000	-	2,000,000
Library Collections	50,000	75,000	75,000	75,000	75,000	350,000
Equipment Renewal	135,000	150,000	150,000	150,000	150,000	735,000
Consolidated Edmonton Space (integrated Learning Centre)	-	250,000	3,750,000	-	2,000,000	6,000,000
Field Research Station	5,568,000	-	-	-	-	5,568,000
Totals	**$ 5,753,000**	**$ 1,875,000**	**$ 6,925,000**	**$ 2,125,000**	**$ 4,975,000**	**$ 21,653,000**

Table 13: Summary of Proposed Funding Sources for Facility and Physical Infrastructure Projects

	Program Totals	Proposed Funding Sources	
		AU	Government or Other
AU Main Campus Building Major Systems Upgrade	$ 4,500,000	$ -	$ 4,500,000
AU Main Campus Internal Roads, Parking Lots and Trail System	2,500,000	-	2,500,000
ARC Building Deficiencies Follow-Up	2,000,000	-	2,000,000
Library Collections	350,000	350,000	-
Equipment Renewal	735,000	735,000	-
Consolidated Edmonton Space (integrated Learning Centre)	6,000,000	-	6,000,000
Field Research Station	5,568,000	-	5,568,000
Totals	**$ 21,653,000**	**$ 1,085,000**	**$ 20,568,000**

Preservation of Existing Facilities and Physical Assets

Main Campus Building Major Systems Upgrade

The Main Campus Building is 30 years old, and many of its core structural, mechanical and electrical systems are based on the original construction. Although occasional repairs and alterations have been carried out over the past three decades, systems and structures have not been significantly upgraded to accommodate changes in technology, environmental compliance, health and safety regulations or the provincial building code. Given that the life span of many of these systems is typically 25 to 30 years, the building is fast approaching the point at which key systems will have to be replaced. Failure to do so would be to risk a catastrophic failure of heating, ventilation, or other structural, mechanical or electrical systems, including boilers, main HVAC Units, the cooling tower, the glass roof system and the building envelope.

The building needs major systems overhauls and physical upgrades. Over the next 10 years, the rate of significant electrical, mechanical and structural systems failures is expected to increase as systems continue to age. A February 2012 Facility Assessment Report commissioned by Alberta Infrastructure identified a number of core systems that need upgrading or replacement in the coming five years and pegged the cost at approximately $8.5 million dollars. Although certain aspects of the structure's physical condition and systems were rated acceptable at the time of the evaluation, the report made clear that significant upgrades are necessary if the building is to continue to serve the university in meeting its mandate.

Risk Statement: Failure to bring the Main Campus Building key infrastructure systems up to standard will result in increased exposure to legal liability, loss of capital investment value and significant increases in ongoing maintenance and operational costs at times when IMP funding is drastically curtailed. Such failure would also limit AU's ability to provide a proper working environment to the approximately 350 employees working in the building. Should the building deteriorate to the point that existing systems can no longer serve the university's technological and physical needs, AU would be unable to continue to provide educational services.

Main Campus Internal Roads, Parking Lots and Trail System

The Athabasca campus, landscaped using local vegetation and incorporating the 10-kilometre Muskeg Creek Trail System, was developed when the Main Campus Building was constructed in the early 1980s. High use and the impact of the elements have led to significant deterioration of the internal roads, surface parking lots and internal trail systems, creating a number of potential safety hazards. The campus is very much in need

of an upgrade as the roads are failing from a geotechnical perspective and the continued sediment erosion of top lift asphalt and concrete, and the below surface substrata road base is in a state of collapse in many locations. The bases of roads and parking lots must be re-established and strengthened, asphalt top lift must be applied throughout the paved areas, and concrete work must be carried out on main pathways, curbs and gutters, and other areas where concrete pads are used to house large infrastructure systems if safe access for vehicle and pedestrian traffic is to be maintained on the campus.

Risk Statement: Failure to enhance trails and walkways will result in degradation of the campus in terms of both aesthetics and safety. Hazards to personal safety due to unsafe walkways, parking surfaces and access roads will likely result in increased personal injury incidents and loss of employee time and increased medical benefits costs. Accidental injuries and inadequate wheelchair access will expose the university to a risk of litigation.

ARC Building Deficiencies Follow-up

AU is encountering systemic and functional deficiencies in the structural, electrical and mechanical systems of the Academic and Research Centre completed in late 2011, on the Athabasca campus. At the request of representatives of Alberta Infrastructure and with the support of colleagues with building expertise from the University of Alberta, a thorough review of the issues was undertaken in the first quarter of 2015, and a report with recommendations for a proper course of remedial action is expected soon. Funding for the necessary remedial work will be required. It is difficult to estimate the cost until the report is received, but it is estimated that replacement or repair of systems that are consistently failing will cost at least $2 million.

Risk Statement: The risk associated with not dealing with systemic deficiencies in the mechanical, electrical and structural systems of this building range from a severe impact on staff comfort and working conditions to significant safety issues and the potential for catastrophic failure of key basic building systems. The longer remedial actions are delayed, the worse the situation will become in terms of the need for additional scarce building maintenance and operational resources, leading eventually to significantly higher repair costs and damage to the university's reputation for providing a safe work environment.

Library Collections

Major development of AU's digital repository is planned to increase the depth and breadth of online reference works and on-site collections. This development will include acquisition of a deep archive of online journal back files to meet the digital reference demands of students and to support expansion of master's programs and development of new doctoral programs.

Risk Statement: If AU does not meet the digital reference demands of its students and the research needs of its faculty members, it will lose its competitive position and risk losing market share of students and revenue.

Equipment Renewal

Proposed preservation activities for research and other equipment are estimated at $735,000.

Risk Statement: Failure to renew equipment in a timely fashion would keep obsolete equipment in use, resulting in non-compliance with standards of practice and workplace health and safety requirements.

Expansion or Replacement Projects

Consolidated AU Space in the Greater Edmonton Area (Integrated Learning Centre)

AU's Edmonton location occupies approximately 2,542 m^2 of space in the Peace Hills Trust Building in downtown Edmonton, and the Faculty of Business occupies approximately 1,312 m^2 of space in the Trail Business Centre in northwest Edmonton. For the past several years, the university has been exploring options

for an AU-owned facility, in St. Albert or elsewhere in the Greater Edmonton Area, that would eliminate ongoing operating lease costs and consolidate all of AU's Capital Region operations in one Integrated Learning Centre. The expected benefits of this project include

- administrative efficiencies in registration, financial and support functions
- improved student access to registration, examination and career counselling services
- enhancement of AU's presence in the Greater Edmonton Area
- increased opportunities for collaboration with Edmonton-based post-secondary institutions on research and teaching
- increased commercialization opportunities for technological research
- improved working environment and support for Edmonton area employees
- better control over operating expenses attributable to the continually increasing rental rates and location changes associated with occupancy of leased space
- an increase to the university's long-term asset base

Consolidation of AU's Capital Region leased space (now planned for circa 2020) has been a strategic goal since 2006. However, to date, no suitable location and means of consolidation have materialized simultaneously to permit realization of this goal. The main obstacle to its realization has been the lack of capital grant support from the Government of Alberta to completely or partially fund purchase or development of the needed physical space. Other challenges have included finding a suitable location and determining whether AU wishes to own or enter into a long-term leasing agreement for a consolidated space. Furthermore, given the success of the Campus Alberta approach in Calgary, provincial government officials have indicated that AU should seek a similar Campus Alberta arrangement in the Greater Edmonton Area; however, efforts to work with other post-secondary institutions on such a solution have so far proven futile.

Given the current fiscal challenges faced by the Government of Alberta and state of the Alberta economy, the AU Board of Governors recognizes that funding for such an enterprise may have to be derived from a combination of provincial capital grants and capitalizing of AU's operating funds earmarked for lease costs over the coming 25 years. As a result, the capital request submitted under this plan is for approximately 25 per cent of total development costs to serve as seed funding and down payment. A grant of this size will allow the university to purchase a building or secure a suitable site and initiate development, and the remainder of the required financing would come from capitalizing future operating lease dollars.

Construction of the required 4,645 m^2 building or the purchase and conversion of an existing building at current market rates, can be achieved only with approval for borrowing through the Alberta Capital Finance Authority, and in turn, net present valuing AU's future lease operating costs (as suggested by ministry representatives). Based on estimates by Colliers International, a newly developed 4,645 m^2 building would cost about $4,305 per square metre (all in), or $20 million in total at current development prices, once soft costs and land costs are incorporated. Escalating operating lease costs for the next 25 years have been projected by AU, with assistance from Colliers International, to determine that, based on those lease rate projections, AU could assume a mortgage of up to $15 million dollars. A capital request of $6 million is therefore submitted under this plan, to allow for a $5 million dollar down payment, plus initial costs such as realtor fees, feasibility studies, planning and project initiation.

Risk Statement: The risk associated with not consolidating the Greater Edmonton Area AU satellite locations within a university-owned building is primarily financial, although this situation also gives rise to some operational challenges and limits the university's ability to make long-term plans. While the availability of office space in St. Albert and Edmonton has remained relatively stable, lease rate increases are anticipated, placing an undue burden on operating budgets. Rates doubled when AU last renegotiated its existing leases. It is important for the university to make progress on this project as it can take four to five years (by which time existing leases will be due for renewal) from conception to occupancy.

New Facilities of Major Economic Benefit to Alberta

Field Research Station

The recent permanent closure of the Meanook Scientific Field Research Station, 10 kilometres south of Athabasca, after 40 years of operation, has created an opportunity to fill the resulting void and establish a replacement scientific field research station on AU grounds, under the auspices of AU's Faculty of Science and Technology. The development of a scientific field research station will underscore the viability of a faculty that is collaborative and interdisciplinary and align well with AU's mission, vision and strategic directions. The proposed research station would inform the activities of academics, community members and decision-makers, and support the ongoing work of the Athabasca River Basin Research Institute and the development of sound policies that will benefit all who have a stake in the river basin.

Creation of a scientific field research station is estimated to require a relatively modest capital investment of approximately $5.5 million dollars. Once all approvals are in place, the facility can be constructed and ready for operation within 12 months. The planned 1,672 m^2 field research station, with minimal amenities, can be constructed for approximately $3,290 per square metre, with remaining funding required for soft costs and furniture, fixtures and equipment.

Total annual operating costs for this facility are estimated at $600,000. AU would require government support for 50 per cent of operating costs, with the remainder to be recovered through user fees.

A modern field research station, designed and built in accordance with principles of energy efficiency and green technology, would not only foster research but also provide temporary accommodations for researchers and students and facilities for processing, analyzing and documenting their fieldwork. In addition, this scientific field research station could serve as a location for scientific conferences, workshops, retreats and short courses. Creation of this facility will underscore AU's leadership in promoting and supporting field research and promoting ecological stewardship in northern Alberta.

Risk Statement: Failure to develop the scientific field research station would limit the ability of many scientists and institutions to undertake scientific research related to ecological and environmental issues in northern Alberta. It would also represent a lost opportunity to create a research hub to enhance scientific outreach by AU's Faculty of Science and Technology and to establish a northern Alberta centre for science-related gatherings and consultations.

Table 14: Summary – Projected Infrastructure Expenditures and Revenue Sources

For the year ended March 31
(thousands of dollars)

	BUDGET 2015-16		PLAN 2016-17		PLAN 2017-18		TOTAL	
CAPITAL AND ICT INFRASTRUCTURE EXPENDITURES								
Buildings, leaseholds and site improvements	$	5,568	$	1,650	$	6,700	$	13,918
Information technology		10,821		7,505		6,846		25,172
Equipment		135		150		150		435
Library and art collections		50		75		75		200
	$	16,574	$	9,380	$	13,771	$	39,725
External Capital contributions								
Provincial and other:								
Building	$	5,568	$	1,650	$	6,700	$	13,918
Information technology		5,243		1,830		1,171		8,244
EXPENDITURES, EXTERNALLY FUNDED	$	10,811	$	3,480	$	7,871	$	22,162
Internal Capital contributions								
Accumulated Surpluses (amortization)	$	3,770	$	4,900	$	4,901	$	13,571
Infrastructure Maintenance Program (IMP)		1,993		1,000		1,000		$3,993
EXPENDITURES, INTERNALLY FUNDED	$	5,763	$	5,900	$	5,901	$	17,564
	$	16,574	$	9,380	$	13,771	$	39,725

Table 15: Detail – Projected Infrastructure Expenditures and Revenue Sources

For the year ended March 31
(thousands of dollars)

	BUDGET 2015-16		PLAN 2016-17		PLAN 2017-18		TOTAL	
Buildings, leaseholds and site improvements								
EXTERNALLY FUNDED								
Main Campus Building Major Systems Upgrade	$	-	$	500	$	500	$	1,000
Main Camputs Roads, Parking Lots and Trails		-		500		1,250		1,750
Academic and Research Centre Building Deficiencies		-		400		1,200		1,600
Intergrated Learning Centre - Greater Edmonton		-		250		3,750		4,000
Field Research Station		5,568				-		5,568
Total buildings, leaseholds and site improvements	$	5,568	$	1,650	$	6,700	$	13,918
Information Technology – major projects								
EXTERNALLY FUNDED								
Infrastructure	$	583	$	-			$	583
Systems Development		4,660		1,830		1,171		7,661
		5,243		1,830		1,171		8,244
INTERNALLY FUNDED								
Infrastructure	$	1,278	$	530	$	360	$	2,168
Systems Development		4,300		5,145		5,315		14,760
	$	5,578	$	5,675	$	5,675	$	16,928
Total hardware and software	$	10,821	$	7,505	$	6,846	$	25,172
Equipment								
INTERNALLY FUNDED								
Research and other equipment	$	135	$	150	$	150	$	435
Total equipment	$	135	$	150	$	150	$	435
Library and art collections								
Library	$	50	$	75	$	75	$	200
Total library and art collections		$50	$	75	$	75	$	200
TOTAL EXPENDITURES	$	16,574	$	9,380	$	13,771	$	39,725

Appendix A

EXISTING AU PROGRAMS

Graduate Programs

AU offers the following nine graduate degrees as well as 12 graduate-level diplomas and certificates:

- Doctor of Education (Distance Education)
- Doctor of Business Administration
- Master of Arts (Integrated Studies)
- Master of Business Administration
- Master of Counselling
- Master of Education (Distance Education)
- Master of Health Studies
- Master of Nursing
- Master of Science (Information Systems)

Undergraduate Programs

In addition to 20 undergraduate certificate and diploma programs, AU offers the following undergraduate degrees, many of which are available through both regular and post-diploma programs:

- Bachelor of Arts, four-year (with a major in anthropology, Canadian studies, English, French, history, humanities, information systems, labour studies, political economy, political science, psychology, sociology or women's and gender studies or a combined major)
- Bachelor of Arts, three-year (general or with a concentration in English, French, history, humanities, information systems, labour studies, political economy, political science, psychology, sociology or women's and gender studies)
- Bachelor of Commerce (general or with a major in accounting, e-commerce or financial services)
- Bachelor of General Studies (in arts and science or applied studies)
- Bachelor of Health Administration
- Bachelor of Human Resources and Labour Relations
- Bachelor of Management, four-year (general or with a major in human resource management, marketing, or Indigenous nations and organizations)
- Bachelor of Management, three-year
- Bachelor of Nursing (post LPN or post RN)
- Bachelor of Professional Arts (with a major in communication studies, criminal justice, human services or governance, law and justice)
- Bachelor of Science (general, or with a major in human science or architecture)

Appendix B

PROGRAM REVIEW CYCLE

Table 1: Degree Program Reviews in Progress

Program	Status of Review
Doctor of Education (Distance Education)	Self-study in progress
Bachelor of Nursing (Post LPN and Post RN)	Self-study in progress
Bachelor of Arts	Site visit October 22-23, 2015
Master of Business Administration	ASC report April 22, 2014
Master of Counselling	ASC report April 22, 2014

Table 2: Planned Degree Program Reviews

Program	Scheduled Review	Last Review
Master of Arts (Integrated Studies)	2014-15	2008
Doctor of Business Administration	2014-15	2009
Master of Science (Information Systems)	2015-16	2008
Bachelor of General Studies	2015-16	2008
Bachelor of Commerce	2016-17	2008
Bachelor of Management	2016-17	2009
Bachelor of Science in Computing and Information Systems	2016-17	2009
Bachelor of Professional Arts: Human Services	2017-18	2010
Master of Education (Distance Education)	2017-18	2011
Bachelor of Human Resources and Labour Relations	2017-18	2011
Bachelor of Professional Arts: Communication	2017-18	2012
Bachelor of Professional Arts: Governance, Law and Management	2017-18	2012-13
Bachelor of Professional Arts: Criminal Justice	2017-18	2012-13
Master of Health Studies	2019-20	2012
Master of Nursing	2019-20	2012
Bachelor of Health Administration	2019-20	2012
Bachelor of Science	2021-22	2013

Table 3: Planned Reviews of Research Institutes

Institute	Scheduled Review
Athabasca River Basin Research Institute (ARBRI)	2015-16
Technology Enhanced Knowledge Research Institute (TEKRI)	2015-16
Project Research Institute (PRI)	2015-16

Athabasca University