



2025-26

# Annual Report



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# Information

*Institution Name* UNIVERSITY OF LETHBRIDGE

*President's Name* Dr. Digvir Jayas

*Board Chair's Name* Karen Reid

# 1. Accountability Acknowledgement (a & b)

*Copy signatures in graphic form into the cells outlined in red in the column for your institution type. Please ensure sign-off for both the accountability statement and management's responsibility for reporting section. Original signatures are not required in the online version of the institution's annual report.*

## a. Accountability Statement

The President and the Chair of either the board (PSI) or the governing body (IAI) (Board Chair) are required to sign the appropriate accountability statement below based on their institution type. Original signatures are not required

| Public Post-secondary Institutions                                                                                                                                                                                                                                                                                                                                                                             | Independent Academic Institutions                                                                                                                                                                                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The institution’s Annual Report for the year ended was prepared under the Board’s direction in accordance with the <i>Sustainable Fiscal Planning and Reporting Act</i> and ministerial guidelines established pursuant to the <i>Post-secondary Learning Act</i> . All material economic, environmental, or fiscal implications of which we are aware have been considered in the preparation of this report. | The institution’s Annual Report for the year ended was prepared under the governing body direction in accordance with ministerial guidelines. All material economic, environmental, or fiscal implications of which we are aware have been considered in the preparation of this report. |
| Signature of the President                                                                                                                                                                                                                                                                                                                                                                                     | Signature of the President                                                                                                                                                                                                                                                               |
| [Original is signed]                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                          |
| Signature of the Board Chair                                                                                                                                                                                                                                                                                                                                                                                   | Signature of the Board Chair                                                                                                                                                                                                                                                             |
| [Original is signed]                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                          |

b. Management's Responsibility for Reporting

This accountability statement, signed by both the President and Board Chair, outlines management’s responsibility for preparing and submitting the annual report. The President and Board Chair must sign the appropriate accountability statement below based on their institution type.

Public Post-secondary Institutions

The institution’s management is responsible for the preparation, accuracy, objectivity, and integrity of the information contained in the Annual Report. Systems of internal control are designed and maintained by management to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, are executed in accordance with all relevant legislation, regulations and policies, reliable financial records are maintained, and assets are properly accounted for and safeguarded.

The Annual Report has been developed under the oversight of the institution audit committee, as well as approved by the Board of Governors and is prepared in accordance with the *Sustainable Fiscal Planning and Reporting Act* and the *Post-secondary Learning Act* .

The Auditor General of Alberta, the institution’s external auditor appointed under the *Post-secondary Learning Act* , performs an annual independent audit of the consolidated financial statements which are prepared in accordance with Canadian public sector accounting standards. (Note: This last paragraph does not apply to The Banff Centre.)

Independent Academic Institutions

The institution’s management is responsible for the preparation, accuracy, objectivity, and integrity of the information contained in the Annual Report. Systems of internal control are designed and maintained by management to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, are executed in accordance with all relevant legislation, regulations and policies, reliable financial records are maintained, and assets are properly accounted for and safeguarded.

The Annual Report has been approved by the governing body and is prepared in accordance with Ministerial guidelines.

*Signature of the President*

*Signature of the President*

[Original is signed]

*Signature of the Board Chair*

*Signature of the Board Chair*

[Original is signed]

## 2. Public Interest Disclosure (Whistleblower Protection) Act

***The requirements of this section do not apply to Independent Academic Institutions (IAI) or the Banff Centre.***

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Fulfill disclosure requirements under the *Public Interest Disclosure (i.e. Whistleblower Protection) Act* (the Act).

The Act applies to provincial government departments, offices of the Legislature and to public entities. Public entities include any agency, board, commission, Crown Corporation, or other entity designated in the Regulations.

The purposes of the Act are to:

- Facilitate the disclosure and investigation of significant and serious matters an employee believes may be unlawful, dangerous or injurious to the public interest;
- Protect employees who make a disclosure;
- Manage, investigate, and make recommendations respecting disclosures or wrongdoings and reprisals; and
- Promote public confidence in the administration of the departments, Legislative offices, and public entities.

Section 32(1) of the Act requires every chief officer (as defined in the Public Interest Disclosure Regulation) to prepare a report annually on all disclosures that have been made to the designated officer.

Section 32(2) of the Act requires that the chief officer's report includes the number of disclosures received, acted on and not acted on, the number of investigations commenced, a description of any wrongdoing found, and any recommendations made or corrective measures taken regarding the wrongdoing or the reasons why no corrective measure was taken.

Section 32(3) of the Act requires this information be included in public entities' annual reports.

Provide the numbers for each item below, if applicable.

Number of disclosures received 0

Number of disclosures acted on 0

Number of disclosures not acted on 0

Number of investigations commenced 0

Number of investigations still underway 0

Classification: Protected A

Provide a description of any wrongdoing found and any recommendations made or corrective measures taken regarding the wrongdoing, or the reasons why no corrective measure was taken.

There were no disclosures received during the fiscal year.

For more information, please visit: <https://yourvoiceprotected.ca/chief-designated-officers/>

# 3. Goals and Performance Measures

## Goals and Performance Measures

List the progress made over the past year on the institution's goals and related performance measures. Demonstrate alignment between your institution's strategic plan, performance measures, and achieved outcomes.

With our focus set on the future, the University of Lethbridge developed and implemented a new Comprehensive Strategic Plan in 2025 to address the changing landscape of post-secondary education provincially, nationally and globally and respond to the evolving opportunities and challenges for ULethbridge.

### **Performance Measures for 2025/2026**

#### **Enrolment:**

- Total Fall 2025 enrolment: 8,051 students
- 67% of students came from outside the Lethbridge or Calgary campus regions
- 17.0% of students were visa students
- 8.3% of students were graduate students
- 6.1% of students were self-declared Indigenous students
- 11.2% of students attended the Calgary campus

#### **Challenge Boundaries and Inspire Curiosity**

##### *Expand Perspectives*

- ULethbridge welcomed students from 88 countries

##### *Weave Indigenous Knowledges into All We Do*

- 81% of undergraduate students engaged with Indigenous course content, while 68% took part in Indigenous activities or events
- More than 70% of undergraduate students agree that engaging with Indigenous course content or participating in Indigenous activities or events has enriched their university experience

### *Inspire Boundless, Interdisciplinary Teaching, Learning, and Research*

- In 2026, ULethbridge placed 1st among primarily undergraduate institutions in Maclean's University Rankings for medical and science grants

## **Be A Place Where People Aspire to Learn, Work, and Contribute**

### *Be a Supportive and Inclusive Environment for All*

- Student-to-Faculty Ratio is 19-1
- The average lecture comprises 31 students
- 77% of students report feeling a sense of belonging at ULethbridge
- 14% of Lethbridge Campus students live in university housing

### *Deliver an Exceptional Student Experience*

- More than 85% of students report being satisfied with the quality of teaching
- 55% of students report good to excellent mental health while 66% report good to excellent physical health
- All students at ULethbridge can engage in experiential learning. Over the last year, 50.7% of students participated in such opportunities
- 83.2% of students continue from first year to second year

### *Empower Talent and Inspire Professional Success*

- 39 post-doctoral fellowships were offered
- 56% of first year students have received a scholarship, financial award or bursary
- 32 research Chairs
- 177 research grant applications submitted, and 81 research grants were awarded

## Shape The Future

### *Navigate Change with Critical Insight and Resilience*

- 70% of graduates report feeling prepared to manage career changes confidently
- 53% of graduates report that work-integrated learning opportunities gave them necessary experience for their current employment
- 95% of graduates report that their current employment is connected to the skills and abilities they developed as a student
- Two years after graduation 95% of graduates are employed

### *Advance Sustainability and Global Change Solutions*

- 55.1% of paper and cardboard materials were recycled (increase over last year)
- Electrical usage was 139.4 kilowatt-hours per square meter of space (slight increase)
- Natural gas usage was 0.75 gigajoules per square meter of space (decrease)
- Water usage was 0.69 cubic meters per square meter of space (decrease)
- 75% of undergraduate students report being satisfied with the University's commitment to environmental sustainability

### *Enhance Financial Resilience*

- Total revenues for General Operating were \$211 million
- Total expenditures for General Operating were \$182 million
- Endowment funds increased \$2.9 million to \$112.8 million

## Engage Communities

### *Partner for Better Solutions*

- The provincial economic impact is estimated at \$2.8 billion
- There are 37 industry partnerships, including funding, in kind, or contract agreements
- ULEthbridge has 56,373 alumni worldwide
- 36.6% of first-year and 49.0% of senior-year students participated in a community-based project

### *Advance Reconciliation and Strengthen Ties with Indigenous Communities*

- 83% of students report that the University has enhanced their understanding of Indigenous worldviews, experiences, issues and Peoples of Canada

### *Thrive Together*

- ULEthbridge employed 2,232 people
- 1,203 music ensemble and private music lessons were offered
- 2,523 Sport and Recreation memberships were issued
- 9,111 participants registered in Sport and Recreation Services programs
- Through shared advocacy ULEthbridge responded to regional needs through aligned programming (first cohort of Southern Alberta Medical Program, and approval of Integrated Engineering)

## a. Student Supports and Resources

Outline and provide specific examples of the student support services and resources your institution offers that address the diverse needs of your students and help them to excel in and to complete their post-secondary studies (e.g., academic and career advising, financial and housing assistance, health and wellness services, etc.).

**The University of Lethbridge cultivates belonging, removes barriers and creates conditions in which all students can learn, grow and flourish.**

We support students not only as learners, but as whole people navigating personal growth opportunities, identity formation and preparation for life beyond university. Student support teams and academic units partner to ensure students are supported at the moments that matter most by providing intentional services, programs and relationships.

The University provides support services across a full range of student experiences. Grounded in care, equity and evidence-informed practice, we work to:

- Support students' academic success
- Make the University navigable, humane and responsive
- Ensure access to timely, proactive and coordinated support to help students achieve their goals
- Foster meaningful engagement, development and belonging
- Prepare students to participate confidently and responsibly in their communities and professions

The University provides the following support services to students:

**Recruitment:** Provides information to prospective students about funding/scholarships, academic, research, work integrated learning, career preparation, graduate supervision, athletics and other opportunities at ULethbridge.

**Orientation and Transition:** StartSmart@ULethbridge for new undergraduate students is part of ULethbridge's orientation and transition support. New undergraduate students complete a quiz and receive a personalized report and roadmap to success in their first weeks of university. New Student Orientation, a day or more of intentionally designed and informative sessions, is offered to new undergraduate and graduate students to get them on track. Peer Mentors and StartSmart Facilitators stay in touch with new undergraduates for their first year in their program to help them navigate the overwhelm of starting their academic journey at ULethbridge.

**School of Graduate Studies:** Provides support to graduate students. Scholarships, assistantships, bursaries and funding opportunities are made available to help support their graduate studies. They help graduate students build valuable skills beyond the classroom through workshops, career development, research training and networking opportunities. They also offer or refer students to a wide range of support services designed to help them succeed in academic and non-academic life.

**Academic Advising:** Student Affairs (SEARS) and all Faculties and Schools offer academic advice throughout students' academic journey, identifying the requirements needed to complete their programs and guidance on how to adjust their plans as needed. Academic Advising offices also support and refer students who are struggling (mental health, financial and in other ways) to teams who have the expertise to support them.

**Career Advising and Work Integrated Learning:** Career Bridge Centre for Work-Integrated Learning and Career Development runs workshops, offers in-person support and provides many online resources to help students navigate their career. Career Bridge consists of a powerhouse lineup featuring Co-op, Applied Studies, Career Services and an Experiential Transcript Advisor. Its mandate is to offer exceptional work-integrated learning, applied studies, experiential learning and career services so that every participating student can benefit from an outstanding academic and professional development experience. Career Bridge serves all ULEthbridge students and alumni. ULEthbridge also offers a Work-2-Learn program to domestic students who are eager to build their employment skills and who have demonstrated financial need.

**Scholarships and Financial Aid:** The Scholarships and Student Finance office and the School of Graduate Studies offer a variety of services to help students fund their education. Information and guidance about donor- and university-funded scholarships and awards, provincial and national student funding, budgeting and money management are provided to undergraduate and graduate students. Advanced Education's Program Planning and Student Aid Division (PPSA) evaluates and monitors Canada Student Loan repayment rates for all post-secondary institutions in the province. Under the Framework, institutions are assessed over a three-year cycle and placed into one of three risk zones: Green, Yellow or Red. ULEthbridge has a 2025 repayment rate of 93.2%, placing the institution in the Green zone and higher than the provincial and national averages. The national average Canada Student Loans repayment rate is 91.4%, while Alberta's average is 86.8%.

**The Student Success Centre:** Helps students build strong academic skills that contribute to their success. Workshops in time management, exam writing and study strategies, along with course tutorials and peer mentor support all combine to provide students with a menu of options to improve their potential for academic success. New this year is the University Prep Series designed to help new students build their confidence and help them get organized for a successful first semester.

**Housing:** Guaranteed space in on-campus housing is offered to new undergraduate students who apply and accept their admission offers by the appropriate deadlines. This is a new initiative to help new students navigate a relatively tight housing market. There are approximately 1,000 beds on campus that are available to students. Upper-year students have access to on-campus residence, as well. Engagement and student support services are offered in residence to those students who live on campus, including food services.

**Wellness Services:** The University offers Student Wellness Services, comprised of the Health Clinic and Counselling Services. The clinic is part of the Chinook Primary Care Network and we have an on-campus collaboration with Recovery Alberta. Wellness Services' goal is to provide sustainable and comprehensive physical and mental health services and support to our students. A new addition in 2025-26 is a collaboration with the Faculty of Education to provide in-program Master of Counselling and Master of Counselling and Clinical Psychology students with practicum opportunities, increasing capacity to offer counselling to the general student population.

**International Student Services:** Assists international students in adapting to campus life socially, academically and culturally. The team supports students in all aspects of their life, both as a ULeithbridge student and as a temporary resident in Canada, including providing authorized immigration information and guidance.

**Iikaisskini Indigenous Student Services and Gathering Centre:** Connects all self-identified Indigenous ULeithbridge students to academic, cultural, financial, health and well-being resources. These resources include support from the Elders who are part of the Elders in Residence program, ceremonies, mental health support and advising. The team also organizes events for students and the community such as Indigenous Awareness Week and Truth and Reconciliation Week.

**Accessible Learning Centre (ALC):** The ALC supports students with disabilities that affect their learning and academic success by providing information on how to receive academic support and accommodation. The team also arranges and provides accommodations for students with a wide range of disabilities so that they have equal access to a successful academic experience at the University. This includes helping the students to access funding enabling them to pay for assistive technology, learning strategists and other important supports.

**Academic Writing Centre:** The primary function of the Academic Writing Centre is to provide students from all disciplines with practical writing support that supplements in-class instruction and helps students understand a wide variety of writing assignments, including research papers, summaries, critical essays, literature reviews, annotated bibliographies and lab reports.

## b. Strategic Research Priorities

Outline your institution's strategic research priorities. Describe how these priorities align with provincial strategies (Alberta 2030: Building Skills for Jobs, Alberta Technology and Innovation Strategy, etc.). For each priority area, describe key achievements (results or anticipated outcomes and impacts) and how they have contributed to the advancement of your institution's own strategic research priorities. Where possible, include quantitative indicators to support examples provided. Institutions with emerging research strategies may focus on priority areas under development and describe foundational activities, early achievements, and intended outcomes.

In 2026, the University of Lethbridge launched its new **Research and Creative Activities Plan (RCAP)** that outlines the importance of recognizing and sustaining our strengths and continuing to expand and enhance research and creative activities engagement, education, funding successes and diversification, as well as highlighting impacts and outputs of these endeavours. The RCAP highlights four focus areas, including Foundations, Ideas, Systems, and Places. Each is closely connected to the regions and communities that we serve, are connected and contribute, and have expertise.

In **Foundations**, this work contributes to enhancing and growing markets, economic development in underserved regions and communities and the strengths of traditional Blackfoot knowledge and expertise. The research and creative activities occurring within this category support engagement of individuals and communities across socio-economic demographics, business and organizational work to expand and enhance how, where and to what extent we are engaged in economies and communities across Alberta.

In **Ideas**, we are focused on enhancing connections through commercialization and de-risking new and emerging ideas that require understandings of human behaviour, knowledges and technologies, and understandings of intelligence in all its forms. We further contribute to optimizing the technology and innovation ecosystem through research that focuses on how we leverage those different kinds of intelligence, including artificial intelligence. Further, this priority includes the context of what it means to be a contributing citizen in discourse, education, economic development, entrepreneurship and innovation.

In **Systems**, the importance of connections between natural and human ecosystems to support function, sustainability (financial, cultural and environmental), political and demographic factors that affect community growth and resilience, and how we leverage critical knowledge systems to mitigate negative impacts on and enhance positive impacts for people, ecosystems, and societies.

In **Places**, we connect deeply with the regions where we do this work, contributing to the communities and cultures, as well as the physical landscapes that affect behaviours, economic drivers, knowledge production and diversification, and the talent required to grow and sustain communities, industries and partnerships. Southern Alberta is deeply connected to the quality of the land, air, water and vegetation that drive strong and stable economies, jobs and talent development, and community services and spaces that connect many peoples and publics.

Each of these priorities includes contributions by academic staff and students across disciplines to the advancement of Advanced Materials and Aerospace (primarily aerospace), Applied Digital and Emerging Technologies, Natural Resource Recovery, Agriculture and Health and Life Sciences. Some of the quantitative measures connected to these provincial priorities and that we are engaged in as a multi-year initiative to grow and diversity, sustain and enhance research and creative activities across campus include:

- Enhance and support inter- and cross-disciplinary research and creative activities by building funding successes in a more diverse variety of research areas, ensuring and promoting equitable opportunities that are accessible to all researchers at the University of Lethbridge.
- Strengthen relationships, increase shared initiatives and co-create externally funded research and creative activities with partners across the Blackfoot Confederacy.
- Create resources, services and opportunities for equity of engagement and opportunity for all researchers, regardless of stage of development and establishment, to advance and enhance their research and creative practice.
- Deliver exceptional graduate student supervisory and mentorship experiences through expanded programs and participation in professional and co-curricular development, student orientation and connections to teaching, learning and community engagement.
- Facilitate research and creative activities that advance the applications and development of digital technologies, such as generative AI and machine learning, through interdisciplinary knowledge creation and impact.
- Enhance stewardship and synergies between academic research and external partners through the Core Research Facilities and increased visibility and discoverability of our research strengths, capacity, and expertise.
- Collaborate to build and sustain relationships with engaged partners from across Canada and around the world while building deep and resilient community connections that serve as important keystones to our collective success in creating knowledge from ideas to impacts.

## **Additional Indicators for Future Tracking**

Enhance and support inter- and cross-disciplinary research and creative activities by building funding successes in a more diverse variety of research areas, ensuring and promoting equitable opportunities that are accessible to all researchers at the University of Lethbridge.

- Example metric: number of new research teams for internal Interdisciplinary Research Fund

Strengthen relationships, increase shared initiatives and co-create externally funded research and creative activities with partners across the Blackfoot Confederacy.

- Example metric: number of co-created research projects between University of Lethbridge researchers with Blackfoot partners

Create resources, services and opportunities for equity of engagement and opportunity for all researchers, regardless of stage of development and establishment, to advance and enhance their research and creative practice.

- Example metric: assessment of proportional representation of internal awards provided to early career researchers, mid-career established researchers, and senior established researchers

Deliver exceptional graduate student supervisory and mentorship experiences through expanded programs and participation in professional and co-curricular development, student orientation and connections to teaching, learning and community engagement.

- Example metric: participation rates in professional co-curricular programming for graduate students

Facilitate research and creative activities that advance the applications and development of digital technologies, such as generative AI and machine learning, through interdisciplinary knowledge creation and impact.

- Example metric: participation rates of faculty members in research proposals to external funding agencies that include advancement of technology, applications, ethics and policy, or value propositions associated with generative AI and/or machine learning

Enhance stewardship and synergies between academic research and external partners through the Core Research Facilities and increased visibility and discoverability of our research strengths, capacity, and expertise.

- Example metric: number of external partners engaged in research or fee-for-service activities with Core Research Facilities

Collaborate to build and sustain relationships with engaged partners from across Canada and around the world while building deep and resilient community connections that serve as important keystones to our collective success in creating knowledge from ideas to impacts.

- Example metric: number of partners identified in research grant proposals submitted by faculty members

### c. Collaboration with Other Learning Providers

Outline your institution's collaboration with other learning providers such as First Nations Colleges, publicly funded post-secondary institutions, or Private Career Colleges, specific to:

- a. Brokered programs
- b. Collaborative delivery (satellite or other arrangements)
- c. Institution-level research collaborations
- d. Learner pathways (e.g., transfer credit for courses/programs)

#### **Collaborations**

- ULethbridge International College Calgary (UICC): Partnership between ULethbridge and Navitas
- Integrated Pathway in General Management and Supply Chain Management with Bow Valley College
- Nursing program: Partnership between ULethbridge and Lethbridge Polytechnic
- Southern Alberta Medical Program: Partnership between ULethbridge and UCalgary
- Integrated Engineering: Partnership between ULethbridge and Lethbridge Polytechnic

#### **Affiliation Agreement/Partnership**

- Southern Alberta Medical Program (SAMP) affiliation agreement between the University of Calgary's Cumming School of Medicine and ULethbridge. Applications opened July 2025 for a first-year cohort that started in July 2026

#### **Dual Admission Agreements**

Dual Admission agreements provide for seamless transfer from a college to ULethbridge. With Dual Admission, students are admitted to ULethbridge while still attending the college.

- College of the Rockies, BC
- Medicine Hat College, AB

## **Dual Credit**

Dual credit makes it possible for Grades 10 to 12 students to take post-secondary courses and receive credit towards both high school graduation and post-secondary.

We also offer Dual Credit this year in partnership with:

- Lethbridge School Division

High Prairie School Division Joint agreement:

- Palliser School Division
- Livingstone Range School Division
- Horizon School Division
- Westwind School Division
- Holy Spirit Roman Catholic Separate Division
- Francophone Regional Authority of Southern Francophone Education Region

## **Additional Collaborations**

**Southern Alberta Higher Education Relationship:** A historic collaborative relationship between four southern Alberta post-secondary schools will create a shared vision for the future of higher education in the region and further solidify southern Alberta as a destination for post-secondary learners.

The Southern Alberta Higher Education Relationship is a formal Commitment to Work Together that unites Red Crow Community College, Lethbridge Polytechnic, Medicine Hat College and ULethbridge in a partnership to enhance higher education in southern Alberta through collaborative efforts. The alliance's Blackfoot name, Innakotsiisinni (respect for others), reflects the shared goals and mutually supportive nature of the agreement.

The alliance will focus on four specific areas of collaboration, including academic programs, research, student supports and regional stewardship.

- Academic programs will feature clear articulation pathways between institutions that encourage student mobility, with interdisciplinary programs jointly developed to meet regional needs.
- Research projects will encourage the sharing of facilities and expertise as well as joint applications for research funding.
- Student support services and facilities will be enhanced through shared resources and jointly developed initiatives promoting student well-being and success.
- Regional stewardship involves the collection and sharing of information and knowledge between institutions, while leveraging resources and building collective capacity. The goal is to determine, prioritize and then enable educational access to the full spectrum of learning opportunities available to learners.

**Going All Out Society Education Navigators:** Provide outreach to prospective and current students in each of the local Blackfoot Confederacy (Kainai, Piikani and Siksika) communities to co-create pathways for successful transitions for Indigenous students to post-secondary education. This includes not only the University of Lethbridge, but all PSIs and Tribal Colleges in Alberta, British Columbia, Saskatchewan and Montana.

**2 + 2 Niitsitapi Arts and Science program:** Conversations have begun between the Faculty of Arts & Sciences at ULethbridge and Red Crow Community College (RCCC) to explore enhanced pathways for the 2 + 2 Niitsitapi Arts & Science program. The desire is to have years three and four of our 2 + 2 Niitsitapi Arts & Science program offered in a combination of online classes and in-person classes at RCCC campus. The intent is to find a way that RCCC students could remain in community while completing their degree.

**Indigenous Health program:** Pathways have begun between ULethbridge and RCCC to assist students transition to the Indigenous Health Degree after completion of Diploma at RCCC.

**Blackfoot Language Classes:** These classes are being offered through the Peigan Board of Education.

**Piikani Cultural & Digital Literacy Project:** Through the Mastercard Foundation ULethbridge EleV Project, ULethbridge is providing funding and resources to support the Piikani Cultural & Digital Literacy Project. This project builds on a strong foundation of collaborative work and partnerships between Piikani Nation Secondary School and the Peigan Board of Education, Elders, youth and university-based researchers. The project has worked together to co-design, develop and deliver Piikani-specific digital literacy teaching and learning. This has resulted in the integration of classroom and camp-based digital literacy activities into the school's regular academic programming.

## 4. Financial Information

Provide your institution's financial reporting for the fiscal year, including approved budget figures, actual results, and audited financial statements.

### a. Budget Variances

(thousands of dollars)

Using the budget submitted to Advanced Education by May 31st, identify key variances between budgeted statement of operations and actual audited results. Provide a detailed explanation for all material variances.

| Category                   | Budgeted Amount | Actual Amount | Variance  | Variance Explanation                                                                                                                                                                                                                                                   |
|----------------------------|-----------------|---------------|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Investment Income          | \$11,983        | \$26,420      | \$14,437  | Markets did significantly better than budgeted resulting in an increase in realized gains.                                                                                                                                                                             |
| Donations and other grants | \$5,076         | \$11,665      | \$6,589   | Recognized more deferred revenue during this fiscal than in prior.                                                                                                                                                                                                     |
| Salaries                   | \$138,730       | \$130,655     | (\$8,075) | Ongoing collective bargaining resulted in budgeted salary increases for Cost of Living increases not being realized in this fiscal year. Delays in some hiring resulted in additional salary savings.                                                                  |
| Employee Benefits          | \$27,244        | \$18,506      | (\$8,738) | Ongoing collective bargaining resulted in budgeted benefit cost increases not being realized in this fiscal year. Delays in some hiring resulted in additional compensation cost savings. Actual benefit expenses were also impacted by actuarial pension adjustments. |

### b. Audited Financial Statements

Ensure your audited financial statements are included in your Annual Report.

*Audited Financial Statements included in Annual Report?*

Yes

*Please provide the URL to where audited financial statements are posted.* [Statements](#)

## 5. Self-generated Revenue

Report all revenue your institution generates through its various enterprises and activities. Each revenue stream must be categorized and include a description of the activity, annual revenue, and profit/loss. Categories include:

### a. Tuition and Mandatory Fees

Report all revenue from tuition and mandatory student fees associated with instruction. Examples may include, but are not limited to, domestic tuition, international student tuition, continuing education fees, and other mandatory student fees associated with instruction.

| <i>Revenue Source</i>         | <i>Description</i>                                           | <i>Annual Revenue</i> |
|-------------------------------|--------------------------------------------------------------|-----------------------|
| Domestic Tuition              |                                                              | \$39,440,982          |
| International Student Tuition |                                                              | \$24,159,203          |
| Continuing Education Fees     | Music Conservatory, English Language, Non-Credit             | \$1,559,462           |
| Other Mandatory Student Fees  | MNIFs, Other Student Fees (Application, Registration, Other) | \$7,623,844           |
| Subtotal                      |                                                              | \$ 72,783,491         |

### b. Donations and Investment Income

Report all revenue from donations received and investment income earned. Examples of donations may include, but are not limited to, cash donations and donations in-kind. Investment income examples may include, but are not limited to, interest earned, interest earned on endowments and realized and unrealized gains and losses. Please also identify if the revenue is restricted or unrestricted.

| <i>Revenue Source</i>     | <i>Description</i>               | <i>Annual Revenue</i> |
|---------------------------|----------------------------------|-----------------------|
| Donations In-Kind         | 75% Restricted, 25% Unrestricted | \$495,675             |
| Interest Earned           |                                  | \$769,735             |
| Interest on Endowments    | 100% Restricted                  | \$3,738,005           |
| Realized Gains (Losses)   | Primarily Unrestricted           | \$21,912,667          |
| Unrealized Gains (Losses) |                                  | (\$13,706,657)        |
| Other                     | 65% Unrestricted, 35% Restricted | \$4,292,884           |
| Subtotal                  |                                  | \$ 17,502,309         |

### c. Research Grants

Report all research grant revenue from external sources, not including grants received from the Province of Alberta. Examples may include but are not limited to, grants from not-for-profit organizations, other provincial governments, and businesses.

| <i>Grant Source</i>          | <i>Description</i> | <i>Annual Revenue</i> |
|------------------------------|--------------------|-----------------------|
| Not-for-Profit Organizations |                    | \$303,078             |

|                              |  |               |
|------------------------------|--|---------------|
| Federal Government           |  | \$9,111,858   |
| Other Provincial Governments |  | \$1,420,037   |
| Businesses                   |  | \$4,908,680   |
| Other                        |  | \$394,539     |
| Subtotal                     |  | \$ 16,138,192 |

#### d. Other Grants

Report all non-research grant revenue from external sources, not including grants received from the Province of Alberta. Examples may include but are not limited to, grants from not-for-profit organizations, other provincial governments, and businesses.

| <i>Grant Source</i>          | <i>Description</i> | <i>Annual Revenue</i> |
|------------------------------|--------------------|-----------------------|
| Not-for-Profit Organizations |                    | \$167,375             |
| Federal Government           |                    | \$5,647,251           |
| Other Provincial Governments |                    |                       |
| Businesses                   |                    |                       |

|          |    |           |
|----------|----|-----------|
| Other    |    | \$39,480  |
| Subtotal | \$ | 5,854,106 |

## e. Auxiliary / Ancillary Services

Report revenue from all auxiliary and ancillary operations. Examples may include, but are not limited to, bookstores, student residences, parking services, laundry facilities, printing services, sports and recreational facilities, rental services, catering operations, and cafeterias.

| Service                            | Description                      | Annual Revenue |
|------------------------------------|----------------------------------|----------------|
| Bookstores                         |                                  | \$1,461,989    |
| Student Residences                 |                                  | \$8,027,539    |
| Parking Services                   |                                  | \$2,093,046    |
| Sports and Recreational Facilities |                                  | \$2,425,939    |
| Rental Services                    |                                  | \$503,359      |
| Catering Operations                |                                  | \$390,754      |
| External Cost Recoveries           | rentals, consulting, advertising | \$5,690,076    |

|          |  |               |
|----------|--|---------------|
| Other    |  | \$1,255       |
| Subtotal |  | \$ 20,593,957 |

## f. Academic Enterprise

Report revenue from activities that are integral to your institution's educational, research, public service, and campus support functions. These activities should align with your academic mission rather than being primarily profit-driven. Examples may include, but are not limited to, continuing education programs, culinary school restaurants, agricultural operations, and breweries.

| <i>Enterprise</i>             | <i>Description</i>      | <i>Annual Revenue</i> |
|-------------------------------|-------------------------|-----------------------|
| Continuing Education Programs | Included in category a. |                       |
| Culinary School Restaurants   |                         | n/a                   |
| Agricultural Operations       |                         | n/a                   |
| Breweries                     |                         | n/a                   |
| Other                         |                         |                       |
| Subtotal                      |                         | \$ -                  |

g. Land Trusts and For-Profit Ventures

Provide information on all revenue-generating subsidiary entities, including a detailed description of each venture's primary business activities and areas of operation.

| Venture   | Description of Primary Business and Areas of Operation                                                                                                                                                                                                                  | Annual Revenue |
|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Venture 1 | University of Lethbridge Business Trust with University of Lethbridge Business Corporation (acting as Trustee). The primary activity will be the development of lands on the University's South Campus, anticipated to be a mix of commercial and multi-family housing. | Nil            |
| Venture 2 |                                                                                                                                                                                                                                                                         |                |
| Venture 3 |                                                                                                                                                                                                                                                                         |                |
| Subtotal  |                                                                                                                                                                                                                                                                         | \$ -           |

h. Other

Report any additional self-generated revenue not captured in the previous categories. Include clear descriptions of each revenue source.

| Revenue Source | Description of Primary Business and Areas of Operation | Annual Revenue |
|----------------|--------------------------------------------------------|----------------|
| Other Source 1 |                                                        |                |

|                |  |                |
|----------------|--|----------------|
| Other Source 2 |  |                |
| Other Source 3 |  |                |
| Subtotal       |  | \$ -           |
| Grand Total    |  | \$ 132,872,055 |

[You can find Advanced Education's Self-Generated Revenue policy on Campus Alberta Project Site \(CAPS\).](#)

## 6. Capital Report

*While IAs do not receive capital funds from the Government of Alberta, these institutions should describe capital expansion and renovation plans in this section.*

Provide an overview of your institution's capital plan and include the total project costs and detailed funding source breakdowns for each of the following categories: Government of Alberta, Government of Canada, institutional funds, donations, foundations, and industry. For each funding source category specify the percentage of contribution from each source to each project, and amounts received to date.

### a. Top Three Priority Projects

Define and describe your top three priority capital projects proceeding within the next three to five years that exceed either \$2.5 million or 50% of your institution's Infrastructure Maintenance Program grant, whichever is greater. These projects may include infrastructure supporting high-demand programs, research initiatives, critical health and safety improvements, or essential information technology systems.

#### Project 1

| Destination Project Phase II - University Hall Renewal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Name               |            |          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------|----------|
| Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Total Project Cost | Start Date | End Date |
| <p><b>Note that Project 1 and Project 2 below are parts of the same project. Project 1 as outlined encompasses the full cost of the DPII Project, while Project 2 below highlights the Student Housing aspect of the project for which provincial funding is not provided.</b></p> <p>Destination Project Phase II is a comprehensive refurbishment of University Hall focused on restoring safety, ensuring regulatory compliance, and enabling long-term operational viability. The project will address critical infrastructure failures, including building systems that are at or beyond end of life, accessibility deficiencies, and environmental performance gaps that no longer meet modern standards.</p> <p>The scope includes:</p> <ul style="list-style-type: none"><li>- Renewal of core building systems to meet current standards (i.e., mechanical, electrical, and structural systems)</li><li>- Upgrades to accessibility and life-safety systems</li><li>- Modernization of teaching and learning environments</li><li>- Reconfiguration of space to support contemporary academic delivery and student services</li></ul> |                    |            |          |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                |            |            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|------------|------------|
| <p>This project is fundamentally about preserving an essential provincial asset, not expansion. Without it, the University cannot maintain safe continuous operations, and no combination of temporary measures can replace the critical functions of University Hall.</p> <p>DPII also protects and reinforces Alberta's prior infrastructure investments. As the central enabling building on campus, University Hall supports the full functioning of adjacent facilities, including the Science Commons, the University Centre for the Arts, and through to the Library. Its renewal ensures that these investments continue to deliver intended academic, research and economic outcomes. In parallel, the proposed student housing and food services component represents a strategic opportunity for federal alignment, particularly given national priorities related to housing supply, affordability, and student well being. Provincial support in advancing this component will position the project to successfully leverage federal funding partnerships. As part of the Destination Project Phase II (DPII), the University is proposing renovations to University Hall that will allow for a full refurbishment of the 275 student beds plus a modest increase in the total number of beds.</p> <p>The Province has provided \$5.67M in planning funds towards this project which has facilitated the University moving through schematic design and to prepre for moving to the next phase of design development.</p> | \$ 411,964,267 | 2027-05-03 | 2032-06-30 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|------------|------------|

#### Funding Sources

| Source                | Amount         | Percentage | Received to Date |
|-----------------------|----------------|------------|------------------|
| Government of Alberta | \$ 367,346,140 | 89%        |                  |
| Government of Canada  |                | 0%         |                  |
| Institutional Funds   | \$ 44,618,127  | 11%        |                  |
| Donations             |                | 0%         |                  |
| Foundations           |                | 0%         |                  |
| Industry              |                | 0%         |                  |
| Total                 | \$ 411,964,267 | 100%       | \$ -             |

#### Project 2

| Destination Project Phase II - Student Residence Upgrade                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                    | Name       |            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------|------------|
| Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Total Project Cost | Start Date | End Date   |
| <p>Student Housing: As part of the Destination Project Phase II (DPII), the University is proposing renovations to University Hall that will allow for a full refurbishment of the 275 student beds plus a modest increase in the total number of beds. University Hall residence plays a critical role in providing affordable on-campus housing. Currently aging systems, flooding incidents, overheating, and non-compliant egress have repeatedly disrupted students' academic lives and well-being. DPII improves housing safety and reliability.</p> <p>These improvements will reduce stress caused by unsafe, overcrowded, and outdated facilities and help students balance academic demands, commuting pressures, and housing insecurity.</p> | \$ 37,931,053      | 2028-05-01 | 2032-06-30 |

### Funding Sources

| Source                | Amount        | Percentage | Received to Date |
|-----------------------|---------------|------------|------------------|
| Government of Alberta |               | 0%         |                  |
| Government of Canada  |               | 0%         |                  |
| Institutional Funds   | \$ 37,931,053 | 100%       |                  |
| Donations             |               | 0%         |                  |
| Foundations           |               | 0%         |                  |
| Industry              |               | 0%         |                  |
| Total                 | \$ 37,931,053 | 100%       | \$ -             |

### Project 3

|                                           |      |
|-------------------------------------------|------|
| Enterprise Resource Systems Modernization | Name |
|-------------------------------------------|------|

| Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Total Project Cost | Start Date | End Date   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------|------------|
| <p>The University must modernize our core operational platforms for student information, human resources, and finance. With no "status quo" option for our current platform, which has been used at the University for over 30 years, we will seek modern systems built for today's cloud technology context. We anticipate that the implementation phase will begin in 2027 for the human resources and finance platform, and that the full project, including stabilization phases for each implementation, will be completed in 2031. Costing is based on rough estimates, and will be updated following the tendering process which is anticipated for completion in Fall 2026.</p> <p>Note that the Enterprise Resource Systems Modernization project is not a "traditional" capital project but one that needs funding as a very significant technology infrastructure project.</p> | \$ 60,000,000      | 2027-01-01 | 2031-12-31 |

### Funding Sources

| Source                | Amount        | Percentage | Received to Date |
|-----------------------|---------------|------------|------------------|
| Government of Alberta | \$ 52,000,000 | 87%        |                  |
| Government of Canada  |               | 0%         |                  |
| Institutional Funds   | \$ 8,000,000  | 13%        |                  |
| Donations             |               | 0%         |                  |
| Foundations           |               | 0%         |                  |
| Industry              |               | 0%         |                  |
| Total                 | \$ 60,000,000 | 100%       | \$ -             |

### b. All Other Projects

Document all active and proposed capital projects, including maintenance, expansion, and new construction initiatives.

| <i>Name and Description</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <i>Type</i> | <i>Total Cost</i> | <i>Current Status</i> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------------|-----------------------|
| <b>Project 4: Student Residences and Dining Hall.</b><br><br>Based on the business case commissioned from Scion Housing, the University is proposing three phases of on-campus housing construction.<br>The estimated costs for the sub-projects included in this project are as follows:<br>(1) Student Residence Apartment Building - \$50,000,000<br>(2) Indigenous Student Residences - \$25,000,000<br>(3) Residence Dining Hall - \$12,000,000<br>Currently the University provides 13% of it | New         | \$ 87,000,000     | Not Started           |
| Project 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |             |                   |                       |
| Project 6                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |             |                   |                       |
| Project 7                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |             |                   |                       |
| Project 8                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |             |                   |                       |
| Total                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |             | \$ 87,000,000     |                       |

## 7. Mandatory Non-Instructional Fees (MNIF) Reporting

*The requirements of this section do not apply to Independent Academic Institutions (IAI) or the Banff Centre.*

Mandatory non-instructional fees (MNIFs) are paid by students to support specific goods and services that enhance the student experience. MNIFs are:

- not tuition fees as defined in the Tuition and Fees Regulation;
- required to complete programs approved under the Programs of Study Regulation, established under the *Skilled Trades and Apprenticeship Education Act*, or approved under the *Student Financial Assistance Act*;
- not membership fees for a student organization; and
- are cost-recovery based.

PSIs must report on MNIFs to demonstrate compliance with Section 61(5) of the PSLA and Section 7(1) of the Tuition and Fees Regulation. This reporting ensures transparency regarding the cost-recovery nature of these fees and verifies that goods and services supported by each MNIF are related.

---

### a. MNIF Financial Summary

For each MNIF provide the following information:

- Name of the fee
- Identify all specific goods and/or services supported by the fee
- Budgeted and actual amounts for all specific goods and/or services for the reporting period, including:
  - o MNIF revenue
  - o Government funding (if applicable)
  - o Other revenue
  - o Direct and indirect expenses
  - o Surplus and deficits
  - o Full-time and part-time fee for each MNIF, and
  - o Provide a brief explanation for any significant variances between budget and actual amounts.

**Note:** Institutions do not need to include all detailed financial information (e.g., MNIF revenue, government funding, other revenue, direct and indirect expenses) in the publicly released Annual Report. This level of detail is required only in the reporting template submitted to the ministry.

| <i>Fee Name</i>                                                                                                                                                                                                                                                                                               | <i>Supported Goods / Services</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <i>Budgeted Amount</i>                                                           | <i>Actual Amount</i>             | <i>Variance Explanation</i>                                                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| Student Services Fee<br><br>*Begining 2026-27 to comply with this fee being deemed comprehensive it will be split into three more specific fees: Student Services - Academic Support Fee, Student Services - Health and Wellness Services Fee, and Student Services - Enrolment and Registrarial Services Fee | Used by the Student Affairs team to create tools and resources for student success specifically to support students throughout their university experience, including access and support through key challenging times that have the potential to derail their academic careers. These cohesive supports addressed barriers related to affordability and accessibility, such as providing pathways to scholarships, bursaries and loans, accommodated learning support, flexible hours for the student testing centre, counselling services, health centre support, student engagement activities to raise awareness about services and work integrated learning (WIL) opportunities that students can use to offset school costs. | Surplus (Deficit): (\$1,192,766)<br><br>Fee: \$52.78/course                      | Surplus (Deficit): (\$1,568,269) | Student enrolment down from expectations resulting in less than expected revenue generation                                         |
| Student Copyright Access Fee                                                                                                                                                                                                                                                                                  | Staffing costs to deliver copyright services, consulting, exploring access options, and acquire permissions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Surplus (Deficit): (\$87,913)<br><br>Fee: \$3.30/course                          | Surplus (Deficit): (\$75,854)    | Not significant                                                                                                                     |
| Graduate Student Services Fee                                                                                                                                                                                                                                                                                 | Services including professional development, career literacy, research competitions, orientation, onboarding, and transcript validation.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Surplus (Deficit): \$0<br><br>Fee: \$76.48/term                                  | Surplus (Deficit): \$12,740      | Timing of Expenses - Loss of -\$31,892 reported last fiscal, cumulative loss from inception - \$57,809                              |
| Technology Fee                                                                                                                                                                                                                                                                                                | Maintenance and replacement of essential equipment used in the classroom and annual licensing of software required for supporting online, blended, and hybrid course delivery and new forms of pedagogy.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Surplus (Deficit): (\$352,071)<br><br>Fee: \$5.50/course                         | Surplus (Deficit): (\$47,521)    | Timing of expenses - large number of computers replaced in the year prior, no large scale replacement took place in 2025-26         |
| Fine Arts Access Fee                                                                                                                                                                                                                                                                                          | Allows for free admission for all Fine Arts students to all ticketed Fine Arts events (some exceptions apply).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Surplus (Deficit): (\$121,847)<br><br>Fee: \$14.22/term                          | Surplus (Deficit): (\$130,189)   | Not significant                                                                                                                     |
| Co-op Centre for Sports & Wellness Membership Fee                                                                                                                                                                                                                                                             | Funds to operate Athletic & Rec Facilities and programs. Allows students to access Max Bell pool, the Community Sports Stadium, and all facilities within the Centre for Sport & Wellness including fitness classes, free access to Pronghorn home games, and reduced rate intramural and non-credit programs.                                                                                                                                                                                                                                                                                                                                                                                                                     | Surplus (Deficit): (\$1,821,029)<br><br>Fee: F/T \$117.97/term; P/T \$88.75/term | Surplus (Deficit): (\$1,382,449) | Other revenue generation by Athletics & Recreation in excess of budgeted expectations was achieved, reducing the budgeted shortfall |
| Total                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | -\$ 3,575,626                                                                    | -\$ 3,191,542                    |                                                                                                                                     |

b. Compliance Statement

Confirm whether any new MNIFs were introduced or existing MNIFs substantively changed (including changes to scope of goods/services or student population) during the reporting period. For any new or substantively changed MNIF, confirm that written approval was obtained from each of the institution's students' councils as required under Section 61(6) of the PSLA, and that appropriate consultation was conducted with student organizations prior to implementation.

**Note:** For any new or substantively changed MNIF, confirm that written approval was obtained from each of the institution's students' councils as required under Section 61(6) of the PSLA, and that appropriate consultation was conducted with student organizations prior to implementation.

Were any new MNIFs introduced or existing MNIFs substantively changed during the reporting period?

No

If YES, provide the following information:

| <i>Fee Name</i> | <i>Description of Change</i> | <i>Written Approval from Student Councils<br/>(Date)</i> | <i>Consultation Process</i> |
|-----------------|------------------------------|----------------------------------------------------------|-----------------------------|
|                 |                              |                                                          |                             |
|                 |                              |                                                          |                             |
|                 |                              |                                                          |                             |

## 8. Free Speech Reporting

### a. Free Speech Policy Information

Provide the URL for the institution's publicly posted free speech policy and detail any amendments made to the policy during the reporting period.

<https://www.ulethbridge.ca/policy/resources/statement-free-expression>

Has your institution amended its free speech policy during the 2024-25 fiscal year?

No

If YES, please detail any amendments made to the policy during the reporting period.

NA

### b. Cancelled Events

During the reporting period, were any events at your institution cancelled for reasons related to free speech?

No

If YES:

- Provide the event name and originally scheduled date
- Explain why the event was cancelled
- Detail the decision making process and policies considered, and how it was resolved.
- If any complaints arose from the event's cancellation, please provide further details regarding the complaints under section c.

NA

### c. Free Speech-Related Complaints

Describe any complaints related to free speech policies within the time frame including number of complaints, description, context and complaint resolutions.

Although not submitted under the statement of free expression policy, a significant unscheduled (but publicly anticipated) incident occurred on campus that contributed to broader ongoing public commentary about free expression on Canadian university campuses. A former Canadian professor (from another institution) whose appearances have generated disruption and protests at multiple universities across western Canada, announced on social media several months in advance, and again on the morning of their visit, that they would be on campus to engage members of the University community. In response, the University issued a message reminding its community of its commitment to free expression while emphasizing the expectation that all interactions be lawful and respectful. The individual and their supporters, whose controversial views relate to Indigenous issues, established a display adjacent to the University's Indigenous gathering space and in one of the institution's busiest corridors. This prompted a large protest. The University decided to allow both parties to exercise their free expression, in accordance with the Statement on Free Expression. Safety Services and the Lethbridge Police Service (LPS) managed a volatile situation for approximately seven hours, maintaining public safety while enabling lawful free expression by all parties. When it became clear that neither side intended to leave the area, that the University no longer had the organizational capacity to manage the ongoing interaction, and the LPS expressed the need to find a mechanism to deescalate the situation, the institution intervened, issuing a trespass notice to the unscheduled campus visitor, to bring the engagement between the individual and protesters to an end.

The proponent of the visit complained that their right to free expression was violated in this situation. The University reached out to them to offer to meet. Following this incident approximately 10 individuals (many who observed portions of the interaction through the individual's social media) emailed the institution expressing similar concerns. The University followed up with individuals as appropriate prioritizing members directly associated with the University.

## d. Complaints Process and Contact

Describe your institution's free speech complaint mechanism.

The University's freedom of expression complaint mechanism is outlined on the same website as its Statement on Free Expression. The University provides two points of contact for submitting complaints: students are directed to the Vice Provost (Students) Office, while employees are directed to the Office of the Provost and Vice-President (Academic). Given that concerns related to freedom of expression can arise in a variety of contexts, with different policies and procedures potentially applying, this approach allows the University to respond in a nuanced and appropriate manner. It also enables the institution to develop a more comprehensive understanding of the state of freedom of expression on campus. In the coming year, the University will add language to better direct individuals external to the University to the appropriate point of contact.

Please provide your institution's point of contact for complaints.

Students (undergraduate or graduate students): contact the Vice Provost (Students) Office at [vp.students@uleth.ca](mailto:vp.students@uleth.ca)  
Employees and other members of the university community: contact the Office of the Provost and Vice-President (Academic) at [provost@uleth.ca](mailto:provost@uleth.ca)  
Inquiries about specific events should first be directed to the event organizer prior to contacting the offices above.  
For Harassment and Discrimination concerns, please refer to our Harassment and Discrimination Policy and visit the resources page for additional resources and support.

## e. Additional Information

Provide any additional concerns in relation to campus free speech that are not captured in the above.

NA

## 9. Board of Governors Training on For-profit Ventures

***The requirements of this section do not apply to Independent Academic Institutions (IAI).***

Provide an overview of the training opportunities for board members on for-profit ventures, including responses to the questions below and a description of training materials. Include relevant materials as a separate attachment.

a. Have all current board members completed for-profit ventures training?

No

b. When did current board members last complete for-profit ventures training?

Specific training on this topic is not provided, as the skills matrix for board members ensures that there are members who have appropriate expertise in for-profit sectors.

c. Provide a brief description of the training materials used and include relevant materials as a separate attachment.

The Board of Governors, in its capacity as a corporation, has a relatively new separate for-profit subsidiary, the University of Lethbridge Business Corporation (ULBC). The ULBC is overseen by a separate Board of Directors. There is not specific for-profit training for all ULethbridge Board Members, as the Board very actively monitors the skill matrix to ensure that Board appointees include Members with appropriate expertise and experience in for-profit sectors, and these Members bring that expertise to bear on Board engagement and decision making. Through the skill matrix, the Board also ensures expertise amongst core competencies such as governance, accounting and financial acumen, leadership, risk management, and legal regulatory understanding all within private and public sectors. Annual education opportunities (e.g. understanding financial statements, institutional risks, governance responsibilities and oversight) exist for our Governors through board orientation (every September), the retreat (every October), and at many board meetings. At the time of onboarding members are introduced to what their governance responsibilities are regarding the ULBC. Governors provide feedback and any educational requests through the annual evaluations, and Governors have the ability to engage other advisers, if it is deemed necessary, to carry out any of their responsibilities.



# Statement of Management Responsibility

**Year Ended March 31, 2026**

The consolidated financial statements of the University of Lethbridge have been prepared by management in accordance with Canadian public sector accounting standards as described in Note 2 to the consolidated financial statements. The consolidated financial statements present fairly the financial position of the University of Lethbridge as at March 31, 2026 and the results of its operations, remeasurement gains and losses, changes in net financial assets and cash flows for the year then ended.

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

The Board of Governors is responsible for reviewing and approving the consolidated financial statements, and overseeing management's performance of its financial reporting responsibilities.

The Board of Governors carries out its responsibilities for review of the consolidated financial statements principally through its Audit and Finance Committees. All voting members of the Audit Committee are not employees of the University of Lethbridge. The Audit Committee meets with management and the external auditors and internal auditors to discuss the results of audit examinations and financial reporting matters. The external and internal auditors have full access to the Audit Committee, with and without the presence of management.

These consolidated financial statements have been reported on by the Auditor General of Alberta, the auditor appointed under *The Post-secondary Learning Act*. The Independent Auditor's Report outlines the scope of the audit and provides the audit opinion on the fairness of presentation of the information in the consolidated financial statements.

the original is signed

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Digvir Jayas  
President and Vice-Chancellor

the original is signed

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Deborah Lucas  
Vice-President, Finance and Administration

To the Board of Governors of the University of Lethbridge

## **Report on the Consolidated Financial Statements**

### **Opinion**

I have audited the consolidated financial statements of the University of Lethbridge (the Group), which comprise the consolidated statement of financial position as at March 31, 2026, and the consolidated statements of operations, remeasurement gains and losses, change in net financial assets, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2026, and the results of its operations, its remeasurement gains and losses, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis for opinion**

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of my report. I am independent of the Group in accordance with the ethical requirements that are relevant to my audit of the consolidated financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Other information**

Management is responsible for the other information. The other information comprises the information included in the *Annual Report*, but does not include the consolidated financial statements and my auditor's report thereon. The *Annual Report* is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

## **Responsibilities of management and those charged with governance for the consolidated financial statements**

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

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

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

## **Auditor's responsibilities for the audit of the consolidated financial statements**

My objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. I am responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

[Original signed by Phillip D. Peters FCPA, FCA, KC]  
Auditor General of Alberta

May 26, 2026  
Edmonton, Alberta



# Consolidated Statement of Financial Position

**As At March 31, 2026**  
(thousands of dollars)

|                                                                                       | 2026                     | 2025                     |
|---------------------------------------------------------------------------------------|--------------------------|--------------------------|
| <b>Financial assets excluding portfolio investments restricted for endowments</b>     |                          |                          |
| Cash and cash equivalents (Note 3)                                                    | \$ 19,090                | \$ 22,467                |
| Accounts receivable (Note 4)                                                          | 9,660                    | 5,119                    |
| Inventories held for sale                                                             | 450                      | 547                      |
| Portfolio investments - non-endowment (Note 5)                                        | 248,366                  | 237,144                  |
|                                                                                       | <u>277,566</u>           | <u>265,277</u>           |
| <b>Liabilities</b>                                                                    |                          |                          |
| Accounts payable and accrued liabilities                                              | 13,906                   | 17,765                   |
| Employee future benefit liabilities (Note 7)                                          | 19,217                   | 25,176                   |
| Debt (Note 8)                                                                         | 4,060                    | 4,420                    |
| Deferred revenue (Note 9)                                                             | 73,282                   | 76,627                   |
| Asset retirement obligations (Note 10)                                                | 5,578                    | 5,685                    |
|                                                                                       | <u>116,043</u>           | <u>129,673</u>           |
| <b>Net financial assets excluding portfolio investments restricted for endowments</b> | 161,523                  | 135,604                  |
| Portfolio investments - restricted for endowments (Note 5)                            | 112,816                  | 109,910                  |
| <b>Net financial assets</b>                                                           | <u>274,339</u>           | <u>245,514</u>           |
| <b>Non-financial assets</b>                                                           |                          |                          |
| Capital assets (Note 11)                                                              | 468,595                  | 476,973                  |
| Inventories of supplies                                                               | 69                       | 41                       |
| Prepaid expenses                                                                      | 1,627                    | 2,318                    |
|                                                                                       | <u>470,291</u>           | <u>479,332</u>           |
| <b>Net assets before spent deferred capital contributions</b>                         | <u>744,630</u>           | <u>724,846</u>           |
| Spent deferred capital contributions (Note 12)                                        | 373,295                  | 378,839                  |
| <b>Net assets (Note 13)</b>                                                           | <u><b>\$ 371,335</b></u> | <u><b>\$ 346,007</b></u> |
| <b>Net assets are comprised of:</b>                                                   |                          |                          |
| Accumulated surplus                                                                   | 347,619                  | 308,584                  |
| Accumulated remeasurement gains                                                       | 23,716                   | 37,423                   |
|                                                                                       | <u><b>\$ 371,335</b></u> | <u><b>\$ 346,007</b></u> |
| Contingent assets and contractual rights (Note 14 and Note 16)                        |                          |                          |
| Contingent liabilities and contractual obligations (Note 15 and Note 17)              |                          |                          |
| Approved by Board of Governors (Note 25)                                              |                          |                          |

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



# Consolidated Statement of Operations

Year Ended March 31, 2026

(thousands of dollars)

|                                                                  | Budget<br>(Note 24) | 2026              | 2025              |
|------------------------------------------------------------------|---------------------|-------------------|-------------------|
| <b>Revenues</b>                                                  |                     |                   |                   |
| Government of Alberta grants (Note 20)                           | \$ 115,814          | \$ 113,010        | \$ 108,325        |
| Student tuition and fees                                         | 72,654              | 72,783            | 74,633            |
| Sales of services and products (Note 22)                         | 19,514              | 20,594            | 19,267            |
| Federal and other government grants (Note 20)                    | 14,628              | 15,115            | 14,166            |
| Investment income                                                | 11,983              | 26,420            | 26,324            |
| Donations and other grants                                       | 5,076               | 11,665            | 8,504             |
|                                                                  | <u>239,669</u>      | <u>259,587</u>    | <u>251,219</u>    |
| <b>Expenses (Note 21)</b>                                        |                     |                   |                   |
| Academic costs and institutional support                         | 160,576             | 150,831           | 146,813           |
| Facility operations and maintenance                              | 39,560              | 38,654            | 36,692            |
| Sponsored research                                               | 15,818              | 15,910            | 15,181            |
| Ancillary services                                               | 11,245              | 7,532             | 9,822             |
| Special purpose and trust                                        | 13,143              | 14,712            | 12,223            |
|                                                                  | <u>240,342</u>      | <u>227,639</u>    | <u>220,731</u>    |
| <b>Annual operating surplus (deficit)</b>                        | <b>\$ (673)</b>     | <b>\$ 31,948</b>  | <b>\$ 30,488</b>  |
| <b>Endowment contributions and capitalized investment income</b> |                     |                   |                   |
| Endowment contributions (Note 13)                                | -                   | 3,079             | 1,599             |
| Endowment capitalized investment income (Note 13)                | 850                 | 4,008             | 1,289             |
|                                                                  | <u>850</u>          | <u>7,087</u>      | <u>2,888</u>      |
| <b>Annual surplus</b>                                            | <b>177</b>          | <b>39,035</b>     | <b>33,376</b>     |
| Accumulated surplus, beginning of year                           | 308,584             | 308,584           | 275,208           |
| <b>Accumulated surplus, end of year (Note 13)</b>                | <b>\$ 308,761</b>   | <b>\$ 347,619</b> | <b>\$ 308,584</b> |

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



# Consolidated Statement of Change in Net Financial Assets

Year Ended March 31, 2026  
(thousands of dollars)

|                                                    | Budget<br>(Note 24) | 2026              | 2025              |
|----------------------------------------------------|---------------------|-------------------|-------------------|
| <b>Annual surplus</b>                              | \$ 177              | \$ 39,035         | \$ 33,376         |
| Acquisition of capital assets                      | (45,536)            | (13,736)          | (13,799)          |
| Proceeds from sale of capital assets               | -                   | 176               | 99                |
| Amortization of capital assets                     | 20,069              | 20,136            | 19,558            |
| Loss on disposal of capital assets                 | -                   | 1,802             | 28                |
| (Increase) decrease in inventories of supplies     | -                   | (28)              | 35                |
| Decrease (increase) in prepaid expenses            | -                   | 691               | (359)             |
| Decrease in spent deferred capital contributions   | (13,500)            | (5,544)           | (5,832)           |
| Decrease in accumulated remeasurement gains        | -                   | (13,707)          | (901)             |
| <b>(Decrease) increase in net financial assets</b> | <b>(38,790)</b>     | <b>28,825</b>     | <b>32,205</b>     |
| <b>Net financial assets, beginning of year</b>     | <b>245,514</b>      | <b>245,514</b>    | <b>213,309</b>    |
| <b>Net financial assets, end of year</b>           | <b>\$ 206,724</b>   | <b>\$ 274,339</b> | <b>\$ 245,514</b> |

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



# Consolidated Statement of Remeasurement Gains and Losses

Year Ended March 31, 2026  
(thousands of dollars)

|                                                           | 2026             | 2025             |
|-----------------------------------------------------------|------------------|------------------|
| <b>Accumulated remeasurement gains, beginning of year</b> | \$ 37,423        | \$ 38,324        |
| <b>Unrealized gains/(losses) attributable to:</b>         |                  |                  |
| <b>Quoted in active market financial instruments</b>      |                  |                  |
| Portfolio investments - non-endowment                     | 25,318           | 31,717           |
| Portfolio investments - restricted for endowments         | (14,117)         | (7,825)          |
| <b>Designated fair value financial instruments</b>        |                  |                  |
| Portfolio investments - non-endowment                     | 4,407            | 3,864            |
| Portfolio investments - restricted for endowment          | 1,962            | 92               |
| Foreign exchange                                          | 53               | 188              |
| <b>Amounts reclassified to Statement of Operations</b>    |                  |                  |
| <b>Quoted in active market financial instruments</b>      |                  |                  |
| Portfolio investments - non-endowment                     | (35,650)         | (33,993)         |
| Portfolio investments - restricted for endowments         | 9,517            | 7,770            |
| <b>Designated fair value financial instruments</b>        |                  |                  |
| Portfolio investments - non-endowment                     | (3,466)          | (2,536)          |
| Portfolio investments - restricted for endowment          | (1,543)          | (60)             |
| Foreign exchange                                          | (188)            | (118)            |
| <b>Change in accumulated remeasurement gains</b>          | (13,707)         | (901)            |
| <b>Accumulated remeasurement gains, end of year</b>       | <b>\$ 23,716</b> | <b>\$ 37,423</b> |
| <b>Accumulated remeasurement gains is comprised of:</b>   |                  |                  |
| Portfolio investments - non-endowment                     | \$ 16,082        | \$ 25,473        |
| Portfolio investments - restricted for endowments         | 7,580            | 11,761           |
| Foreign exchange                                          | 54               | 189              |
|                                                           | <b>\$ 23,716</b> | <b>\$ 37,423</b> |

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



# Consolidated Statement of Cash Flows

For the Year Ended March 31, 2026  
(thousands of dollars)

|                                                                                                             | 2026             | 2025             |
|-------------------------------------------------------------------------------------------------------------|------------------|------------------|
| <b>Operating transactions</b>                                                                               |                  |                  |
| Annual surplus                                                                                              | \$ 39,035        | \$ 33,376        |
| Add (deduct) non-cash items:                                                                                |                  |                  |
| Amortization of capital assets                                                                              | 20,136           | 19,558           |
| Expended capital contributions recognized as revenue                                                        | (14,822)         | (13,068)         |
| Loss on disposal of capital assets                                                                          | 1,802            | 28               |
| Gain on sale of portfolio investments                                                                       | (31,746)         | (28,819)         |
| Capital gifts-in-kind received                                                                              | (372)            | (44)             |
| Change in employee future benefit liabilities                                                               | (5,959)          | (4,897)          |
| Total non-cash items                                                                                        | (30,961)         | (27,242)         |
| Change in non-cash items:                                                                                   |                  |                  |
| Increase in accounts receivable                                                                             | (4,541)          | (325)            |
| Decrease in inventories for resale                                                                          | 97               | 1                |
| Decrease in accounts payable and accrued liabilities                                                        | (3,859)          | (4,917)          |
| (Decrease) increase in deferred revenue                                                                     | (3,345)          | 7,525            |
| (Increase) decrease in inventories for supplies                                                             | (28)             | 35               |
| Decrease (increase) in prepaid expenses                                                                     | 691              | (359)            |
| Decrease in asset retirement obligations                                                                    | (107)            | -                |
| <b>Cash provided by operating transactions</b>                                                              | <b>(3,018)</b>   | <b>8,094</b>     |
| <b>Investing transactions</b>                                                                               |                  |                  |
| Purchase of portfolio investments                                                                           | (31,823)         | (43,990)         |
| Proceeds on sale of portfolio investments                                                                   | 35,734           | 54,127           |
| <b>Cash (applied to) provided by investing transactions</b>                                                 | <b>3,911</b>     | <b>10,137</b>    |
| <b>Financing transactions</b>                                                                               |                  |                  |
| Debt - repayments                                                                                           | (360)            | (464)            |
| Increase in spent deferred capital contributions, less expended capital contributions recognized as revenue | 9,278            | 7,236            |
| <b>Cash provided by financing transactions</b>                                                              | <b>8,918</b>     | <b>6,772</b>     |
| <b>Capital transactions</b>                                                                                 |                  |                  |
| Acquisition of capital assets, less in-kind donations                                                       | (13,364)         | (13,755)         |
| Proceeds on disposition of capital assets                                                                   | 176              | 99               |
| <b>Cash applied to capital transactions</b>                                                                 | <b>(13,188)</b>  | <b>(13,656)</b>  |
| <b>(Decrease) increase in cash and cash equivalents</b>                                                     | <b>(3,377)</b>   | <b>11,347</b>    |
| <b>Cash and cash equivalents at beginning of period</b>                                                     | <b>22,467</b>    | <b>11,120</b>    |
| <b>Cash and cash equivalents at end of period (Note 3)</b>                                                  | <b>\$ 19,090</b> | <b>\$ 22,467</b> |

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

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 1 Authority and Purpose

The Governors of the University of Lethbridge is a corporation which manages and operates the University of Lethbridge ("the University") under the *Post-secondary Learning Act* (Alberta). All members of the Board of Governors are appointed by either the Lieutenant Governor in Council or the Minister of Advanced Education, with the exception of the Chancellor and President, who are *ex officio* members. Under the *Post-secondary Learning Act*, the University is a comprehensive academic and research university offering undergraduate and graduate degree programs as well as a full range of continuing education programs and activities. The University is a registered charity, and under section 149 of the *Income Tax Act* (Canada), is exempt from the payment of income tax.

## Note 2 Summary of Significant Accounting Policies and Reporting Practices

These consolidated financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the University are as follows:

### (a) Use of Estimates

The measurement of certain assets, liabilities, revenues and expenses is contingent upon future events; therefore, the preparation of these financial statements requires the use of estimates, which may vary from actual results. University management uses judgment to determine such estimates. Employee future benefit liabilities, amortization of capital assets, asset retirement obligations, and the revenue recognition for expended capital are the most significant items based on estimates. In management's opinion, the resulting estimates are within reasonable limits of materiality and are in accordance with the significant accounting policies summarized below. These significant accounting policies are presented to assist the reader in evaluating these financial statements and, together with the following notes, should be considered an integral part of the financial statements.

### (b) Valuation of Financial Assets and Liabilities

The University's financial assets and liabilities are categorized and generally measured as follows:

| Financial Statement Component            | Measurement                            |
|------------------------------------------|----------------------------------------|
| Cash and cash equivalents                | Cost                                   |
| Portfolio investments                    | Fair value                             |
| Inventories held for resale              | Lower of cost or net realizable value  |
| Accounts receivable                      | Lower of cost or net recoverable value |
| Accounts payable and accrued liabilities | Cost                                   |
| Asset retirement obligations             | Cost                                   |
| Debt                                     | Amortized cost                         |

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the Consolidated Statement of Remeasurement Gains and Losses.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recognized in the Consolidated Statement of Operations. A write-down of a portfolio investment to reflect a loss in value that is other than temporary is not reversed for a subsequent increase in value.

For financial assets and liabilities measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value. Investment management fees are expensed as incurred. The purchase and sale of cash and cash equivalents and portfolio investments are accounted for using trade-date accounting.

The University does not use foreign currency contracts or any other type of derivative financial instrument for trading or speculative purposes.

Management evaluates contractual obligations for the existence of embedded derivatives and elects to either designate the entire contract for fair value measurement or separately measure the value of the derivative component when characteristics of the derivative are not closely related to the economic characteristics and risks of the contract itself. Contracts to buy or sell non-financial items for the University's normal purchase, sale or usage requirements are not recognized as financial assets or financial liabilities. The University does not have any embedded derivatives.

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

### (c) Revenue Recognition

All revenues are recorded on an accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recognized as deferred revenue.

#### Government Grants, Non-Government Grants and Donations

Government transfers are referred to as government grants.

Restricted grants and donations are recognized as deferred revenue if the terms for the use, or the terms along with the University's actions and communications as to the use, create a liability. These grants and donations are recognized as revenue as the terms are met. If the grants and donations are used to acquire or construct capital assets or to purchase intangible assets, revenue will be recognized over the useful life of the capital assets or intangible assets.

Government grants without terms for the use of the grant are recorded as revenue when the University is eligible to receive the funds. Unrestricted non-government grants and donations are recorded as revenue in the year received or in the year the funds are committed to the University if the amount can be reasonably estimated and collection is reasonably assured.

In-kind donations of services, materials and capital assets are recognized at fair value when such value can reasonably be determined. Transfers of capital assets from related parties are recognized at the carrying value.

#### Grants and Donations Related To Land

Grants and donations to purchase land are recognized as deferred revenue when received, and recognized as revenue when the land is purchased. The University recognizes in-kind contributions of land as revenue at the fair value of the land when a fair value can be reasonably determined. When the University cannot determine the fair value, it recognizes such in-kind contributions at nominal value.

#### Investment Income

Investment income includes dividends, interest income, and realized gains or losses on the sale of portfolio investments. Investment income from restricted grants and donations is recognized as deferred revenue when the terms for use create a liability, and is recognized as investment income when the terms of the grant or donation are met.

Realized investment income allocated to endowment balances for the preservation of endowment capital purchasing power is recognized in the Consolidated Statement of Operations as a component of endowment contributions and capitalized investment income.

#### Endowment contributions

Endowment contributions are recognized as revenue in the Consolidated Statement of Operations in the year in which they are received, and are required by donors to be maintained intact in perpetuity.

#### Sales of Services and Products

Sales of services and products represent revenues from non-tuition related services and/or products such as parking fees, conferences, amenities fees, recreation program registration fees, membership fees, food services commissions, bookstore sales, rental income, fines and surcharges, and other administrative fees.

These revenues, with the exception of parking fines and surcharges, housing damage charges, damage deposits forfeited, and missed appointment charges, are considered revenues arising from exchange transactions. Revenue from these transactions is recognized when or as the University fulfills its performance obligation(s) and transfers control of the promised goods and services to the payor. If the performance obligation is outstanding at year end, the remaining revenue is deferred.

Revenue without performance obligations is a non-exchange transaction with a payor and is recognized when the University has the authority to claim or retain an inflow of economic resources and identifies a past transaction or event that gives rise to an asset.

#### Student Tuition and Fees

Student tuition and fees are charged for the programs offered by the University and include application fees, tuition fees, and student administrative fees.

Tuition fees arise from exchange transactions with performance obligations. Revenues from tuition are recognized over the course of each academic period/semester as the institution fulfills its performance obligations by delivering the courses. If the performance obligation is outstanding at year end, the remaining revenue is deferred.

Cancellation fees, interest, and some administrative fees do not arise from exchange transactions and are recognized as revenue when the University has the authority to retain the inflow of economic resources and identifies a past transaction or event.

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

### (d) Endowments

Endowments consist of externally restricted donations received by the University and internal allocations by the University's Board of Governors, the principal of which is required to be maintained intact in perpetuity.

Investment income (excluding unrealized gains and losses) earned on endowments must be used in accordance with the various purposes established by the donors or the Board of Governors. Benefactors as well as University policy stipulate that the economic value of the endowments must be protected by limiting the amount of income that may be expended and reinvesting unexpended income.

Endowment contributions and associated investment income allocated for the preservation of endowment capital purchasing power are recognized in the Consolidated Statement of Operations in the period in which they are received.

Under the *Post-secondary Learning Act*, the University has the authority to alter the terms and conditions of endowments to enable:

- income earned by the endowment to be withheld from distribution to avoid fluctuations in the amounts distributed and generally to regulate the distribution of income earned by the endowment.
- encroachment on the capital of the endowment to avoid fluctuations in the amounts distributed and generally to regulate the distribution of income earned by the endowment if, in the opinion of the Board of Governors, the encroachment benefits the University and does not impair the long-term value of the fund.

In any year, if the investment income earned on endowments is insufficient to fund the spending allocation, the spending allocation is funded from the accumulated capitalized investment income. However, for individual endowment funds without sufficient accumulated capitalized income, endowment principal is used in that year. This amount is expected to be recovered by future investment income.

In the event realized investment income is not sufficient to fund in-year spending allocation, any endowment expenses above realized income will result in a decrease to Annual Operating Surplus as there is not enough realized income to offset these expenses. Previously capitalized investment income cannot be used to permanently offset these expenses in the Consolidated Statement of Operations.

### (e) Inventories

Inventories held for sale are valued at the lower of cost and net realizable value, with cost determined using a first-in, first-out basis. Inventories of supplies are valued at the lower of cost or replacement cost.

### (f) Capital Assets

Tangible capital assets are recognized at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets, and costs associated with asset retirement obligations. Cost includes overhead directly attributable to construction and development as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Purchased intangibles are non-monetary economic resources without physical substance and recorded at cost less accumulated amortization. The cost, less any residual value, of any purchased intangible with a finite life is amortized on a straight-line basis over its estimated useful life in a manner appropriate to its nature and use, which is normally the shortest of the technological, commercial, and legal life. Purchased intangibles with an indefinite life are not amortized.

Work-in-progress, which includes facilities, improvement projects and development of information systems, is not amortized until after the project is complete and the asset is in service.

All leases are recorded in the financial statements as either a capital or operating lease. Any lease which transfers substantially all the benefits and risks of ownership associated with the leased asset are accounted for as leased tangible capital assets. Capital lease assets and liabilities are recognized at the lesser of the present value of the future minimum lease payments and the asset's fair market value at the inception of the lease, excluding executor costs.

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

### (f) Capital Assets (continued)

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

| Asset Category                                                 | Estimated Useful Lives |
|----------------------------------------------------------------|------------------------|
| <b>Buildings, land improvements and leasehold improvements</b> |                        |
| Land improvements                                              | 10-25 years            |
| Buildings - exterior                                           | 50 years               |
| Buildings - interior                                           | 20 years               |
| Building improvements                                          | 15 years               |
| Leasehold improvements                                         | lease term             |
| <b>Equipment</b>                                               |                        |
| Furnishings and equipment                                      | 5-10 years             |
| Computer equipment                                             | 3-5 years              |
| Electrical equipment                                           | 20 years               |
| Software                                                       | 3-5 years              |
| Vehicles                                                       | 8 years                |
| <b>Other</b>                                                   |                        |
| Library materials                                              | 10 years               |

Capital asset write-downs are recognized when conditions indicate they no longer contribute to the University's ability to provide services, or when the value of future economic benefits associated with the capital assets are less than their net book value. Net write-downs are recognized as expenses.

Contributed capital assets are recorded as revenue at the fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value.

Works of art, historical treasures and collections are expensed when acquired and not recognized as capital assets because a reasonable estimate of the future benefits associated with such property cannot be made (Note 11).

### (g) Foreign Currency Translation

Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents at average weekly exchange rates. Carrying values of monetary assets and liabilities and non-monetary items included in the fair value category reflect the exchange rates at the Consolidated Statement of Financial Position date. Unrealized foreign exchange gains and losses are recognized in the Consolidated Statement of Remeasurement Gains and Losses.

In the period of settlement, foreign exchange gains and losses are reclassified to the Consolidated Statement of Operations, and the cumulative amount of remeasurement gains and losses is reversed in the Consolidated Statement of Remeasurement Gains and Losses.

### (h) Employee Future Benefits

#### Pension

The University participates with other employers in the Public Service Pension Plan (PSPP) and the Universities Academic Pension Plan (UAPP). These pension plans are multi-employer defined benefit plans that provide pensions for the University's participating employees based on years of service and earnings.

Pension expense for the UAPP is actuarially determined using the projected benefit method prorated on service and is allocated to each participant based on their respective percentage of pensionable earnings. Actuarial gains or losses on the accrued benefit obligation are amortized over the expected average remaining service life.

The University does not have sufficient plan information on the PSPP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. Accordingly, pension expense recorded for the PSPP is comprised of employer contributions to the plan that are required for its employees during the year, which are calculated based on actuarially pre-determined amounts that are expected to provide the plan's future benefits.

#### Supplementary Retirement Plan

Under the supplementary retirement plan the University provides non-contributory post-employment benefits. The expense for this defined benefit plan is actuarially determined using the projected unit credit method, a market interest rate, and management's best estimate of the retirement ages of employees. Actuarial gains or losses on the accrued benefit obligation are amortized over the remaining service period for the plan.

#### Long-Term Disability Plan

The cost of providing non-vesting and non-accumulating employee future benefits for compensated absences under the University's long-term disability plans is charged to expense in full when the event occurs which obligates the University to provide the benefits. The cost of these benefits is actuarially determined using the accumulated benefit method, a market interest rate and management's best estimate of the retirement ages of employees, expected health care costs and the period of employee disability. Actuarial gains

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

### (h) Employee Future Benefits (continued)

or losses on the accrued benefit obligation are amortized over the remaining service period for the plan.

#### Senior Administrative Leave

The cost of providing non-vesting, accumulating employee future benefits for compensated absences under the University's senior administrative leave is actuarially determined using the projected benefit method prorated on service, including salary increases where applicable, and are based on the plan's benefit formula. Actuarial gains or losses on the accrued benefit obligation are amortized over the expected remaining service life.

#### Termination Benefits

Termination benefits due for employee voluntary and involuntary terminations are recognized as an expense when the event committing the University cannot realistically be withdrawn.

### (i) Investment in Other Government Organizations

The consolidated financial statements reflect the assets, liabilities, revenues, and expenses of organizations which are controlled by the University. The University of Lethbridge Business Corporation ("ULBC"), the sole trustee of University of Lethbridge Business Trust ("ULBT"), is consolidated in these financial statements. Inter-organizational transactions, balances, and activities have been eliminated upon consolidation.

### (j) Liability for Contaminated Sites

Contaminated sites are a result of contamination of a chemical, organic or radioactive material or live organism that exceeds an environmental standard, being introduced into soil, water or sediment. It does not include airborne contaminants. The University recognizes a liability for remediation of contaminated sites when the following criteria have been met:

- an environmental standard exists;
- there is evidence that contamination exceeds an environmental standard;
- the University is directly responsible or accepts responsibility for the contamination;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

A liability for a contaminated site may arise from operations that are either considered in productive use or no longer in productive use when environmental standards are exceeded. It will also arise when an unexpected event occurs resulting in contamination that exceeds an environmental standard.

Where an environmental standard does not exist or contamination does not exceed an environmental standard, a liability for remediation of a site is recognized by the University when the following criteria have been met:

- the University has a duty or responsibility to others, leaving little or no discretion to avoid the obligation;
- the duty or responsibility to others entails settlement by future transfer or use of assets, or a provision of services at a specified or determinable date, or on demand; and
- the transaction or events obligating the University have already occurred.

As at March 31, 2026 there was no liability for remediation of contaminated sites (2025 - nil).

### (k) Asset Retirement Obligations

Asset retirement obligations are legal obligations associated with the retirement of tangible capital assets. The tangible capital assets include assets in productive use and assets no longer in productive use. Asset retirement activities include all activities relating to an asset retirement obligation. These may include, but are not limited to:

- remediation of contamination of a tangible capital asset created by its normal use;
- decommissioning or dismantling a tangible capital asset that was acquired, constructed, or developed;
- post-retirement activities such as monitoring; and
- constructing other tangible capital assets to perform post-retirement activities.

A liability for an asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- the past transaction or event giving rise to the liability has occurred;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

### (k) Asset Retirement Obligations (continued)

When a liability for asset retirement obligation is recognized, asset retirement costs related to recognized tangible capital assets in productive use are capitalized by increasing the carrying amount of the related asset and are amortized over the estimated useful life of the underlying tangible capital asset. Asset retirement costs related to unrecognized tangible capital assets and those not in productive use are expensed.

The asset retirement obligation is measured at the current estimated cost to settle or otherwise extinguish the liability.

### (l) Expense by Function

The University uses the following categories as functions on its Consolidated Statement of Operations:

#### Academic costs and institutional support

Expenses relating to support for the academic functions of the University both directly and indirectly. The function includes expenses incurred by faculties for their scholarly and non-sponsored research activities and institutional wide administrative services.

#### Ancillary services

Expenses relating to the University's business enterprises that provide services and products to the University community and to external individuals and organizations. This function includes the bookstore, printing, student residences, food, conference and parking.

#### Facility operations and maintenance

Expenses relating to maintenance and renewal of facilities that house teaching, research, administrative and common areas within the University. These include utilities, facilities administration, building maintenance, custodial services, groundskeeping as well as amortization and major repairs and renovations.

#### Special purpose and trust

Expenses for scholarships, bursary programs, and other programs involving teaching and community service specifically funded by restricted grants and donations.

#### Sponsored research

Expenses for all sponsored research activities specifically funded by restricted grants and donations.

### (m) Internally Restricted Funds and Reserves

Certain amounts, as approved by the Board of Governors, are set aside in accumulated operating surplus for future operating, capital and contractual purposes. Transfers to/from funds and reserves are an adjustment to the respective fund when approved.

### (n) Future Changes in Accounting Standards

The University will adopt the following new conceptual framework and accounting standards approved by the Public Sector Accounting Board:

- Effective April 1, 2026, *The Conceptual Framework for Financial Reporting in the Public Sector*. The Conceptual Framework is the foundation for public sector financial reporting standards. It replaces the conceptual aspects of Section PS 1000, *Financial Statement Concepts*, and Section PS 1100, *Financial Statement Objectives*. The conceptual framework highlights considerations fundamental for the consistent application of accounting issues in the absence of specific standards.
- Effective April 1, 2026, PS 1202 *Financial Statement Presentation*. Section PS 1202 sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement presentation principles are based on the concepts within the Conceptual Framework.
- The Public Sector Accounting Board (PSAB) has approved PS 3251: *Employee Benefits* standard effective for fiscal years starting on or after April 1, 2029. This standard establishes requirements for the recognition, measurement, presentation and disclosure of employee benefits. It replaces PS 3250, *Retirement Benefits*, and PS 3255, *Post-Employment Benefits, Compensated Absences and Termination Benefits*.
- In May 2025, the Public Sector Accounting Board (PSAB) issued amendments to Section PS 3150, *Tangible Capital Assets*. The amendments are effective for fiscal years beginning on or after April 1, 2029. Key changes include revises definitions, new guidance on collections, contributed materials and labor costs, and enhanced disclosures. The University is currently assessing the impact of the amended PS 3150 on the financial statements.

The University is currently assessing the impact of the new conceptual framework, standard and amendment, and the extent of the impact of their adoption on the consolidated financial statements has not yet been determined.

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 3 Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash on hand, demand deposits, and short term highly liquid investments held for the purpose of meeting short term commitments.

|                  | 2026             | 2025             |
|------------------|------------------|------------------|
| Cash             | \$ 15,389        | \$ 22,437        |
| Cash equivalents | 3,701            | 30               |
|                  | <u>\$ 19,090</u> | <u>\$ 22,467</u> |

## Note 4 Accounts Receivable

|                                            | 2026            | 2025            |
|--------------------------------------------|-----------------|-----------------|
| Accounts receivable                        | \$ 10,013       | \$ 5,392        |
| Contributions receivable                   | 32              | 42              |
| Allowance for doubtful accounts receivable | (385)           | (315)           |
|                                            | <u>\$ 9,660</u> | <u>\$ 5,119</u> |

Accounts receivable includes research and other government grants totaling \$1,107 (2025 - \$1,079).

Contributions receivable consist of amounts from external groups contractually obligated to the University and do not arise from the direct provision of goods or services. The University of Lethbridge Faculty Association is contributing \$205 toward the construction of the daycare facility, to be collected over a period of approximately 19 years beginning in 2010. These contributions have been discounted to their present value using market interest rates.

In addition to the contributions above, there are pledges of \$9,275 (2025 - \$5,777) for capital projects, advancing academic programming and scholarships that have not been recorded in the financial statements as they do not meet the criteria for recognition.

## Note 5 Portfolio Investments

|                                                   | 2026              | 2025              |
|---------------------------------------------------|-------------------|-------------------|
| Portfolio investments - non-endowment             | \$ 248,366        | \$ 237,144        |
| Portfolio investments - restricted for endowments | 112,816           | 109,910           |
|                                                   | <u>\$ 361,182</u> | <u>\$ 347,054</u> |

The composition of portfolio investments measured at fair value is as follows:

|                          | Level 1          | Level 2          | Level 3          | 2026             | Level 1          | Level 2          | Level 3          | 2025              |
|--------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Pooled investment funds: |                  |                  |                  |                  |                  |                  |                  |                   |
| Foreign equity           | \$167,189        | \$ -             | \$ -             | \$167,189        | \$162,995        | \$ -             | \$ -             | \$ 162,995        |
| Canadian equity          | 82,237           | -                | -                | 82,237           | 75,272           | -                | -                | 75,272            |
| Canadian bonds           | -                | 76,282           | -                | 76,282           | -                | 70,017           | -                | 70,017            |
| Equities:                |                  |                  |                  |                  |                  |                  |                  |                   |
| Foreign equity           | 1,975            | -                | -                | 1,975            | 2,342            | -                | -                | 2,342             |
| Canadian equity          | 3,003            | -                | -                | 3,003            | 2,414            | -                | -                | 2,414             |
| Other investments        | 640              | -                | 29,856           | 30,496           | 689              | -                | 33,325           | 34,014            |
|                          | <u>\$255,044</u> | <u>\$ 76,282</u> | <u>\$ 29,856</u> | <u>\$361,182</u> | <u>\$243,712</u> | <u>\$ 70,017</u> | <u>\$ 33,325</u> | <u>\$ 347,054</u> |

The fair value measurements are those derived from:

**Level 1** - Quoted prices in active markets for identical assets;

**Level 2** - Fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the assets, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

**Level 3** - Fair value measurements are those derived from valuation techniques that include inputs for the assets that are not based on observable market data (unobservable inputs).

The following table reconciles the changes in fair value of level 3 investments:

|                            | 2026             | 2025             |
|----------------------------|------------------|------------------|
| Balance, beginning of year | \$ 33,325        | \$ 28,209        |
| Unrealized gain            | 318              | 5,512            |
| Realized investment income | 1,645            | (96)             |
| Redemption                 | (5,432)          | (300)            |
|                            | <u>\$ 29,856</u> | <u>\$ 33,325</u> |

The Other investments category represents alternative investments which consists of opportunistic credit, secondary private equity, water entitlements and global transportation assets.

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 6 Financial Risk Management

The University has policies and procedures in place governing asset mix, diversification, exposure limits, credit quality and performance measurement. The University's Finance Committee, a subcommittee of the Board of Governors, has delegated authority for oversight of the University's investments. The Finance Committee meets regularly to monitor investments, to review investment manager performance, to ensure compliance with the University's Investment Management Policy and to evaluate the continued appropriateness of the University's Investment Management Policy.

The University is exposed to a variety of financial risks, including market risks (price risk, currency risk and interest rate risk), credit risk, and liquidity risk. To manage these risks, the University invests in a diversified portfolio of investments that is guided by established investment policies that outline risk and return objectives. The long-term objective of the University's investment policies is to achieve a long-term real rate of return in excess of fees and expenses and maintain the real value of the fund.

### Market risk

The University is exposed to market risk - the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, its issuer or general market factors affecting all securities. To manage these risks, the University has established an Investment Management Policy with a target asset mix that is diversified by asset class with individual issuer limits and is designed to achieve a long-term rate of return that in real terms equals or exceeds total endowment expenditures with an acceptable level of risk.

The University assesses its portfolio sensitivity to a percentage increase or decrease in the market prices. The sensitivity rate is determined using the historical annualized standard deviation for the total portfolio investments over a four year period as determined by a consulting report. At March 31, 2026, if market prices had a 9.48% (2025 - 10.59%) increase or decrease, with all other variables held constant, the increase or decrease in accumulated remeasurement gains and losses for the year would be \$34,002 (2025 - \$35,535).

### Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The University is exposed to foreign exchange risk on investments that are denominated in foreign currencies. The University does not use foreign currency forward contracts or any other type of derivative financial instrument for trading or speculative purposes.

The impact of a change in value of the Canadian dollar against the foreign currency portfolio investments is as follows:

|                           | Fair Value | 2.5% decrease | 1.0% decrease | 1.0% increase | 2.5% increase |
|---------------------------|------------|---------------|---------------|---------------|---------------|
| Foreign currency equities | \$ 169,164 | \$ 164,935    | \$ 167,473    | \$ 170,855    | \$ 173,393    |

### Credit risk

Counterparty credit risk is the risk of loss arising from the failure of a counterparty to fully honour its financial obligations with the University. The University is exposed to credit risk on investments and has established an Investment Management Policy with required minimum credit quality standards and issuer limits to manage this risk. In accordance with the Investment Management Policy, the University reduces its credit risk by limiting the concentration of investments in entities rated below BBB to 40% of the total portfolio. The BBB score is based on the lowest of Dominion Bond Rating Service, Canadian Bond Rating Service, and/or Moody's and Standard and Poor's methodology score. The University also establishes limits on individual counterparty credit exposures by limiting maximum concentration in a single corporate issuer.

The credit risk from accounts receivable is low as the majority of balances are due from government agencies and corporate sponsors.

The credit risks on investments held are as follows:

| Credit Rating           | 2026            | 2025            |
|-------------------------|-----------------|-----------------|
| AAA                     | 16.60 %         | 25.64 %         |
| AA                      | 23.40 %         | 20.69 %         |
| A                       | 9.30 %          | 10.39 %         |
| BBB                     | 27.80 %         | 24.99 %         |
| Below BBB and not rated | 22.90 %         | 18.29 %         |
|                         | <u>100.00 %</u> | <u>100.00 %</u> |

### Liquidity risk

Liquidity risk is the risk that the University will encounter difficulty in meeting obligations associated with its financial liabilities. The University maintains a short-term line of credit with the Bank of Montreal of \$5,000 that is designed to ensure sufficient funds are available to meet current and forecasted financial requirements in the most cost effective manner. There are no amounts outstanding on the line of credit at March 31, 2026 (2025 - \$nil).

### Interest rate risk

Interest rate risk is the risk to the University's earnings that arise from the fluctuation in interest rates and the degree of volatility of these rates. The risk is managed by contractually setting interest rates with banking institutions and investment policies that limit the

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 6 Financial Risk Management (continued)

term to maturity of certain fixed income securities that the University holds. Interest rate risk on the University's debt is managed through fixed rate agreements with the Department of Treasury Board and Finance (Note 8). If interest rates changed by 1.0%, and all other variables are held constant, the \$76,282 (2025 - \$70,017) bond portfolio would result in a \$5,370 (2025 - \$5,020) impact on fair value.

The maturity and effective market yield of interest bearing investments are as follows:

|                                       | < 1 year  | 1 - 5 years | > 5 years | Average effective market yield |
|---------------------------------------|-----------|-------------|-----------|--------------------------------|
| Cash and cash equivalents             | \$ 15,379 | \$ -        | \$ -      | 3.45%                          |
| Portfolio investments, Canadian bonds | \$ 2,136  | \$ 29,063   | \$ 45,083 | 4.39%                          |

## Note 7 Employee Future Benefit Liabilities

|                                           | 2026             | 2025             |
|-------------------------------------------|------------------|------------------|
| Universities Academic Pension Plan (UAPP) | \$ 5,028         | \$ 11,297        |
| Supplementary retirement plan             | 6,607            | 6,629            |
| Senior administrative leaves              | 4,413            | 3,918            |
| Long-term disability plan                 | 2,374            | 2,353            |
| Termination benefits                      | 746              | 972              |
| Other                                     | 49               | 7                |
|                                           | <u>\$ 19,217</u> | <u>\$ 25,176</u> |

### (a) Defined Benefit Plans Accounted for on a Defined Benefit Basis

#### UAPP

The UAPP is a multi-employer contributory joint defined benefit pension plan for academic staff members and other eligible employees. An actuarial valuation of the UAPP was carried out as at December 31, 2024, extrapolated to the plan's year end of December 31, 2025 and further extrapolated to the University's year end of March 31, 2026 resulting in a UAPP surplus of \$612,697 (2025 - \$426,781 surplus) consisting of a pre-1992 deficit of \$816,020 (2025 - \$832,113) and a post-1991 surplus of \$1,428,717 (2025 - \$1,258,894). The University's portion of the UAPP surplus and deficit has been allocated based on its percentage of the plan's total employer contributions for the year.

The unfunded deficit for service prior to January 1, 1992 is financed by additional contributions of 1.25% (2025 - 1.25%) of salaries by the Government of Alberta. Employees and employers equally share the balance of the contributions of 4.03% of salaries to eliminate the unfunded deficit by December 31, 2043. The Government of Alberta's obligation for future additional contributions was \$219,515 at March 31, 2026 (2025 - \$202,844).

#### Supplementary retirement plan

The University provides non-contributory defined supplementary benefits to current and past senior administrators above the benefits provided by the Universities Academic Pension Plan. The most recent actuarial valuation for these benefits was at March 31, 2026, and was prepared using the projected unit credit method, reflecting future salary increases. The next actuarial evaluation will be carried out for March 31, 2027.

#### Senior administrative leaves

The University provides for certain senior administrators to accrue time in the form of a leave of absence for the purpose of professional development. The most recent actuarial valuation for these benefits was at March 31, 2026. The next actuarial evaluation will be carried out for March 31, 2027.

#### Long-term disability plan

The University provides long-term disability defined benefits to its employees. The most recent actuarial valuation for these benefits was at March 31, 2026. The long-term disability plan provides pension and non-pension benefits after employment, but before the employee's normal retirement date. The accrued benefit obligation began the year at \$2,353 (2025 - \$2,309), increased by current and past service costs of \$249 (2025 - \$249) and interest costs of \$73 (2025 - \$91) which were offset by amortization of net actuarial gain of \$76 (2025 - \$68) and benefits paid of \$225 (2025 - \$228) for an accrued benefit liability at the end of the year of \$2,374 (2025 - \$2,353). The long-term disability plan has an unamortized net actuarial gain of \$732 (2025 - \$607). The actuarial assumptions used to measure the accrued benefit obligation discount rate is 4.2% (2025 - 3.9%) and the annual rate of cost increase for benefits is 4.8% (2025 - 4.9%) and pension is 3.0% (2025 - 3.0%). The estimated average remaining service life of the plan is 8 years (2025 - 8 years). The University plans to use working capital to finance these future obligations. The next actuarial evaluation will be carried out for March 31, 2027.

The expense and financial position of these defined benefit plans are as follows:

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 7 Employee Future Benefit Liabilities (continued)

|                                           | 2026       |                                            |                                              | 2025       |                                            |                                              |
|-------------------------------------------|------------|--------------------------------------------|----------------------------------------------|------------|--------------------------------------------|----------------------------------------------|
|                                           | UAPP       | Senior administrative leave <sup>(2)</sup> | Supplementary retirement plan <sup>(2)</sup> | UAPP       | Senior administrative leave <sup>(2)</sup> | Supplementary retirement plan <sup>(2)</sup> |
| <b>Expenses</b>                           |            |                                            |                                              |            |                                            |                                              |
| Current service cost                      | \$ 7,820   | \$ 693                                     | \$ 178                                       | \$ 7,306   | \$ 672                                     | \$ 237                                       |
| Interest cost <sup>(1)</sup>              | (1,200)    | 181                                        | 259                                          | (260)      | 220                                        | 313                                          |
| Amortization of net actuarial (gain)/loss | (2,940)    | 147                                        | 15                                           | (1,965)    | 80                                         | 10                                           |
| Total expense                             | \$ 3,680   | \$ 1,021                                   | \$ 452                                       | \$ 5,081   | \$ 972                                     | \$ 560                                       |
| <b>Financial position</b>                 |            |                                            |                                              |            |                                            |                                              |
| Accrued benefit obligation:               |            |                                            |                                              |            |                                            |                                              |
| Balance, beginning of year                | \$ 240,832 | \$ 4,212                                   | \$ 6,704                                     | \$ 228,555 | \$ 4,621                                   | \$ 6,460                                     |
| Current service cost                      | 7,820      | 693                                        | 178                                          | 7,306      | 672                                        | 237                                          |
| Interest cost                             | 14,783     | 181                                        | 259                                          | 14,262     | 220                                        | 313                                          |
| Benefits paid                             | (12,623)   | (526)                                      | (474)                                        | (11,658)   | (1,436)                                    | (352)                                        |
| Actuarial (gain)/loss                     | (9,449)    | (125)                                      | 94                                           | 2,367      | 135                                        | 46                                           |
| Balance, end of year                      | 241,363    | 4,435                                      | 6,761                                        | 240,832    | 4,212                                      | 6,704                                        |
| Plan assets                               | (269,735)  | -                                          | -                                            | (263,350)  | -                                          | -                                            |
| Plan (surplus) deficit                    | (28,372)   | 4,435                                      | 6,761                                        | (22,518)   | 4,212                                      | 6,704                                        |
| Unamortized net actuarial gain/(loss)     | 33,400     | (22)                                       | (154)                                        | 33,815     | (294)                                      | (75)                                         |
| Accrued benefit liability                 | \$ 5,028   | \$ 4,413                                   | \$ 6,607                                     | \$ 11,297  | \$ 3,918                                   | \$ 6,629                                     |

<sup>(1)</sup>UAPP interest cost is net of earnings

<sup>(2)</sup>The University plans to use its working capital to finance these future obligations.

The significant actuarial assumptions used to measure the accrued benefit obligation are as follows:

|                                          | 2026     |                             |                               | 2025     |                             |                               |
|------------------------------------------|----------|-----------------------------|-------------------------------|----------|-----------------------------|-------------------------------|
|                                          | UAPP     | Senior administrative leave | Supplementary retirement plan | UAPP     | Senior administrative leave | Supplementary retirement plan |
| <b>Accrued benefit obligation:</b>       |          |                             |                               |          |                             |                               |
| Discount rate                            | 5.9%     | 4.2%                        | 4.2%                          | 6.1%     | 3.9%                        | 3.9%                          |
| Long-term average compensation increase  | 3.0%     | 3.0%                        | 3.0%                          | 3.0%     | 3.0%                        | 3.0%                          |
| <b>Benefit cost:</b>                     |          |                             |                               |          |                             |                               |
| Discount rate                            | 5.9%     | 4.2%                        | 4.2%                          | 5.1%     | 3.9%                        | 3.9%                          |
| Long-term average compensation increase  | 3.0%     | 4.8%                        | 4.8%                          | 3.0%     | 4.9%                        | 4.9%                          |
| <b>Alberta inflation:</b>                |          |                             |                               |          |                             |                               |
| 2026                                     | 2.25%    | n/a                         | n/a                           | 2.5%     | n/a                         | n/a                           |
| Thereafter                               | 2.0%     | n/a                         | n/a                           | 2.0%     | n/a                         | n/a                           |
| Estimated average remaining service life | 11.5 yrs | 2 yrs                       | 4 yrs                         | 11.5 yrs | 2 yrs                       | 5 yrs                         |

## (b) Defined Benefit Plan Accounted for on a Defined Contribution Basis

### Public Service Pension Plan (PSPP)

The PSPP is a multi-employer contributory defined benefit pension plan for support staff members. As the University does not have sufficient information to follow the accounting standards for this defined benefit plan, it is accounted for on a defined contribution basis. The pension expense recorded in these financial statements is \$2,221 (2025 - \$2,210).

An actuarial valuation of the PSPP was carried out as at December 31, 2021 and was then extrapolated to December 31, 2025. At December 31, 2025, the PSPP reported an actuarial surplus of \$7,706,238 (2025 - actuarial surplus of \$6,473,956) which represents the excess of plan funding as a whole and not the University's share.

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 8 Debt

Debt is measured at amortized cost and is comprised of the following:

|                                                 | Collateral | Maturity date     | Interest rate | 2026            | 2025            |
|-------------------------------------------------|------------|-------------------|---------------|-----------------|-----------------|
| <b>Department of Treasury Board and Finance</b> |            |                   |               |                 |                 |
| Student housing debenture - Phase 3             | (1)        | March 15, 2037    | 3.26%         | 4,050           | 4,351           |
| <b>Other liabilities</b>                        |            |                   |               |                 |                 |
| Equipment financing <sup>(2)</sup>              | n/a        | up to May 5, 2026 | 4.84%         | 10              | 69              |
|                                                 |            |                   |               | <u>\$ 4,060</u> | <u>\$ 4,420</u> |

(1) Collateral consists of a security interest in present and acquired intangibles, accounts, monies, book debts, instruments, claims or rights, rentals, or insurance proceeds directly or indirectly associated from the operations of the applicable student residences building.

(2) Equipment financing pertains to the purchase of computer equipment and fitness equipment.

Principal and interest repayments are as follows:

|            | Principal       | Interest      | Total           |
|------------|-----------------|---------------|-----------------|
| 2027       | \$ 322          | \$ 130        | \$ 452          |
| 2028       | 322             | 119           | 441             |
| 2029       | 332             | 109           | 441             |
| 2030       | 343             | 98            | 441             |
| 2031       | 355             | 87            | 442             |
| Thereafter | 2,386           | 261           | 2,647           |
|            | <u>\$ 4,060</u> | <u>\$ 804</u> | <u>\$ 4,864</u> |

Interest expense on debt is \$141 (2025 - \$154) and is included in the Consolidated Statement of Operations.

## Note 9 Deferred Revenue

|                                                   | Restricted                          |                                     | Student<br>tuition, fees,<br>and other<br>revenue | 2026      | 2025      |
|---------------------------------------------------|-------------------------------------|-------------------------------------|---------------------------------------------------|-----------|-----------|
|                                                   | Research and<br>other<br>restricted | Unspent<br>capital<br>contributions |                                                   |           |           |
| Balance, beginning of year                        | \$ 38,492                           | \$ 26,172                           | \$ 11,963                                         | \$ 76,627 | \$ 69,102 |
| Grants, tuition, other donations received         | 23,866                              | 12,212                              | 11,274                                            | 47,352    | 51,932    |
| Investment income                                 | 4,507                               | 880                                 | -                                                 | 5,387     | 5,217     |
| Transfers to spent deferred capital contributions | (1,184)                             | (8,094)                             | -                                                 | (9,278)   | (7,236)   |
| Recognized as revenue                             | (33,006)                            | (1,837)                             | (11,963)                                          | (46,806)  | (42,388)  |
| Balance, end of year                              | \$ 32,675                           | \$ 29,333                           | \$ 11,274                                         | \$ 73,282 | \$ 76,627 |

As at March 31, 2026, the following deferred revenue categories exist:

- Research and other restricted are amounts where external stipulations outlined by agreement have not been met.
- Unspent capital contributions relates to funding with capital purchase stipulations that have not been met.
- Other includes unearned tuition, student residences charges and other revenues received related to future fiscal periods.

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 10 Asset Retirement Obligations

|                                                  | 2026            | 2025            |
|--------------------------------------------------|-----------------|-----------------|
| Asset retirement obligations, beginning of year  | \$ 5,685        | \$ 5,685        |
| Liability settled                                | (107)           | -               |
| <b>Asset retirement obligations, end of year</b> | <b>\$ 5,578</b> | <b>\$ 5,685</b> |

Tangible capital assets with associated retirement obligations include buildings (asbestos) and equipment (various harmful substances). The majority of University's asset retirement obligations relate to asbestos in buildings. The University estimated the nature and extent of hazardous materials in its buildings based on the potential square meters and the average costs per square meter to remove and dispose of the hazardous materials. Regulations require the University to handle and dispose of the asbestos in a prescribed manner when it is disturbed, such as when the building undergoes renovations or is demolished.

Asset retirement obligations are initially measured as of the date the legal obligation was incurred, based on management's best estimate of the amount required to retire tangible capital assets and subsequently re-measured annually taking into account any new information and the appropriateness of assumptions used. The estimate of the liability is based on third-party quotes and professional judgement.

The asset retirement obligation estimate is measured at the current expected cost to settle due to uncertainty about when hazardous materials would be removed. The present value technique is not used. The estimated recoveries are nil.

## Note 11 Capital Assets

|                                  | Land     | Building, land and leasehold improvements | Equipment  | Other     | 2026       | 2025       |
|----------------------------------|----------|-------------------------------------------|------------|-----------|------------|------------|
| <b>Cost <sup>(a)</sup></b>       |          |                                           |            |           |            |            |
| Beginning of year                | \$ 1,470 | \$ 756,982                                | \$ 113,919 | \$ 42,867 | \$ 915,238 | \$ 908,229 |
| Additions <sup>(b)</sup>         | -        | 9,081                                     | 3,396      | 1,259     | 13,736     | 13,799     |
| Disposals and write downs        | -        | (4,861)                                   | (3,397)    | (313)     | (8,571)    | (6,790)    |
|                                  | 1,470    | 761,202                                   | 113,918    | 43,813    | 920,403    | 915,238    |
| <b>Accumulated amortization</b>  |          |                                           |            |           |            |            |
| Beginning of year                | -        | (303,972)                                 | (97,427)   | (36,866)  | (438,265)  | (425,370)  |
| Amortization expense             | -        | (15,627)                                  | (3,350)    | (1,159)   | (20,136)   | (19,558)   |
| Disposal and write down effect   | -        | 3,179                                     | 3,100      | 314       | 6,593      | 6,663      |
|                                  | -        | (316,420)                                 | (97,677)   | (37,711)  | (451,808)  | (438,265)  |
| Net book value at March 31, 2026 | \$ 1,470 | \$ 444,782                                | \$ 16,241  | \$ 6,102  | \$ 468,595 | \$ 476,973 |
| Net book value at March 31, 2025 | \$ 1,470 | \$ 453,010                                | \$ 16,492  | \$ 6,001  |            | \$ 476,973 |

<sup>(a)</sup> Cost includes work-in-progress for assets under construction of \$23,273 (2025 - \$18,233), which is not amortized as the assets are not yet available for use. No interest was capitalized by the University in 2026.

<sup>(b)</sup> During the year, additions of in-kind contributions (such as library materials, equipment, and software) amounted to \$372 (2025 - \$44).

Other includes a net book value of purchased intangibles of \$3,076 (2025 - \$2,346). Additions include \$1,141 in purchased intangibles (2025 - \$1,355).

The University holds a collection including works of art, cultural and historical properties and treasures that are not recorded in these statements as a reasonable estimate of the future benefits associated with such assets cannot be made. Numbering over 15,500 paintings, sculptures, drawings, photographs and prints, the holdings include works from Canada, America and Europe, span the 19th and 20th centuries and continue to grow with 21st century additions. Through exhibitions, first-hand study of works from the University's renowned art collection, and hands-on activities, the collection supports research, learning and community engagement at the University. During the year, the University purchased and received in-kind contributions and donations of collection assets in the amount of \$7 (2025 - \$49). At March 31, 2026, this collection had a book value of \$41,598 (2025 - \$41,591).

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 12 Spent Deferred Capital Contributions

Spent deferred capital contributions is comprised of externally restricted grants and donations spent on capital acquisitions (not yet recognized as revenue).

|                                                       | 2026       | 2025       |
|-------------------------------------------------------|------------|------------|
| Balance, beginning of year                            | \$ 378,839 | \$ 384,671 |
| Transfers from unspent deferred capital contributions | 8,094      | 5,551      |
| Transfers from deferred research and other restricted | 1,184      | 1,685      |
| Expended capital contributions recognized as revenue  | (14,822)   | (13,068)   |
| Balance, end of the year                              | \$ 373,295 | \$ 378,839 |

## Note 13 Net Assets

### Net assets, as at March 31, 2024

#### Annual operating surplus

##### Endowments

New contributions

Capitalized investment income

Transfer (from) to endowments<sup>(1)</sup>

##### Capital assets

Amortization of capital assets

Net book value of capital asset disposals

Debt repayments

Acquisition of capital assets

Transfer (from) to internally restricted net of expenditures

Change in accumulated remeasurement gains

#### Net assets, beginning of year

#### Annual operating surplus

##### Endowments

New contributions

Capitalized investment income

Transfer to (from) endowments

##### Capital assets

Amortization of capital assets

Net book value of capital asset disposals

Debt repayments

Acquisition of capital assets

(Decrease) increase in asset retirement obligations

Transfer (from) to internally restricted net of expenditures

Change in accumulated remeasurement gains

#### Net assets, end of year as at March 31, 2026

#### Net assets is comprised of:

Accumulated surplus

Accumulated remeasurement gains

|                                                              | Accumulated surplus from operations | Investment in capital assets | Internally restricted funds and reserves | Endowments | Total      |
|--------------------------------------------------------------|-------------------------------------|------------------------------|------------------------------------------|------------|------------|
| Net assets, as at March 31, 2024                             | \$ 77,739                           | \$ 87,619                    | \$ 43,873                                | \$ 104,301 | \$ 313,532 |
| Annual operating surplus                                     | 30,488                              | -                            | -                                        | -          | 30,488     |
| Endowments                                                   |                                     |                              |                                          |            |            |
| New contributions                                            | -                                   | -                            | -                                        | 1,599      | 1,599      |
| Capitalized investment income                                | -                                   | -                            | -                                        | 1,289      | 1,289      |
| Transfer (from) to endowments <sup>(1)</sup>                 | (2,744)                             | -                            | -                                        | 2,744      | -          |
| Capital assets                                               |                                     |                              |                                          |            |            |
| Amortization of capital assets                               | 6,490                               | (6,490)                      | -                                        | -          | -          |
| Net book value of capital asset disposals                    | 127                                 | (127)                        | -                                        | -          | -          |
| Debt repayments                                              | (464)                               | 464                          | -                                        | -          | -          |
| Acquisition of capital assets                                | 11,542                              | 6,563                        | (18,105)                                 | -          | -          |
| Transfer (from) to internally restricted net of expenditures | (34,654)                            | -                            | 34,654                                   | -          | -          |
| Change in accumulated remeasurement gains                    | (878)                               | -                            | -                                        | (23)       | (901)      |
| Net assets, beginning of year                                | \$ 87,646                           | \$ 88,029                    | \$ 60,422                                | \$ 109,910 | \$ 346,007 |
| Annual operating surplus                                     | 31,948                              | -                            | -                                        | -          | 31,948     |
| Endowments                                                   |                                     |                              |                                          |            |            |
| New contributions                                            | -                                   | -                            | -                                        | 3,079      | 3,079      |
| Capitalized investment income                                | -                                   | -                            | -                                        | 4,008      | 4,008      |
| Transfer to (from) endowments                                | -                                   | -                            | -                                        | -          | -          |
| Capital assets                                               |                                     |                              |                                          |            |            |
| Amortization of capital assets                               | 5,314                               | (5,314)                      | -                                        | -          | -          |
| Net book value of capital asset disposals                    | 1,978                               | (1,978)                      | -                                        | -          | -          |
| Debt repayments                                              | (360)                               | 360                          | -                                        | -          | -          |
| Acquisition of capital assets                                | 1,448                               | 4,458                        | (5,906)                                  | -          | -          |
| (Decrease) increase in asset retirement obligations          | (107)                               | 107                          | -                                        | -          | -          |
| Transfer (from) to internally restricted net of expenditures | (12,452)                            | -                            | 12,452                                   | -          | -          |
| Change in accumulated remeasurement gains                    | (9,526)                             | -                            | -                                        | (4,181)    | (13,707)   |
| Net assets, end of year as at March 31, 2026                 | \$ 105,889                          | \$ 85,662                    | \$ 66,968                                | \$ 112,816 | \$ 371,335 |
| Net assets is comprised of:                                  |                                     |                              |                                          |            |            |
| Accumulated surplus                                          | \$ 89,753                           | \$ 85,662                    | \$ 66,968                                | \$ 105,236 | \$ 347,619 |
| Accumulated remeasurement gains                              | 16,136                              | -                            | -                                        | 7,580      | 23,716     |
|                                                              | \$ 105,889                          | \$ 85,662                    | \$ 66,968                                | \$ 112,816 | \$ 371,335 |

<sup>(1)</sup> In fiscal year 2024, the University incurred cumulative endowment expenditures of \$2,744 but did not earn sufficient endowment income to fund these expenditures. These expenditures were funded by a transfer from endowment net assets. This funding transfer flowed through unrestricted net assets. The recovery transfer occurred in 2025 and also flowed through unrestricted net assets to endowment net assets. Since the expenditures were funded by a transfer from endowment net assets at no time during those past two fiscal years was the University's unrestricted net assets position impacted.

<sup>(2)</sup> The University's closing net assets invested in capital assets have been reduced by the University's asset retirement obligations of \$5,578 (2025 - \$5,685). A funding source for this obligation has not been determined.

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 13 Net Assets (continued)

### Internally restricted funds and reserves

|                                    | 2026             | 2025             |
|------------------------------------|------------------|------------------|
| <b>Operating reserves</b>          |                  |                  |
| Employee programs and initiatives  | \$ 4,933         | \$ 4,487         |
| Utility provisions                 | 2,798            | 2,798            |
| Academic initiatives               | 3,158            | 2,948            |
| Contracts                          | 2,614            | 2,016            |
| Support student potential          | 240              | 240              |
| Enterprise resource planning       | 969              | 969              |
|                                    | <u>14,712</u>    | <u>13,458</u>    |
| <b>Capital reserves</b>            |                  |                  |
| Building, plant and equipment      | 12,344           | 13,294           |
| Research investment                | 1,081            | 1,081            |
| Campus planning                    | 1,881            | 1,881            |
| Self insurance                     | 727              | 587              |
| Enterprise resource planning       | 20,500           | 18,500           |
|                                    | <u>36,533</u>    | <u>35,343</u>    |
| <b>Contractual reserves</b>        |                  |                  |
| Professional supplement            | 2,086            | 2,109            |
| Health care benefits               | 1,395            | 1,045            |
| Community stadium                  | 72               | 45               |
|                                    | <u>3,553</u>     | <u>3,199</u>     |
| <b>Ancillary services reserves</b> | <u>12,170</u>    | <u>8,422</u>     |
| <b>Total</b>                       | <b>\$ 66,968</b> | <b>\$ 60,422</b> |

## Note 14 Contingent Assets

As of March 31, 2026, the University, in the conduct of its normal activities, initiated legal matters and insurance claims where possible assets are being sought. These contingent assets are not recognized in the financial statements. While the outcomes of these matters cannot be reasonably estimated at this time, the University believes that any settlement will not have a material effect on the financial position or the results of operations of the University.

## Note 15 Contingent Liabilities

As of March 31, 2026, the University was named as defendant in a number of legal proceedings arising in the normal course of business. While the ultimate outcome and liability of these proceedings cannot be reasonably estimated at this time, the University believes that any settlement will not have a material adverse effect on the financial position or the results of operations of the University. Management has concluded that none of the claims meet the criteria for recognizing a liability.

## Note 16 Contractual Rights

Contractual rights are rights of the University to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met.

Estimated amounts that will be received or receivable for each of the next five years and thereafter are as follows:

|                         | Operating<br>Leases |
|-------------------------|---------------------|
| 2027                    | \$ 17,682           |
| 2028                    | 17,533              |
| 2029                    | 203                 |
| 2030                    | 193                 |
| 2031                    | 193                 |
| Thereafter              | 3,762               |
| Total at March 31, 2026 | <u>\$ 39,566</u>    |
| Total at March 31, 2025 | <u>\$ 39,618</u>    |

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 17 Contractual Obligations

The University has contractual obligations which are commitments that will become liabilities in the future when the terms of the contracts or agreements are met. The estimated aggregate amount payable for the unexpired terms of these contractual obligations are as follows:

|                         | Service<br>Contracts | Capital Projects | Information<br>Systems and<br>Technology | Operating<br>Leases | Total     |
|-------------------------|----------------------|------------------|------------------------------------------|---------------------|-----------|
| 2027                    | \$ 2,321             | \$ 8,923         | \$ 2,041                                 | \$ 217              | \$ 13,502 |
| 2028                    | 216                  | -                | 1,194                                    | 162                 | 1,572     |
| 2029                    | 162                  | -                | 702                                      | 74                  | 938       |
| 2030                    | 128                  | -                | 172                                      | 75                  | 375       |
| 2031                    | 114                  | -                | 35                                       | 18                  | 167       |
| Thereafter              | 341                  | -                | -                                        | -                   | 341       |
| Total at March 31, 2026 | \$ 3,282             | \$ 8,923         | \$ 4,144                                 | \$ 546              | \$ 16,895 |
| Total at March 31, 2025 | \$ 5,530             | \$ 4,386         | \$ 5,139                                 | \$ 760              | \$ 15,815 |

Service contracts include contractual obligations the University has entered into for services such as electricity, maintenance and consulting services. Capital projects include contractual obligations for the construction or purchase of capital items. Information systems and technology include contractual obligations for technology maintenance and services. Long-term operating leases are contractual obligations the University has entered into for the use of additional facilities and include fixed term costs.

Included in service contracts are electricity contracts entered into to reduce its exposure to the volatility in the electrical industry. The University has entered into contracts to fix a portion of its electrical cost at an average of \$0.08 (2025 - \$0.08) per kilowatt hour.

The University is one of 78 members of the Canadian Universities Reciprocal Insurance Exchange (CURIE), a self-insurance reciprocal established to share the insurable property, liability and errors and omissions risks of member universities or colleges. The projected cost of claims against the exchange is based on actuarial projections and is funded through members' premiums. CURIE has eight different underwriting periods, of which the University participates in seven with an accumulated surplus of \$133,886 as of December 31, 2025 (2024 - \$130,336). The University's proportionate share of the surplus is approximately 1.50% (2024 - 1.50%) at December 31, 2025. This surplus is not recorded in the financial statements.

## Note 18 Funds Held on Behalf of Others

The University holds funds on behalf of others over which the Board has no power of appropriation in the amount of \$50 (2025 - \$55). Accordingly, these funds are not included in the consolidated financial statements.

## Note 19 Related Parties

The University is a related party with organizations within the Government of Alberta (GOA) reporting entity. Key management personnel of the University, including the Board of Governors and their close family members are also considered related parties. The University may enter into arm's length transactions with these entities and individuals in the normal course of operations and on normal terms.

The University has liabilities with the Department of Treasury Board and Finance as described in Note 8.

During the year, the University conducted business transactions with related parties, including Ministries of the Government of Alberta, school districts and other public Colleges and Universities. The revenues and expenses incurred for these business transactions have been included in the Consolidated Statement of Operations but have not been separately quantified. During the year, the University received the following services at nominal or reduced amounts:

- The University occupied space owned by Bow Valley College, an entity subject to common control, at a nominal cost. The cost differs from the estimated fair value of \$265 that would have been recorded if the parties were at arm's length.

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 20 Government Transfers

### Grants from Government of Alberta (GOA) Advanced Education

Operating grants  
Capital grants  
Other

| 2026      | 2025      |
|-----------|-----------|
| \$ 90,310 | \$ 88,286 |
| 11,590    | 8,240     |
| 6,112     | 5,025     |
| 108,012   | 101,551   |

### Other GOA departments and agencies:

Alberta Innovates Corporation  
Other Provincial Institutions  
Alberta Gambling Research Institute  
Alberta Technology and Innovation  
Alberta Health  
Alberta Environment and Protected Areas  
Alberta Agriculture and Irrigation  
Alberta Culture and Status of Women  
Alberta Education  
Alberta Energy

|       |       |
|-------|-------|
| 1,314 | 1,595 |
| 593   | 1,076 |
| 610   | 332   |
| 1,251 | 413   |
| 171   | 187   |
| 195   | 35    |
| 111   | 100   |
| -     | (17)  |
| (2)   | 14    |
| 55    | 25    |
| 4,298 | 3,760 |

Total contributions received  
Expended capital contributions recognized as revenue  
Deferred revenue

|            |            |
|------------|------------|
| 112,310    | 105,311    |
| 10,873     | 10,165     |
| (10,173)   | (7,151)    |
| \$ 113,010 | \$ 108,325 |

### Federal and other government grants

Contributions received  
Deferred revenue

|           |           |
|-----------|-----------|
| \$ 14,230 | \$ 13,981 |
| 885       | 185       |
| \$ 15,115 | \$ 14,166 |

## Note 21 Expense by Object

Salaries<sup>(1)</sup>  
Employee benefits  
Materials, supplies and services  
Utilities  
Maintenance and repairs  
Scholarships and bursaries  
Cost of goods sold  
Amortization of capital assets

| Budget<br>(Note 24) | 2026       | 2025       |
|---------------------|------------|------------|
| \$ 138,730          | \$ 130,655 | \$ 126,620 |
| 27,244              | 18,506     | 19,539     |
| 35,028              | 39,562     | 35,743     |
| 7,081               | 5,310      | 5,874      |
| 2,997               | 2,962      | 2,328      |
| 8,075               | 9,199      | 9,491      |
| 1,118               | 1,309      | 1,578      |
| 20,069              | 20,136     | 19,558     |
| \$ 240,342          | \$ 227,639 | \$ 220,731 |

<sup>(1)</sup> Salaries include termination costs of \$1,340 (2025 - \$1,997).

## Note 22 Sales of Services and Products

Revenues that are not related to recurring activities were \$20 (2025 - \$23).

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 23 Salary and Employee Benefits

|                                                            | Base Salary<br>(1) | Other Cash<br>Benefits (4) | 2026<br>Other Non-<br>Cash Benefits<br>(2, 6, 7) | Total  | 2025<br>Total |
|------------------------------------------------------------|--------------------|----------------------------|--------------------------------------------------|--------|---------------|
| <b>Governance<sup>(3)</sup></b>                            |                    |                            |                                                  |        |               |
| Chair of the Board of Governors                            | \$ -               | -                          | - \$                                             | -      | \$ -          |
| Members of the Board of Governors                          | \$ -               | -                          | - \$                                             | -      | \$ -          |
| <b>Executive</b>                                           |                    |                            |                                                  |        |               |
| President <sup>(4)</sup>                                   | \$ 409             | 6                          | 239 \$                                           | 654 \$ | \$ 623        |
| Provost and Vice-President Academic                        | \$ 375             | -                          | 107 \$                                           | 482 \$ | \$ 92         |
| Vice-President Finance and Administration <sup>(5,8)</sup> |                    |                            |                                                  |        |               |
| Incumbent <sup>(5,8)</sup>                                 | \$ 307             | -                          | 70 \$                                            | 377 \$ | \$ 219        |
| Past Incumbent <sup>(5)</sup>                              | \$ -               | -                          | - \$                                             | -      | \$ 252        |
| Vice-President Research                                    | \$ 354             | -                          | 200 \$                                           | 554 \$ | \$ 523        |
| Vice-President External Relations <sup>(8)</sup>           | \$ 301             | -                          | 70 \$                                            | 371 \$ | \$ 356        |

(1) Base salary includes pensionable base pay. Bonuses were not paid.

(2) Other non-cash benefits include the University's share of all employee benefits and contributions or payments made on behalf of employees including pension, dental coverage, flex health plan, extended health benefits, group life insurance, relocation allowance, research allowance, supplementary retirement plan (as per point 6 below), senior administrative leave (as per point 7 below) professional supplement allowance, fair market value of parking.

(3) The Chairman and members of the Board of Governors receive no remuneration for participation on the Board.

(4) Automobile allowance provided, included in other cash benefits.

(5) During 2025, the Vice-President Finance and Administration position was held by the past incumbent for six months and the current incumbent for six months.

(6) Under the terms of the supplementary retirement plan (SRP), senior administrators will receive supplemental retirement payments. Retirement arrangement costs as detailed below are not cash payments in the period but are the period expense for rights to future compensation. The SRP is a defined benefit plan. The cost of these benefits is actuarially determined using the projected unit credit method, a discount rate based on market interest rates, and management's best estimate of future salary increases and retirement ages for employees. Net actuarial gains and losses of the benefit obligations are amortized over the average remaining service life of the employee group. Current service cost is the actuarial present value of the expected benefits accrued for the period. Prior service and other costs include the amortization of actuarial gains and losses, and interest accruing on the actuarial liability.

(7) Senior administrative leave is accrued for certain senior administrators at a rate of one month for every five months served. If the leave is granted, all salaries and benefits are paid on a monthly basis for the duration of the leave. Cash payments in lieu of administrative leave are not permitted, nor is it possible under Board policy to work for another institution or organization while on leave. Normally, administrative leave is taken upon completion of the senior administrative appointment. The cost of these benefits is actuarially determined using the projected benefit method prorated on service, a discount rate based on market interest rates and management's best estimates of salary and benefit increases to the assumed term completion. Net actuarial gains and losses of the benefit obligations are amortized over the average remaining service life of the employee group. Current service cost is the actuarial present value of the benefits earned in the fiscal year. Prior service and other costs include the amortization of actuarial gains and losses and interest accruing on the actuarial liability. Following a change in legislation, the previously accumulated senior administrative leave for the Incumbent Provost and Vice-President Academic was reduced from 24 months to 12 months, leading to an actuarial reduction to the accrued obligation of \$379 in 2025.

(8) The position does not accrue senior administrative leave.

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 23 Salary and Employee Benefits (continued)

The cost for each executive under the Senior Administrative Leave Plan is outlined in the following table and included in non-cash benefits:

|                                                            | 2026                 |                                                    |        | 2025     |
|------------------------------------------------------------|----------------------|----------------------------------------------------|--------|----------|
|                                                            | Current Service Cost | Prior Service and Other Costs (benefits reduction) | Total  | Total    |
| <b>President</b>                                           | \$ 102               | 17                                                 | \$ 119 | \$ 104   |
| <b>Vice-Presidents:</b>                                    |                      |                                                    |        |          |
| Provost and Vice-President Academic <sup>(7)</sup>         | \$ -                 | 27                                                 | \$ 27  | \$ (347) |
| Vice-President Finance and Administration <sup>(5,8)</sup> |                      |                                                    |        |          |
| Incumbent <sup>(5,8)</sup>                                 | \$ -                 | -                                                  | \$ -   | \$ -     |
| Vice-President Research                                    | \$ 74                | 24                                                 | \$ 98  | \$ 84    |
| Vice-President External Relations <sup>(8)</sup>           | \$ -                 | -                                                  | \$ -   | \$ -     |

The accrued obligation for each executive under the Senior Administrative Leave Plan is outlined in the following table:

|                                                            | Accrued Obligation March 31, 2025 | Changes in Accrued Obligation <sup>(7,9)</sup> | Accrued Obligation March 31, 2026 |
|------------------------------------------------------------|-----------------------------------|------------------------------------------------|-----------------------------------|
| <b>President</b>                                           | \$ 178                            | 110                                            | 288                               |
| <b>Vice-Presidents:</b>                                    |                                   |                                                |                                   |
| Provost and Vice-President Academic                        | \$ 359                            | 13                                             | \$ 372                            |
| Vice-President Finance and Administration <sup>(5,8)</sup> |                                   |                                                |                                   |
| Incumbent <sup>(5,8)</sup>                                 | \$ -                              | -                                              | \$ -                              |
| Vice-President Research                                    | \$ 277                            | 68                                             | \$ 345                            |
| Vice-President External Relations <sup>(8)</sup>           | \$ -                              | -                                              | \$ -                              |

The cost for each executive under the Supplementary Retirement Plan is outlined in the following table and included in non-cash benefits:

|                                                          | 2026                 |                               |       | 2025  |
|----------------------------------------------------------|----------------------|-------------------------------|-------|-------|
|                                                          | Current Service Cost | Prior Service and Other Costs | Total | Total |
| <b>President</b>                                         | \$ 25                | 4                             | \$ 29 | \$ 27 |
| <b>Vice-Presidents:</b>                                  |                      |                               |       |       |
| Provost and Vice-President Academic                      | \$ 11                | 4                             | \$ 15 | \$ 14 |
| Vice-President Finance and Administration <sup>(5)</sup> |                      |                               |       |       |
| Incumbent <sup>(5)</sup>                                 | \$ 13                | 1                             | \$ 14 | \$ -  |
| Vice-President Research                                  | \$ 19                | 3                             | \$ 22 | \$ 21 |
| Vice-President External Relations                        | \$ 12                | 2                             | \$ 14 | \$ 13 |

# University of Lethbridge

Year ended March 31, 2026

(thousands of dollars)

## Note 23 Salary and Employee Benefits (continued)

The accrued obligation for each executive under the Supplementary Retirement Plan is outlined in the following table:

|                                                          | Accrued<br>Obligation<br>March 31, 2025 | Changes in<br>Accrued<br>Obligation | Accrued<br>Obligation March<br>31, 2026 |
|----------------------------------------------------------|-----------------------------------------|-------------------------------------|-----------------------------------------|
| <b>President</b>                                         | \$ 87                                   | 53                                  | \$ 140                                  |
| <b>Vice-Presidents:</b>                                  |                                         |                                     |                                         |
| Provost and Vice-President Academic                      | \$ 94                                   | 12                                  | \$ 106                                  |
| Vice-President Finance and Administration <sup>(5)</sup> |                                         |                                     |                                         |
| Incumbent <sup>(5)</sup>                                 | \$ 6                                    | 12                                  | \$ 18                                   |
| Vice-President Research                                  | \$ 70                                   | 18                                  | \$ 88                                   |
| Vice-President External Relations                        | \$ 45                                   | 12                                  | \$ 57                                   |

The significant actuarial assumptions used to measure accrued benefit obligations are disclosed in Note 7.

## Note 24 Budget Figures

The University's fiscal 2026 budget was approved by the Board of Governors and submitted to the Minister of Advanced Education.

## Note 25 Approval of Financial Statements

The financial statements were approved by the Board of Governors of the University of Lethbridge.



[ulethbridge.ca/planning-and-reporting](https://ulethbridge.ca/planning-and-reporting)

Approved by the University of Lethbridge Board of Governors  
on Sept. 24, 2026.

