



**INUVIALUIT**  
EDUCATION FOUNDATION

# ANNUAL REPORT

2016/2017

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Sarah Vandyk (middle), granddaughter of John Michael Voudrach, celebrates with parents Andrew (left) and Leanne (right) after receiving her Bachelor of Science in Nursing from University of Ottawa (2017).



Davina McLeod attends Northern Alberta Institute of Technology and plays on the women's hockey team.



## ABOUT IEF

Vanessa Rogers was awarded the Aurora Cup for excellence in improving her own educational standard (2017).

The Inuvialuit Education Foundation (IEF) is a registered charitable organization that was established in 1990 to accomplish three specific goals:

1. Increase the number of beneficiaries accessing and completing post-secondary education.
2. Support the overall goals of the Inuvialuit Final Agreement, enabling beneficiaries to be equal and meaningful participants in the northern economy.
3. Establish specific educational assistance goals and programs linked to beneficiary recruitment and career development within Inuvialuit Regional Corporation (IRC), Inuvialuit Development Corporation (IDC) and subsidiaries.

The Foundation provides educational assistance and encouragement to Inuvialuit students through a number of available programs.

# PROGRAM DESCRIPTIONS

## Post-Secondary Financial Assistance Program (PSFAP)

IEF provides financial assistance to Inuvialuit beneficiaries pursuing full-time post-secondary education in diploma or degree programs. To receive funding, students must achieve and maintain a 70 per cent or better average.

Mature students who do not have transcripts available within the previous five years are eligible for one semester, after which they must present a transcript.

In 2016/2017, a total of 86 students participated in the program.

## Scholarship Program

IEF administers multiple scholarship opportunities that promote beneficiaries to further their education at the post-secondary level.

The main focus is to offer encouragement and financial rewards to Inuvialuit students who achieve a 75 per cent or higher average.



Courtney Larroque completed her Bachelor of Education with funding support from the Inuvialuit Education Foundation (2017).



A) Savannah Greenland received her Office Administration certificate from Aurora College (2017). B) Sarah McCathy with her Business Administration certificate she received from Aurora College (2017). C) Aurora College graduates wait for convocation to begin in Inuvik (2017). D) Danielle Gruben, with father Marvin, graduated from Aurora College with an Early Childhood Development certificate (2017).

# PARTICIPANTS

## Post-Secondary Supplementary Funding Program (2016/2017)

Student	Institution	Program
Amber Aleekuk	Makami College	Advanced Clinical Massage Therapy
Danielle Allen	NAIT	Chemical Engineering Technology
Kathleen Allen	Yukon College	Northern Justice
Sammy-Jo Amos	Université Laval	Industrial and Labour Relations
Margaret Dawn Anderson	University of Victoria	Master of Arts - Indigenous Government
Kayla Arey	Yukon College	Bachelor of Science
Desiree Bagnall	Caplano University	Bachelor of Tourism Management
Chevaughn Blake	University of Lethbridge	Bachelor of Management
Ryley Blake	Vancouver Island University	Bachelor of Arts
Caroline Blechert	Institute of American Indian Arts	Jewellery
Ashley L. Bridgwater	University of Alberta	Bachelor of Science
Sarah Camself	Athabasca University	Master of Science - Information Systems
Mariah Cardinal-Blake	Aurora College	Office Administration
Alyssa Carpenter	Yukon College	Bachelor of Social Work
Will Carpenter	McEwan University	Bachelor of Science
Tyler Chase	NAIT	Alternative Energy Technology
Candice Cockney	Yukon College	Bachelor of Education (YNTEP)
Meagan Shayne Cockney	Aurora College	Business Administration
Raquel Corley	Northern Lights College	Social Services Worker
Madison Connors	Mount Saint Vincent University	Bachelor of Arts - Child and Youth Study
Paisley Day	Aurora College	Bachelor of Science in Nursing
Peggy Day	Kelowna College	Applied Psychology and Counselling
Janessa Ebanik	NAIT	Bachelor of Business Administration - Accounting

## Continued ...

Student	Institution	Program
Janice Elank	Yukon College	Culinary Arts
Tyee Fellows	University of Toronto	Doctor of Medicine
Brooke Fenton	Grand Prairie Regional College	Bachelor of Science in Nursing
Kai Fischlin	Marianopolis College	Health Sciences
Mia Fischlin	Concordia University	Bachelor of Arts
Sara Ann Gardlund	Aurora College	Business Administration
Leanne Goose	McEwan University	Arts and Cultural Management
Jasmine Gordon	Aurora College	Bachelor of Science in Nursing
Margaret E. Gordon	University of Saskatchewan	Bachelor of Education
Linda Graydon	Thompson Rivers University	Bachelor of Business Administration
Savannah Greenland	Aurora College	Office Administration
Amber Gruben	Aurora College	Bachelor of Science in Nursing
Jeremy Hansen	Aurora College	Environment and Natural Resources Technology
Kayla Hansen-Craik	University of Manitoba	Bachelor of Environmental Studies
Kyla Hvatum	University of British Columbia	Bachelor of Kinesiology
Ashley Jacobson	Aurora College	Environment and Natural Resources Technology
Davonna Kasook	Aurora College	Environment and Natural Resources Technology
Vanessa Kasook	Aurora College	Business Administration
Aaron Kikcoek	Medicine Hat College	Computer Aided Drafting and Design
Nathan Kogjak	University of Lethbridge	Business Administration - Accounting
Trudy Kogjak	Yukon College	Business Administration
Zakkery Kudlak	NAIT	Hospitality Management
Brandi Larocque	John Casabiancas Institute	Hair Design
Chloe Larocque	University of Alberta	Bachelor of Arts
Courtney Larocque	Mount Royal University	Bachelor of Education
Jacinta Larocque	University of Alberta	Bachelor of Education
Nikita Larter	University of Waterloo	Global Business
Tiffany Larter	University of Lethbridge	Bachelor of Science
Megan Lennie	Emily Carr University	Visual Arts
Paden Lennie	Lethbridge College	Bachelor of Ecosystem Management
Lianne MacWatt	Vancouver Island University	Bachelor of Arts
Mary Dawn MacWatt	Vancouver Island University	Bachelor of Education

## Continued ...

Student	Institution	Program
Frederick Ziggy Maring	Aurora College	Environment and Natural Resources Technology
Davina McLeod	NAIT	Open Studies
Ian Tom McLeod Jr.	OCAD University	Bachelor of Fine Arts
Laura Ocean McLeod	Yukon College	Culinary Arts
Mackenzie Moore	Oulton College	Child and Youth Care
Tanya Moore	McEwan University	Bachelor of Arts
Kanelsa Noksana	Georgian College	Aboriginal Community and Social Development
Brittney Norris	McEwan University	Bachelor of Commerce
Jessica Norris	Yukon College	Renewable Resource Management
Kelly Norris	Concordia University	Bachelor of Arts
Brandon Okheena	Aurora College	Business Administration
Lori Ovilok	Aurora College	Business Administration
Michael Payne	Selkirk College	Digital Arts and New Media
Pitsedak Pfeifer	Carlton University	Canadian Studies
Haleigh Pielak	St. Lawrence College	Esthetician
Jennifer Pitt	Aurora College	Bachelor of Science in Nursing
Verna Pokiak	Aurora College	Environment and Natural Resources Technology
George Price	Art Institute of Vancouver	Game Art and Design
Allison Raddi	Makami College	Clinical Massage Therapy
Brie Robertson	Mount Royal University	Bachelor of Child Studies
Marion Ruben	Aurora College	Bachelor of Education
Tanisha Sacobie-Gruben	St. Thomas University	Bachelor of Arts
Austin Saunders	Grand Prairie Regional College	Open Studies
Taylor Scott	Seneca College	Computer Engineering Technology
Jozef Semmler	Aurora College	Environment and Natural Resources Technology
Jessica Stewart	Aurora College	Office Administration
Dixie J. Thompson	Aurora College	Social Work Diploma Program
Kendra Tingmiak	University of Lethbridge	Bachelor of Science
Kristal Tingmiak	Bow Valley College	Practical Nurse
Natalja Westwood	Yukon College	General Studies
Ryan Zrnck	University of Saskatchewan	Bachelor of Science





**AN INVESTMENT IN KNOWLEDGE  
PAYS THE BEST INTEREST**

**BENJAMIN FRANKLIN**



Aurora College Convocation took place on May 5, 2017 at the Aurora Campus in Inuvik. Congratulations to all graduates!

## Recipients of the Scholarship Program (2016/2017)

Beneficiary	Scholarship	Area of Study
Desiree Bagnall	IDC Scholarship	Bachelor of Tourism Management
Alyssa Carpenter	Roy Bunker Wilson Scholarship	Bachelor of Social Work
Will Carpenter	Nelson Green - Joint Secretariat Memorial	Bachelor of Science
Tyler Chase	BP Canada Energy Scholarship	Alternative Energy Technology
Raquel Conley	IDC Scholarship	Social Services Worker
Leanne Goose	IDC Scholarship	Arts and Cultural Management
Margaret E. Gordon	Frederick Lawrence Gordon Scholarship	Bachelor of Education
Ashley Jacobson	Andy Carpenter Scholarship	Environment and Natural Resources Technology
Aaron Kikoak	Nelson Green - Joint Secretariat Memorial	Computer Aided Drafting and Design
Jessica Norris	Andy Carpenter Scholarship	Renewable Resource Management
Dixie J. Thompson	IDC Scholarship	Social Work Diploma Program

# CONTRIBUTIONS

IRC negotiates Comprehensive Cooperation and Benefits Agreements (CCBAs) with oil and gas companies exploring for natural gas within the Inuvialuit Settlement Region. They provide Inuvialuit with opportunities in business, employment and training.

A significant component of the agreements is contributions made to IEF to encourage higher education among Inuvialuit. During the 2016/2017 fiscal year, IEF received financial contributions from the following sources and companies.

## Contributions from Access and Benefits Agreements (2016/2017)

Contributor	Amount	
ConocoPhillips	\$33,926	
Imperial Oil	\$68,224	
Shell Canada	\$33,926	

## Contributions from Sponsorships (2016/2017)

Contributor	Amount	
Chevron	\$210,000	



Peggy Day, after-care coordinator at Inuvialut Regional Corporation, poses with her diploma from the Kelowna College of Professional Counselling.

# FINANCIAL STATEMENTS



Margaret Kagyut (right) at the Aurora College Convocation at Aurora Campus in Inuvik (2017).



Crystal Lennie received a Bachelor of Science from Liberty University in Lynchburg, Virginia (2017).



July 7, 2017

## **Independent Auditor's Report**

### **To the Directors of Inuvialuit Education Foundation**

We have audited the accompanying financial statements of Inuvialuit Education Foundation, which comprise the statement of financial position as at March 31, 2017 and the statements of revenue and expenditures, changes in net assets and cash flows for the year then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

#### **Management's responsibility for the financial statements**

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

#### **Auditor's responsibility**

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

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

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

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\*PwC refers to PricewaterhouseCoopers LLP, or other member firms of the PwC network.

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Inuvialuit Education Foundation as at March 31, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*PricewaterhouseCoopers LLP*

**Chartered Professional Accountants**

## Inuvialuit Education Foundation

### Statement of Financial Position

As at March 31, 2017

	2017 \$	2016 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash	332,122	2,678,446
Restricted cash	-	6,620,459
Prepaid expenses	1,095	1,065
	<u>333,217</u>	<u>9,300,000</u>
<b>Investments (note 3)</b>	<u>14,860,818</u>	<u>5,705,459</u>
	<u>15,194,035</u>	<u>15,005,459</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	5,751	4,406
Due to related party (note 4)	44,113	5,652
Trust liabilities (note 5)	6,709,740	6,620,459
Deferred revenue (note 6)	3,118,790	3,094,336
	<u>9,878,354</u>	<u>9,724,845</u>
<b>Net Assets</b>		
<b>Restricted for endowment purposes (note 7)</b>	5,180,000	5,180,000
<b>Unrestricted</b>	<u>135,671</u>	<u>100,514</u>
	<u>5,315,671</u>	<u>5,280,514</u>
	<u>15,194,035</u>	<u>15,005,459</u>

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

**Inuvialuit Education Foundation**  
**Statement of Revenue and Expenditures**  
**For the year ended March 31, 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Revenue</b>		
Scholarships		
Inuvialuit Development Corporation (note 8)	4,500	5,000
Inuvialuit Community Economic Development Organization (note 8)	-	3,000
Other	6,000	2,250
	<u>10,500</u>	<u>10,250</u>
Benefit agreements	136,076	135,095
Donations	210,000	
Interest (note 8)	114,858	107,545
	<u>471,534</u>	<u>252,894</u>
<b>Expenditures</b>		
Operations		
General and administrative (note 8)	160,275	77,097
Benefits		
Post-secondary supplementary funding	255,067	147,721
Scholarships	10,500	10,250
Tutoring program	10,535	8,600
	<u>276,102</u>	<u>166,571</u>
	<u>436,377</u>	<u>243,668</u>
<b>Excess of revenue over expenditures for the year</b>	<u>35,157</u>	<u>9,226</u>

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



**Inuvialuit Education Foundation**  
**Statement of Changes in Net Assets**  
**For the year ended March 31, 2017**

			2017	2016
	Restricted for endowment purposes \$	Unrestricted \$	Total \$	Total \$
<b>Balance – Beginning of year</b>	5,180,000	100,514	5,280,514	5,271,288
Excess of revenue over expenditures for the year	—	35,157	35,157	9,226
<b>Balance – End of year</b>	<u>5,180,000</u>	<u>135,671</u>	<u>5,315,671</u>	<u>5,280,514</u>

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

## Inuvialuit Education Foundation

### Statement of Cash Flows

For the year ended March 31, 2017

	2017 \$	2016 \$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess of revenue over expenditures for the year	35,157	9,226
Items not affecting cash		
Interest income	(25,535)	(84,184)
Net changes in non-cash working capital items		
Prepaid expenses	-	(1,085)
Accounts payable and accrued liabilities	1,255	(1,302)
Due to related party	36,461	(81,110)
Deferred revenue	(15,121)	2,924,902
	<u>33,217</u>	<u>2,766,437</u>
<b>Investing activities</b>		
Restricted cash	6,620,459	(6,620,459)
Purchase of investments	(8,000,000)	-
	<u>(2,379,541)</u>	<u>(6,620,459)</u>
<b>Financing activities</b>		
Trust liabilities	-	6,620,459
Decrease in bank indebtedness	-	(87,991)
	<u>-</u>	<u>6,532,468</u>
<b>(Decrease) increase in cash during the year</b>	<b>(2,346,324)</b>	<b>2,678,446</b>
<b>Cash – Beginning of year</b>	<b>2,678,446</b>	<b>-</b>
<b>Cash – End of year</b>	<b>332,122</b>	<b>2,678,446</b>

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

## Inuvialuit Education Foundation

### Notes to Financial Statements

March 31, 2017

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#### 1 General

Inuvialuit Education Foundation (the Foundation or IEF) is a registered charitable organization incorporated without share capital under the Companies Act of the Province of Alberta. IEF was established to promote the recognition and furtherance of education among the Inuvialuit.

IEF is a registered charity within the meaning of the Income Tax Act (Canada) and is exempt from income taxes.

#### 2 Summary of significant accounting policies

The Foundation uses Canadian accounting standards for not-for-profit organizations (ASNPO) to report its financial information. The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. Actual results could differ from those estimates.

##### Revenue recognition

###### • Donations

IEF follows the deferral method of accounting for donations. Unrestricted donations are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted donations are recognized as revenue in the year in which the related expenditures are incurred.

###### • Interest

Restricted interest income is recognized as revenue in the year in which the related expenditures are incurred. Unrestricted interest income is recognized as revenue when earned.

##### Endowment contributions

Endowment contributions are recognized as direct increases in net assets.

##### Cash

Cash consists of interest bearing deposits.

##### Financial instruments

IEF's financial assets include cash and investments. Cash is accounted for at amortized cost using the effective interest rate method. Investments are recorded at fair value with realized and unrealized gains and losses reported in the statement of revenue and expenditures for the period in which they arise.

IEF's financial liabilities include accounts payable and accrued liabilities, due to related party and trust liabilities. All financial liabilities are accounted for at amortized cost using the effective interest rate method.

## Inuvialuit Education Foundation

Notes to Financial Statements

March 31, 2017

### 3 Investments

	2017 \$	2016 \$
Fixed Income Fund	14,860,618	5,705,459

Inuvialuit Investment Corporation (IIC), a wholly owned subsidiary of Inuvialuit Regional Corporation (IRC) and a related party under common management, manages the investments on behalf of IEF. An agreement between IEF and IIC establishes the terms and conditions for the management of IEF's investments.

The Fixed Income Fund is an open-ended investment that is made up of contributions of funds in which participants receive a return based on the DEX overall domestic bond index. IIC pays each Fixed Income Fund participant monthly interest on the funds invested on account. IEF reinvests this income within the Fixed Income Fund.

Included in investments is \$6,709,740 (2016 – \$nil) related to trust liabilities. The use of these funds is restricted and investment income earned is recorded as an increase to trust liabilities.

IEF participation in the Fixed Income Fund is approximately 36%.

### 4 Due to related party

	2017 \$	2016 \$
Inuvialuit Regional Corporation	44,113	5,652

The amount due to the related party is non-interest bearing, unsecured and has no fixed terms for repayment. The related party is an entity under common management.

### 5 Trust liabilities

In 2016, the Government of Canada distributed \$9,435,300 to IEF as part of the Indian Residential Schools Settlement Agreement. IEF is legally obligated to distribute \$6,566,669 of funds plus accrued interest of \$142,771 to other Inuit organizations. The funds are unable to be transferred until certain conditions are met within the other organizations and the funds will be held in trust by IEF until then.

The remainder of the funding is available for IEF to use for educational programs and is included in deferred revenue.

## Inuvialuit Education Foundation

Notes to Financial Statements

March 31, 2017

### 6 Deferred revenue

	2017			2016	
	Government of Canada \$	Educational grants \$	Deferred endowment income \$	Total \$	Total \$
Balance – Beginning of year	2,891,695	190,861	21,782	3,094,338	141,535
Accrued interest income	35,047	-	4,486	40,543	27,901
Received in current year	-	3,000	-	3,000	2,831,158
Expended in current year	-	(16,121)	(3,000)	(19,121)	(6,256)
Balance – End of year	2,927,742	167,740	23,278	3,118,760	3,094,338

The Government of Canada funding was received as part of the Indian Residential Schools Settlement Agreement and is restricted to fund educational programs. Income earned on original funding is also restricted for educational programs.

The educational grants relate to funding received for specific educational programs for which the expenditures have not yet been incurred.

Income earned on the endowments is restricted to fund educational awards for students from the Inuvialuit Settlement Region who wish to pursue a post-secondary education. Income not awarded during the year is deferred until such time as a qualified candidate is awarded the scholarship.

### 7 Net assets restricted for endowment purposes

In 1999, BP Canada Energy Company (BP), formerly known as Amoco Canada Petroleum Company Ltd., endowed \$100,000 to IEF. Awards are paid from income earned from this endowment and are limited to 6% of the original capital value of the endowment fund. Any excess income earned over 6% will be used to re-capitalize this endowment fund.

In 2000, the Joint Secretariat endowed \$30,000 to IEF.

In 2006, Aklak Air Ltd. (Aklak) endowed \$50,000 to IEF.

The purpose of the BP and Joint Secretariat endowment funds is to earn investment income, which will be used to fund educational awards for students from the Inuvialuit Settlement Region who wish to pursue a post-secondary education. Each endowment agreement identifies the minimum funding levels and establishes specific disbursement criteria.

The Aklak endowment fund also earns investment income, which will be used to fund scholarships.

## Inuvialuit Education Foundation

### Notes to Financial Statements

March 31, 2017

In 2001, Gyrfalcon Holdings Ltd. endowed \$5,000,000 to IEF. Investment income earned on this endowment is unrestricted.

					2017	2016
	BP endowment \$	Nelson Green - Joint Secretariat endowment \$	Aklak endowment \$	Gyrfalcon Holdings Ltd. endowment \$	Total \$	Total \$
Endowment balance	100,000	30,000	50,000	5,000,000	5,180,000	5,180,000

#### 8 Related party transactions

During the year, IEF recorded \$4,500 (2016 – \$8,000) of funding from entities that are either wholly owned subsidiaries of IRC or share certain management resources. IEF also received \$200,000 (2016 – \$nil) in donations from IRC.

During the year, IEF earned interest of \$155,359 (2016 – \$112,086) on investments managed by IIC, of which \$106,580 (2016 – \$107,549) is recognized in revenue, \$10,900 (2016 – \$4,537) in deferred revenue and \$32,864 (2016 – \$nil) in trust liabilities.

Included in general and administrative expenses is \$142,592 (2016 – \$84,796) of payroll and rent expenses from IRC.

The above transactions arose in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

#### 9 Financial instruments

##### Credit risk

IEF is potentially subject to concentrations of credit risk principally with respect to cash and investments. IEF's credit risk is the replacement cost at the then estimated fair value of the instrument. Management believes the risk of incurring losses with these financial instruments is remote.

##### Interest rate risk

IEF is exposed to interest rate risk with respect to the Fixed Income Fund investments. The investments pay a variable rate to IEF, as calculated on a monthly basis. These rates fluctuate with market conditions.

##### Liquidity risk

IEF is potentially subject to liquidity risk with its investments. However, management believes that because IEF's investments are in the Fixed Income Fund, the risk of incurring losses is remote.



# INUVALUIT

EDUCATION FOUNDATION

## CONTACT INFORMATION

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