ANNUAL REPORT
2009-10
UBC ALUMNI ASSOCIATION
Letter from the Chair

Every annual report from every organization comments enthusiastically about the exceptional year just passed, and such commentary often reflects more hyperbole than reality. But this year actually has been quite extraordinary.

Three major developments occurred in 2009-10 that will fundamentally change our organization and the work we do for our alumni and the university. Early in the year Marie Earl, our Executive Director, left at the end of her five-year term. Marie’s tenure was truly transformative: she built strong ties to the university while maintaining the essential independent voice of the Alumni Association; she significantly increased human and financial resources necessary for our work; and she lobbied successfully to convince all levels of institutional leadership roles, within partnerships across campus, and embedded prominently as a key objective of the new UBC strategic plan, Place and Promise. To build on this success, Jeff Todd will bring his own tremendous wealth of knowledge and background in alumni relations. As a member of a special group that is UBC alumni, each of you retains an advantage of this tremendous benefit. I look forward to another great year in 2010-11, it’s our honour to work with you and the Association, and to present the 2009-2010 Annual Report.

Jeff Todd
Executive Director, UBC Alumni Association

Letter from the Leadership Team

It has been a year of transition at the Alumni Association and UBC Alumni Affairs. Now, with alumni solidly entrenched in the lexicon of the university, examples of the Association and alumni’s elevated stature are found in institutional leadership roles, within partnerships across campus, and embedded prominently as a key objective of the new UBC strategic plan, Place and Promise. To build on this success, Jeff Todd will bring his own tremendous wealth of knowledge and background in alumni relations.

Bridging this transition, the UBC Alumni Affairs senior leadership team has been focused on creating the Association’s commitment to its members through a redesigned engagement strategy. A critical component of UBC’s campaign to increase alumni engagement, and essential to the Association’s growth and long-term success, the strategy will focus on connecting with the communities of alumni that reside across personal interests and institutional affiliations; increasing access for individual alumni into these communities; and enhancing the student experience as a service to our alumni-in-waiting. Designed with significant input and guidance from alumni volunteer leadership, this plan lays the foundation for the operation over the next few years. Elsewhere in this Annual Report you will see an outline of this new strategy, along with some key indicators of the past year’s successes and our current dashboard of metrics for measuring that success.

The UBC Alumni Association is in a strong position to continue the gains it has made recently and offer even greater service to its members. As a member of a special group that is UBC alumni, each of you retains access to the intellectual and personal growth available through these programs and the powerful network of fellow alumni. We trust you’ll take advantage of this tremendous benefit.

Looking forward to another great year in 2010-11, it’s our honour to work with you and the Association, and to present the 2009-2010 Annual Report.

Ian Robertson
Chair
Strategic Engagement

The Alumni Association Board and Alumni Affairs staff spent much of the past year producing a new engagement plan and developing metrics that will help quantify our successes.

Working from the idea that alumni engagement exists along a continuum from “no engagement” to “highly connected,” we constructed an engagement strategy that capitalizes on the strong affinities held by those alumni who are already moderately committed, while strengthening programs designed to move alumni at all levels along the spectrum.

Our goal in the next five years is to double alumni engagement in the life of the university. This elevated level of participation will have long-term benefits for both alumni and the institution. Alumni will continue to reap the rewards of their association with a ready network of peers and a university of global stature, while the institution benefits from the collective time, talent and financial support of its 260,000 graduates.

The engagement strategy focuses on three areas of programming, outlined in the following pages.

1. Foster the growth and development of UBC’s alumni communities.

The Strategy

“How do I get involved?” Surveys indicate a strong desire on the part of alumni to reconnect with some aspect of their university experience. UBC represents an intense period of intellectual and personal growth, and provides a foundation for building lifelong relationships. Alumni Affairs will support existing alumni communities and create new ones by delivering programs that help alumni establish connections with other UBC grads in their geographical, career and educational groups.

The Program

ASIA PACIFIC REGIONAL VOLUNTEER SUMMIT

Grads who move far away from UBC’s campuses – or who attended as international students and return home after graduation – feel a strong affinity to the university. This affinity is particularly strong in our alumni in Asia. This year the first Asia Pacific Regional Volunteer Summit was held in Hong Kong, and 25 alumni volunteer network leaders from China, Indonesia, Japan, Malaysia, the Philippines, Singapore, South Korea, Taiwan and Thailand were invited to meet for social and professional networking and to share ideas for strengthening our alumni networks in the region.
2. Create access for all alumni to a ready network of peers and the UBC learning environment.

The Strategy
Many grads feel their most meaningful affiliation is to their department, faculty, professional school or, even, student club. Alumni Affairs will provide opportunities for professional, social and cultural connections among alumni, and develop intellectually stimulating events and programs that draw on the best UBC has to offer.

The Program
THE BIG PICTURE

When budgetary considerations forced the university to consider discontinuing the film production program, a grad contacted the Alumni Association for information on how to contact other film grads for the purpose of a reunion. Thus began a chain of events that launched the Big Picture campaign. The campaign celebrated the 40th anniversary of the program, raised funds for scholarships and marked the donation of a major endowment from Rogers Communications. The result was the birth of the Film Production Alumni Association, a reinvigorated film production program and a spotlight on the amazing talent and accomplishment of film alumni.

3. Equip UBC students to make the most of their UBC networks.

The Strategy
Our Chancellor, Sarah Morgan-Silvester, said it best. “Let’s preserve the brilliant start experienced by students when they are first admitted to UBC.” Alumni Affairs will work to develop affinities in the student years by advocating within the university for an enriched student experience and by mobilizing alumni as mentors, subject matter experts and as resources in career networks.

The Program
STUDENT LEADERSHIP CONFERENCE

Many of our most cutting-edge programs are aimed at students and young alumni. These individuals, focussed as they are on their studies and early-career demands, are understandably difficult to engage. We created the Student/Alumni Relations Coordinator team to seize upon and create — opportunities to relate to these groups.

At the 2010 Student Leadership Conference, Alumni Affairs partnered with the AMS to host 1,200 current UBC student leaders. During the conference, these influential individuals developed their leadership skills through engaging workshops and presentations. In addition, 60 prominent alumni spoke to various groups at the conference, and held break-out sessions on topics including career and financial planning, network-building, and others.
Financial Statements
Year ended March 31, 2010

AUDITORS' REPORT TO THE MEMBERS
We have audited the statement of financial position of The Alumni Association of The University of British Columbia as at March 31, 2010 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Association’s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants
Vancouver, Canada
May 7, 2010

Statement of Financial Position
March 31, 2010, with comparative figures for 2009

<table>
<thead>
<tr>
<th>Assets</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 622,677</td>
<td>$ 499,320</td>
</tr>
<tr>
<td>Short-term investments</td>
<td>705,455</td>
<td>633,798</td>
</tr>
<tr>
<td>Accounts receivable (note 3)</td>
<td>92,590</td>
<td>141,566</td>
</tr>
<tr>
<td>Inventory</td>
<td>1,901</td>
<td>—</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>2,271</td>
<td>3,352</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>1,424,894</strong></td>
<td><strong>1,278,036</strong></td>
</tr>
<tr>
<td>Fixed assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>394,790</td>
<td>396,824</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>27,876</td>
<td>29,182</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>1,452,770</strong></td>
<td><strong>1,307,218</strong></td>
</tr>
</tbody>
</table>

| Liabilities and Net Assets   |            |            |
| Current liabilities:         |            |            |
| Accounts payable and accrued liabilities (note 3) | $ 442,467 | $ 232,797 |
| Refundable rental deposits   | 74,250     | 83,450     |
| Deferred revenue             | 195,044    | 195,404    |
| **Total Current Liabilities**| **411,761** | **401,641** |

| **Total Liabilities and Net Assets** | $ 1,462,770 | $ 1,408,259 |

Statement of Operations
Year ended March 31, 2010, with comparative figures for 2009

<table>
<thead>
<tr>
<th>Revenue:</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>UBC contribution</td>
<td>$ 1,497,505</td>
<td>$ 1,458,328</td>
</tr>
<tr>
<td>Cecil Green Park (note 4)</td>
<td>420,691</td>
<td>504,117</td>
</tr>
<tr>
<td>Alumni services and marketing (note 6)</td>
<td>252,384</td>
<td>262,391</td>
</tr>
<tr>
<td>Alumni achievement awards event</td>
<td>76,862</td>
<td>108,750</td>
</tr>
<tr>
<td>Trek advertising</td>
<td>44,432</td>
<td>52,202</td>
</tr>
<tr>
<td>Interest</td>
<td>10,827</td>
<td>36,451</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>12,069</td>
<td>17,628</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>2,314,770</strong></td>
<td><strong>2,441,501</strong></td>
</tr>
</tbody>
</table>

| Expenses (note 5):            |            |            |
| Administration                | 899,085     | 832,270     |
| Cecil Green Park (note 4)     | 269,204     | 302,798     |
| Alumni achievement awards event | 108,229     | 107,468     |
| Alumni services and marketing | 107,621     | 86,225      |
| Trek                         | 675,097     | 677,634     |
| Communications               | 302,408     | 341,409     |
| **Total Expenses**            | **2,403,437** | **2,374,284** |

| Excess (deficiency) of revenue over expenses | $ (88,667) | $ 67,217 |

See accompanying notes to financial statements.

Statement of Cash Flows
Year ended March 31, 2010, with comparative figures for 2009

<table>
<thead>
<tr>
<th>Operations:</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excess (deficiency) of revenue over expenses</td>
<td>$ (88,667)</td>
<td>$ 67,217</td>
</tr>
<tr>
<td>Depreciation, an item not involving cash</td>
<td>14,443</td>
<td>19,862</td>
</tr>
<tr>
<td>Changes in non-cash working capital items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>48,976</td>
<td>(26,563)</td>
</tr>
<tr>
<td>Inventory</td>
<td>(1,901)</td>
<td>(3,352)</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>1,081</td>
<td>(387)</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>209,670</td>
<td>244</td>
</tr>
<tr>
<td>Refundable rental deposits</td>
<td>(10,047)</td>
<td>20,880</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>32,749</td>
<td>(2,252)</td>
</tr>
<tr>
<td><strong>Total Cash Flows</strong></td>
<td><strong>208,836</strong></td>
<td><strong>432,828</strong></td>
</tr>
</tbody>
</table>

| Investments:                 |            |            |
| Purchase of furniture and equipment | (3,873)     | (3,849)    |
| Short-term investments, net | (167,794)  | (166,562)  |
| **Total Cash Flows**          | **208,836** | **432,828** |

Increase (decrease) in cash and cash equivalents | $ 123,357 | (152,290) |

Cash and cash equivalents, beginning of year | $ 499,320 | $ 1,092,614 |

Cash and cash equivalents, end of year | $ 622,677 | $ 699,320 |

See accompanying notes to financial statements.
power. Appropriation of these funds requires the approval of the Association’s Board of Directors but is not subject to other restrictions.

(f) Net assets internally restricted for future equipment purchases: These contributions have been set aside for equipment replacement purposes which are approved by the Board of Directors.

(g) Net assets internally restricted for future operating programs: Appropriations of the operating fund balance are made from time to time to designated funds for specific projects. When the projects take place, the costs are included in operating expenses and the amounts are removed from the operating fund balance.

(h) Revenue contributions: The Association follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection reasonably assured. Endowment contributions are recognized as direct increases in net assets. The Association currently has no endowment funds. Other contributions subject to external restrictions are not significant and are recognized as revenue in the year in which the related expenses are incurred.

(i) Contributed services: Volunteers contribute significant time each year to assist in carrying out the Association’s service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

(j) Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to revenue recognition and the determination of useful lives of furniture and equipment for calculating depreciation.

(k) Financial instruments: The Association designated cash and cash equivalents and short-term investments as held-for-trading, accounts receivable as loans and receivables, and accounts payable and accrued liabilities as other liabilities. Revenue contributions classified as held-for-trading are measured at fair value and changes in fair value are recognized in the statement of operations. Receivables and other liabilities are measured at amortized cost using the effective interest rate method.

(l) New accounting pronouncements:

(i) Financial instruments: During the Association’s 2009 fiscal year, the Canadian Institute of Chartered Accountants (CICA) announced that not-for-profit organizations could elect to continue to apply Handbook Section 3861, Financial Instruments – Disclosure and Presentation in place of Handbook Sections 3862, Financial Instruments – Disclosure and 3863, Financial Instruments – Presentation. Security Section 3862 and 3863 place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how an entity manages those risks. The Association has elected to apply the financial instrument disclosure and presentation standards in accordance with Section 3861.

(ii) Revisions to not-for-profit accounting standards: On April 1, 2009, the Association adopted the CICA amendments to Handbook Sections 4400, Financial Statement Presentation by Not-for-Profit Organizations and 4470, Disclosure of Allocated Expense by Not-for-Profit Organizations. The amendments remove the requirement to disclose net assets invested in capital assets, clarify capital asset recognition criteria and amortization, expand inter-fund financial statement requirements to not-for-profit organizations that prepare interim financial statements, require disclosure of allocated fundraising and general support expenses by not-for-profit organizations, and include the requirement to follow Handbook Section 1540, Cash Flow Statements. The adoption of these amendments did not have a material impact on the Association’s financial statements.

(m) Future accounting pronouncements:

(i) Changes in accounting framework: The CICA has decided to transition Canadian GAAP for publicly accountable entities to International Financial Reporting Standards (IFRS) effective January 1, 2011. The Association is currently classified as a not-for-profit organization. The Accounting Standards Board (ASB) and Public Sector Accounting Board (PSAB) have jointly issued an exposure draft to invite feedback on the proposals for future financial reporting standards for not for profit organizations. The Association is in the process of reviewing the impact of these documents on its financial statements.

3. Related party balances:

Included in accounts receivable is $745 (2009 – nil) receivable from the University. Also included in accounts payable and accrued liabilities is $332,416 (2009 – $65,040) payable to the University. Included in accounts payable and accrued liabilities is $42,514 (2009 – $38,726) of funds held on behalf of various divisions and departments of the University to cover expenses which the Association will incur on their behalf.
4. Cecil Green Park:
The Association shares Cecil Green Park revenue in excess of the net of
the Association's direct cost related to the short-term leasing/booking of
the premises and any proctor services annually with the University on a
50/50 basis. The cost of sharing this revenue is included in the expense
caption “Cecil Green Park” in the statement of operations.
5. Functional allocation of expenses:
The costs of providing programs and other activities have been presented
on a program basis in the statement of operations. Accordingly, salaries
and other costs have been allocated among the programs and supporting
services benefited.

The expenses of the Association on an account group basis are as follows:

6. Membership services and marketing revenue:
(a) During the year ended March 31, 2009, the Association entered
into an agreement with Manulife Financial Inc. (Manulife). Under
the terms of the agreement, the Association provided to Manulife
the exclusive rights to market its life insurance to members of the
Association until September 30, 2018.
(b) During the year ended March 31, 2009, the Association entered
into an agreement with the Manufacturer's Life Insurance Company
(Manulife). Under the terms of the agreement the Association will
provide Manulife the exclusive rights to market its life insurance to
members of the Association until September 1, 2018.
(c) During the year ended March 31, 2006, the Association entered
into an agreement with the MBNA Canada Bank (MBNA). Under
the terms of the agreement, MBNA has the exclusive right to market
its products to members of the Association until December 31, 2010.
(d) During the year ended March 31, 2005, the Association entered
into an agreement with ClearSight Wealth Management Inc.
(ClearSight). Under the terms of the agreement, the Association
will provide ClearSight the exclusive rights to market its investment
services to members of the Association until November 17, 2009.

7. Financial instruments:
At March 31, 2010, the Association has the following financial instruments:
cash and cash equivalents, short-term investments, accounts receivable,
and accounts payable and accrued liabilities. The fair values of these
financial instruments are considered to approximate their carrying values
based on their short-term nature. It is management’s opinion that the
Association is not exposed to significant interest or credit risks arising
from these financial instruments.
8. Capital management:
The Association receives its principal source of capital through funding
received from the University. The Association defines capital to be net assets.
The Association’s objective when managing capital is to fund its
operations and support the involvement of alumni in the activities of the
University. The Association’s strategy is to monitor expenditures to preserve
capital in accordance with budgeted funding granted by the University.
The Association is not subject to debt covenants. The Association has
complied with the external restrictions on the funding provided.
9. Subsequent event:
Subsequent to March 31, 2010, the Association and the University have
approved an agreement in principle to construct a new alumni centre on
land currently held by the University. In addition, the Association and the
University have agreed to conduct a collaborative fundraising campaign
to fund the construction. The University has agreed to advance a total of
$1,500,000 to the Association of which $600,000 has been approved
by the University’s board of governors to fund the preliminary design,
and a further $900,000 to fund the detailed design of the alumni centre,
which is dependent on approval by the University’s board of governors.
The advances will bear interest and are repayable to the University upon
achieving certain fundraising goals.

The year by the numbers:
UBC alumni booked 114 events at Cecil Green Park House
1,879 alumni volunteered at UBC
179 eblasts sent to 92,000 email addresses
Number of alumni actively engaged with their Alumni Association:
20,055 (a 17% increase)
Number of visitors to the Alumni Affairs website:
109,478 (an increase of nearly 20%)

Notes to Financial Statements cont’d
Every organizational journey requires a full understanding of the surrounding environment that could ultimately affect its success. The Alumni Dashboard represents UBC Alumni Affairs tracking of factors that influence its ability to meet the objectives of the alumni, the Association, and the university.

This tool is regularly presented to the Association and UBC boards to demonstrate Alumni Affairs’ performance. To align with the new engagement strategy, it is currently being redesigned for 2010/11.

The Alumni Dashboard