MLA Funding Review Committee

August 24 Workshop

Discussion Document

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Workshop Discussion Document

Context for a Review of Alberta Learning's Funding Framework for Post-Secondary Institutions

Overview of the MLA Funding Review

The Committee:

The Committee will make recommendations to ensure that funding will maximise accessibility to high quality and affordable learning opportunities while maintaining institutional accountability.

In March 2000, the Minister of Learning established a committee of MLAs and private citizens to review Alberta Learning's approach to funding post-secondary institutions. The objective of this review is to ensure that funding maximises accessibility to high quality and affordable learning opportunities while maintaining institutional accountability. The context of the review is to focus on the potential methods of distributing existing available resources and not to focus on adequacy of funding to the system.

It is intended that the Committee will make recommendations to the Minister by the fall of 2000. The Committee members are Medicine Hat MLA Rob Renner, Chair; Wetaskiwin-Camrose MLA LeRoy Johnson; Calgary-Glenmore MLA Ron Stevens; former Students Finance Board Chair Fred Clarke; and Kjersti Powell, former board chair of Keyano College.

The Committee works within the government commitment to maintain and improve a high-quality adult learning system that is accessible, affordable, and responsive to both the needs of the learner and to the demands of a dynamic economy and labour market.

The Committee has consulted with post-secondary institutions, provincial faculty, student associations, government departments, and other stakeholders in order to make recommendations on funding arrangements for Alberta's post-secondary institutions. Through these consultations the Committee sought advice as to whether the current allocation methods are aiding institutions in providing accessible, responsive and affordable educational opportunities, while ensuring accountability to students and taxpayers, or if they are creating imbalances in the system that need to be addressed.

The Process:

The MLA Committee began the review by asking stakeholders for written submissions. Seventy-three submissions were received. In addition, meetings were held with eight umbrella organisations and 14 institutions. The results of the information-sharing sessions have been reflected in this document. As well, this document will form the basis for discussion at a workshop to be held in Edmonton on August 24. Attendance at the workshop is by invitation. Public and interested parties unable to attend the workshop can submit their responses to this Discussion Document by mail, telephone or facsimile.

What We Heard

The following represent the key themes and discussion points arising out of the submissions and consultations to date.

Respondents expressed a concern that the current mechanism does not directly accommodate general cost increases. While the Access Fund is intended to accommodate volume, the Performance Envelope and tuition fee revenue are the core mechanisms available for adding new resources to the system. Respondents agreed that these components were not sufficient to fully accommodate general cost increases. Details of the existing funding model can be found in Appendix 1 of this document.

Key Themes:

Funds should be distributed equitably.

Equity: A majority of respondents were concerned with the equity of the existing funding approach. In a number of submissions this concern was tempered by the observation that the base may be equitable, but that it needs to be substantiated or validated.

When referring to equity, it was often pointed out that funding within the current model is not distributed on a formulaic basis. Rather, the majority of grant funding is allocated on an historical basis for which the past criteria are not clear.

A number of responses indicated there may be an equity problem because the system is not currently formula-driven. In other words, the means for allocating funding is not visible or based on underlying variables such as enrolment. Establishing equity would require agreement on the variables to be considered.

In general, the larger urban-based institutions felt the present mechanism did not promote equity since enrolment increases were not fully funded, while the smaller and rural-based institutions indicated that the funding mechanism needed to reflect economies of scale, distributed delivery, northern costs, and program mix. However, it was not entirely clear in several of the responses whether an argument was being made for additional funding, or whether a future mechanism needs to reflect these factors.

A number of responses indicated that equity does not exist owing to the widely varying ability of institutions to access alternative revenue sources, including tuition fees and private sector revenue.

The funding model needs to recognise institutional differences while encouraging common system-wide goals.

Differentiation: Another central issue in the funding of institutions within any post-secondary system is the extent to which the funding model should be universally or differentially applied. We have heard that our system is diverse rather than homogeneous, and that a funding mechanism needs to reflect that. The question was often raised as to whether the government intended to promote a homogeneous system of institutions and programs, or to develop a rich diversity of programs. A one-size-fits-all approach may not be consistent with a province that is diverse in its student population, regional economies, and local needs.

That being said, there are system-wide goals that are common to all institutions within the system. There are also sub-systems within the adult learning system which share common objectives, similar program mandates, and perhaps similar challenges, whether they be financial, geographic, or program-based.

Institutions vary considerably in terms of their geographic disposition. Of the 26 publicly funded institutions within the system, half are situated within major urban centres (Calgary, Edmonton, Lethbridge, and Red Deer). Geographic disposition affects an institution's ability to generate revenue from alternative sources. The size of the region served may also reduce an institution's ability to achieve significant economies of scale. For example, the distribution of an institution's campuses and its travel expenses may affect costs. A number of institutions reported that location also affects an institution's ability to obtain and retain staff. Several responses pointed out that some institutions are more regionally focused with their enrolment drawn primarily from a defined service region.

The discussion of differentiation manifested itself in a variety of ways throughout the responses. For example, some respondents suggested funding certain sectors differently than the rest of the system. It was also suggested that differentiation could be recognised through mandate or institution-specific performance measures within the Performance Envelope.

Reporting processes should be less complex.

Complexity/Simplicity: An issue that is closely related to differentiation is the complexity of the funding model and the concurrent reporting requirements.

A number of responses suggested that existing reporting requirements are onerous, and that general reporting for accountability purposes or in an effort to access envelope resources are burdensome. It was suggested that the funding envelope system should be simplified, including the extent and breadth of reporting to the Ministry.

At the same time, some respondents suggested that the current reporting requirements are not unnecessarily onerous. It must be emphasised, as well, that one of the key themes arising out of the responses was the need for the funding mechanism to allow for differences between institutions, such as mandate, size, location, and economy of scale.

The model should provide greater stability and predictability.

Stability/Predictability: A number of respondents addressed the issue of predictability. They suggested that as the Ministry moves away from base funding toward providing a greater proportion of funding through envelopes, funding becomes less predictable. It was suggested that funding decisions need to be made on a longer-term planning horizon.

Several responses also noted that many government departments are now involved in the funding decisions, which has added to both the complexity and lack of predictability.

Should collaboration be financially recognised?

Funding Collaboration: A number of stakeholders indicated that the existing funding mechanism unduly emphasises competition over collaboration. It was suggested that measures should be introduced in the Performance Envelope to recognise and reward collaboration. It was also suggested that collaborative initiatives should be directly rewarded. In some instances, these recommendations were made with reference to joint infrastructure initiatives, such as information systems. In others, they were made with reference to program offerings.

It could be argued that collaboration brings its own inherent rewards, and that one way to reduce complexity is to avoid providing specific funding rewards for collaboration. It was also pointed out by a number of institutions that collaboration incurs additional costs that are not being addressed in the current funding environment.

Some respondents have pointed out that collaboration needs to be encouraged at the political level and cannot be promoted through a funding mechanism. They also noted that collaboration is something that can be promoted through guiding principles, but cannot be easily or accurately measured.

For example, the original Campus Alberta concept is considered a valuable model for moving the system forward in a collaborative, progressive and integrated way. This model has now been extended to include K-12 education, as well as the post-secondary system. One issue to address is whether the funding mechanism should reflect the Campus Alberta initiative.

Enrolment shifts put additional pressures on funds.

Enrolment-Based Funding: A number of responses suggested that the funding mechanism needs to be more responsive to enrolment shifts. In some cases, it was suggested that an enrolment-weighted formula should be introduced, while in other responses it was noted that variable enrolment growth throughout the system has been a key contributor to inequity.

The Universities Co-ordinating Council, which represents the four universities, recommended an enrolment-weighted formula. Within the college and technical institutes sector, a majority of institutions appeared not to support an enrolment-weighted formula. Four colleges and technical institutes explicitly recommended that an enrolment formula not be introduced.

Respondents suggested that enrolment sensitivity could be addressed in any of the following ways:

1. An enrolment-weighted formula;
2. A marginal funding envelope for general enrolment increases;
3. A hybrid model of funding fixed costs and variable costs; and
4. Enhanced sensitivity or more funding in the Performance Envelope.

However, it was not clear whether an enrolment-weighted formula would be supported in a finite-funding model or whether the underlying assumption was that new funding would be added to the system each year in recognition of general enrolment increases. If new funding was not available, the mechanism would work similar to Ontario's system where the rates are rolled back each year to stay within budget. This means that the funding mechanism would serve as a reallocation mechanism. Concerns were raised that any institution that did not meet the provincial average growth in enrolment could lose funding each year.

Some proposals supported a hybrid model. In a hybrid model, the institution is assured funding for fixed costs and a smaller portion of funding is allocated on the basis of enrolment. A number of the smaller and rural institutions suggested that at minimum, fixed costs should be separated from variable costs. This would protect some of the smaller institutions from short-term fluctuations, and has merit for some colleges since they are more susceptible to fluctuations in enrolment and have more difficulty responding to short-term fluctuations.

There is general support for the Access Fund, but respondents felt that both targeted and general enrolment increases should be rewarded.

Access Fund Envelope: A majority of institutions supported the Access Fund as well as the program classification that is used. However, there was some concern that the Access Fund does not support general enrolment increases or is inherently biased since funding is targeted to specific programs.

It was suggested that the Access Fund should have two dimensions:

1. Targeted enrolment increases; and
2. General enrolment increases.

It was not clear how the Access Fund could be used in conjunction with an enrolment-based formula since it could result in double-funding enrolments.

A number of institutions noted that Access Fund support is based on priority areas determined by the government. They claimed this tended to increase system inequities as those institutions in the Edmonton-Calgary corridor are more likely to receive support, and only programs deemed to have a system-wide demand for graduates are supported. Consequently, local labour market needs are not necessarily addressed through this envelope.

Institutions were also concerned that the Access Fund only provides marginal funding support for additional students. They claimed this has resulted in internal reallocations, which have led to inequities within institutions.

While there is general support for the Performance Envelope, performance measures may need to be modified.

Performance Envelope: A majority of respondents supported the existing Performance Envelope. However, concerns were expressed that there should be a greater degree of differentiation to reflect unique circumstances, program mix, or mandate. A number of institutions suggested that they should be able to determine some of the performance measures upon which they are evaluated.

Several respondents commented that apart from tuition fee revenues, the only source of new unrestricted funding available was through the Performance Envelope. They recommended that funding to accommodate inflation should be separated from performance funding. They also suggested that performance funding be increased to make it more meaningful.

A number of respondents agreed that Performance Envelope indicators should be more reflective of individual circumstances. For example, if an institution has already increased enrolment by 5% in each year for two years, it becomes more difficult to continue this rate of growth in subsequent years. Additionally, some institutions may be at or near their physical capacity, which prevents them from achieving substantial enrolment growth. In some cases, it was suggested that the Performance Envelope should reward an institution's performance relative to its past performance or progress.

The Performance Envelope consists of a differential award as well as a system award. The differential award recognises institution-specific achievement, while the system award is an across-the-board adjustment. Respondents also suggested that the across-the-board adjustment is intended to reflect system progress and should not replace a price adjustment. Respondents recommended that the system award should be based upon benchmarks to ensure that the system is successfully meeting its goals.

A number of respondents suggested that for the Performance Envelope to be meaningful, the level of funding should not be fixed or based on a predetermined pool of resources. It was suggested that the pool of funding should be based on achievement of specific benchmarks.

Some argued that board governance was an adeqvIte means of checking performance. Others suggested that performance should be monitored, but that this should not be tied to funding allocations.

The Tuition Fee Policy needs to be reviewed.

Tuition Fee Policy: A number of concerns were expressed with the existing tuition fee policy, including a recommendation that the policy needs to be reviewed.

A primary concern was that when the tuition fee policy was introduced, institutions were at different "levels" of tuition relative to net operating expenditure. Consequently, a policy that relates tuition revenue to expenditure can bias an institution depending upon where it started.

Concerns were also expressed that the tuition fee revenue served as one of the major sources of revenue to accommodate inflationary growth. By the end of the current fiscal year, many institutions will be nearing the cap and, therefore, will require an alternative revenue source to meet general inflation.

To a number of respondents, the tuition fee policy was also a major contributor to inequity within the system, since institutions have widely varying abilities to generate revenue.

By basing the tuition cap on net operating expenditure, it was argued that more 'efficient' institutions (those that have lower net operating spending) are penalized. Conversely those institutions that can increase operating expenditures, perhaps by enhancing cost-recovery revenue, are able to pass these costs on to students in the form of higher tuition.

Finally, it was noted that although the province has a policy establishing the minimum contribution expected of students to support post-secondary education costs, it does not have a policy establishing the minimum contribution to be provided by government.

The indirect costs of sponsored research cause additional cost pressures.

Research Funding: Respondents had two major concerns with regard to research funding. First, they were concerned that universities are not funded for the indirect costs of research, which means they are depleting their operating funds to support research. This concern was strongest respecting sponsored research. Second, they are concerned that some non-universities do not receive funding for general professional research.

Concern with general professional research funding was particularly pronounced in the private university colleges (PUC) sector, since these institutions are degree granting. The PUCs also expressed concern that they were able to apply for certain federally administered research grants, but were not deemed eligible to apply for matching provincial funding. Nevertheless, the major concern of universities was not related to general professional research, but to the indirect costs of sponsored research.

The university sector recommended that additional funding should be provided to recognise the indirect cost of research for which they are not now directly funded. Eleven institutions felt that research-funding needs to be expanded to the non-university sector, particularly to institutions with degree granting status. These institutions also felt that additional funding should be provided to recognise the indirect cost of research in the private university colleges, colleges and technical institutes sector.

Some institutions argued that the provincial government should institute formal funding of the social sciences and humanities through a provincial equivalent to the Social Sciences and Humanities Research Council of Canada (SSHRC).

Additional Issues:

Additional points raised related to adequacy, funding for capital, funding for private university colleges and apprenticeship training. While significant, these issues are beyond the scope of this MLA Funding Review Committee.

Several other issues were raised in the discussions with institutions. Some of these, particularly adequacy, were beyond the mandate of the MLA Funding Review Committee. Other issues included capital funding, private university colleges, and apprenticeship.

Adequacy: Although it has not been part of the mandate of the MLA Funding Review Committee, numerous concerns were expressed regarding the adequacy of funding.

Respondents were concerned that existing funding levels have not kept pace with cost pressures. It was also pointed out that the existing funding mechanism is based primarily on a marginal funding model and that each of the envelopes is not intended to cover the full cost of programs, capital expansion or other initiatives.

It was also pointed out that the existing funding approach does not fully recognise enrolment growth. This was of particular concern to respondents since enrolment growth has been highly variable throughout the system. It was suggested that not fully funding enrolment growth has been a major contributing factor to inequity within the system.

The lack of a specific funding provision for inflation was also a major concern. As a number of respondents noted, an institution's ability to respond to cost pressures depends upon its ability to access revenue through tuition and related fees, the Performance Envelope, and the Access Fund. However, many institutions are nearing the cap for tuition fee revenue, which was allowing for a 2% annual enhancement to total revenue. The Performance Envelope is intended to reward performance and represents less than 1% of total system revenue. The Access Fund is intended to accommodate enrolment expansion in priority areas rather than cost increases.

Within this context, a majority of institutions recommended that the Performance Envelope not be used as a vehicle to accommodate cost increases, suggesting that a separate base grant adjustment for inflation would be more appropriate. It also was suggested that funding levels and outcomes in the Alberta system should be benchmarked against those of other provinces.

Capital Funding: Institutions expressed concerns that additional funding is required in three major areas:

1. *Maintenance* – funds to preserve the existing capital infrastructure;
2. *Deferred maintenance* – funds to meet the deferred maintenance backlog which has now accumulated; and
3. *Expansion* – funds to support expansion of capital facilities to meet enrolment growth.

The university sector was also concerned that capital funding is not generally available to support research infrastructure. As well, a few responses mentioned that the current approach to capital funding did not reflect new modes of delivery. The private university colleges argued that some level of capital support should be provided to their institutions to assist with ongoing infrastructure needs such as equipment and furniture.

By and large, however, there was strong support for the capital renewal funding formula that was previously in existence. This was an inventory-based model, which took into account the age, value, and anticipated life of the asset.

Private University Colleges: The private colleges were concerned that funding was not available to bring their level of funding per student in arts and science undergraduate programs to the same level as that provided to public universities. They are concerned that current levels of provincial base operations grants do not meet the policy goal of 75% funding of equivalent public institutions. They also expressed concern that there is no support for capital or infrastructure, and also that they are not eligible to compete for research funding.

The Private University Colleges argued that they have experienced considerable enrolment growth in the 1990s. They suggested that this has resulted in inequitable funding levels as compared with public institutions.

Apprenticeship: Some respondents felt that a different model of funding apprenticeship programs needs to be considered. For example, it was noted that the department identifies program specific apprenticeship levels and caps the tuition fee levels. This control on inputs, coupled with high equipment and infrastructure costs, does not allow institutions to achieve or maximise economies. Since the department's policies focus on inputs, it was suggested that the apprenticeship-funding model should too.

Guiding Principles:

Recommendations must be guided by principles and support the system-wide goals of accessibility, responsiveness, affordability, and accountability.

As a first step in developing recommendations for improving the current funding framework there is a need to define the principles such a funding framework must meet. As a starting point, below are the principles that were used to guide the development of the existing funding mechanism. One of the key outcomes of the August workshop will be to validate or modify these principles. The adjusted standards will provide the basis for assessing the future model of funding.

Quality: it should encourage excellence and support outcomes and results that are effective in meeting the needs of learners.

Productivity: it should support and provide incentives for the achievement of policy objectives, desired outcomes, and improvements in performance.

Equity: it should allocate funds in a fair manner, taking into account the differences in institutions, such as their missions, mandates, programs, sizes, and locations.

Practicality: it should be understandable by stakeholders and other Albertans. Technical complexity should be avoided and the administration costs of the mechanism should be low.

Consistency: it should employ measures that can be used in a fair, consistent and comparable manner throughout the post-secondary system.

Adaptability: it should be able to meet changing circumstances and be effective in periods of funding stability, growth or reduction. There should be a process or provision for periodic review of the mechanism to ensure it applies to the environment of the times.

Stability: it should moderate large fluctuations in funding to ensure that the system continues to be able to meet learner needs.

Predictability: it should encourage planning that is consistent with system goals and the department's business plan. In addition, learners and institutions should be given sufficient lead time to deal with intended changes.

Consultation Questions

The initial consultations of the MLA Funding Review Committee have generated some important information and thought. The mandate of the Committee is to:

- Review funding arrangements for Alberta's post-secondary institutions; and
- Determine whether methods of allocation are aiding institutions in providing accessible, responsive and affordable educational opportunities, while ensuring accountability to students and taxpayers; and
- Ascertain whether allocation methods are creating imbalances in the system that need to be addressed.

To fulfil its mandate, the Committee is requesting further input on the following questions relating to the key themes identified. These are the core questions that should be considered when evaluating the models presented in this document or developed during the workshop. Participants are also encouraged to consider how successful the options are in meeting the guiding principles.

1. Differentiation:

In general, the majority of institutions felt that there should be greater recognition of uniqueness or diversity within the system. This concern was evident in suggestions the Performance Envelope does not reflect mandate or institution-specific indicators. It was suggested some sectors or programs should be funded differently. For example, some institutions might have a research mandate, while others might have an apprenticeship mandate. Is it agreed that the existing funding mechanism needs to incorporate greater differentiation? How can this be done without adding more complexity to the funding mechanism?

2. Funding Sensitivity:

Respondents suggested that enrolment might be a key factor contributing to inequity. The rural institutions felt that a funding model should reflect breadth of mandate, community service orientation, higher cost structure, sparsity of population, and reduced economies of scale. In contrast, the larger urban institutions felt that they were not adequately compensated for enrolment increases. It was suggested that the funding mechanism should reflect unique circumstances, and should be responsive to a dynamic environment. Has the current funding mechanism led to specific examples of inequity within the system? Does the current funding mechanism allow for the degree of sensitivity required to meet emerging demands? Should there be greater variability of funding according to performance? How should research funding be acknowledged?

3. Input versus Outcome Based Funding:

A key concern expressed throughout the funding review consultations was that the current funding model does not fully recognise enrolment shifts, and that enrolment shifts are a key influence on equity within the system. Enrolment is a key input factor. Input-based models may reflect student/faculty ratios, line-item budgeting or enrolment. It was also noted that there are certain fixed input costs that are not related to enrolment. Is an input-based model preferred over an output or result-based model? Is an enrolment-based formula a preferable approach to funding? If so, what is the preferred model for enrolment-based funding? What would happen if there were to be a decrease in enrolment? Does an input-based model satisfy the principles of stability and predictability?

4. Tuition Fee Policy:

A key component of institution funding is tuition fee revenue. Respondents expressed a number of concerns regarding the existing tuition fee policy. Many institutions are nearing the cap. In that institutions have variable capacity to utilize this revenue source, it can contribute to inequity. Further tuition increases may affect accessibility. A corresponding policy may be required regarding the appropriate level of government contribution to the cost of education. What suggestions are there for a tuition fee policy that appropriately balances system quality, affordability and accessibility? If the base operations grant mechanism is altered, how should the tuition fee policy change?

Options Recommended by Respondents

The following four models represent a range of options that have been suggested by respondents throughout the funding review consultations. These models are not intended to be comprehensive, but rather to provide a basis for discussions at the Workshop.

Option A: ***Retain Existing Funding Mechanism and Envelopes. Provide additional funding if required to adjust for equity.***

Model:

Access Fund, Base Operations Grant, Research Excellence, and Infrastructure Renewal envelopes are retained. Adjust base operations grant to respond to inequities through either one-time or multi-year infusion of new resources. Performance Envelope is enhanced to allow for greater sensitivity to enrolment changes. The Performance Envelope is also modified to allow for mandate-specific differentiation. This option would not involve a reallocation of the existing base among institutions. As new funds become available to the system, the first call on resources would be to address any inequities.

Option B: Introduce Weighted Enrolment-based Funding.

Model:

A weighted enrolment formula is introduced to replace the existing base operations grant. To avoid undue complexity, per-student grant funding rates are established to correspond to broad program bands (similar to the Access Fund). Given that general enrolment increases are accommodated through enrolment-based funding, the Access Fund would need to be modified so that less funding is awarded for new program enrolment in targeted areas. The Performance Envelope is enhanced however, enrolment and access indicators are replaced with other indicators (e.g. those geared to completion, duration in program and cost-efficiency, such as cost/FLE and completion rate).

Option C: Introduce Weighted Enrolment-based Funding in Combination with Base Operations Grant.

Model:

Similar to Option B, however, a portion of the existing base operations grant is fixed (i.e., not driven by enrolment levels) to allow for stability and continuity and to meet fixed costs.

Option D: Introduce a Model with Separate Mechanisms for Funding Universities, Colleges, and Technical Institutes

Model:

A variety of different methods are developed for funding institutions in the different sectors of Alberta's post secondary education system. For example, the university sector could be funded through a weighted enrolment based formula, as suggested in Option B. The colleges and technical institutes could be funded via a weighted enrolment based approach in combination with a base operations grant, as suggested in Option C. Alternatively, the funding approach for colleges and technical institutes could be separated to reflect the differences of each sector.

Appendix

Appendix 1: Overview of the Alberta Funding Approach

The province provides funding to 26 post-secondary institutions: four universities, two technical institutes, 15 public colleges, four private university colleges, and Banff Centre for Continuing Education. Alberta's post-secondary institutions derive revenue support for their activities from several sources: grants from Alberta Learning and other provincial Ministries; tuition and other student fees; revenues from ancillary services; sponsored research grants from other provincial and federal agencies and private industry; and other sources such as investments and donations.

Alberta Learning provides operating funding to support the delivery of credit programs. Institutions provide other services, such as non-credit programs, ancillary services, and sponsored research on a cost-recovery basis. Other Ministries provide grant support for infrastructure, research and other specific projects related to the mandate of an institution. The majority of departmental funding for post-secondary institutions is provided in the form of base operations grants, envelope funding and grant funding from other Ministries. The Government of Alberta provided a total of $978 million in funding to post-secondary institutions in 1999-2000 though base operations grants and envelope funding.

It is the Alberta government's policy that the funding of credit instruction is a responsibility to be shared by students, along with their families, and society, with students paying no more than 30% through tuition fees. Alberta Learning currently funds about two-thirds of the cost of delivering credit programs, while tuition fee revenues contribute about one quarter and other institutional revenues cover the remaining portion. In addition to tuition fees that are subject to policy, institutions derive revenue from non-credit tuition, off-campus and contractual offerings.

Base Operations Grants

Base operations grants provide a stable funding base of primarily unconditional grants to post-secondary institutions. These ongoing grants provide funding for program delivery, administration and general capital maintenance needs of institutions. In 1999-2000, $800 million was allocated through base operations grants and this was increased to $819 million in 2000-2001. This accounts for approximately 85% of the Government of Alberta's grants to post-secondary institutions.

Funding Envelopes

Funding envelopes are used by the Government of Alberta to meet current and emerging needs of its post-secondary system by rewarding progress towards the government's objectives for the adult learning system and assisting and acting as incentives for the system to meet these aims. Accountability requirements are core to funding from these envelopes. The Ministry sets guidelines and monitors the performance of post-secondary institutions to ensure appropriate use of public funds. Allocations from each funding envelope are done on an independent basis using criteria specific to that envelope. For 1999-2000, the Government of Alberta's envelopes provided $178 million including a $38 million one-time infrastructure announcement. The various funding envelopes are briefly described below:

- Access Fund ($50.9 million allocated in 1999-2000) – aims to increase learners' access to relevant learning opportunities in Alberta's post-secondary system. These grants become part of the base operations grant once enrolment and funding have stabilised. Institutions submit program proposals indicating how they will expand access to credit programs in priority subject areas that respond to student and labour market demand, as well as government priorities. Funding is now granted to students on a per FLE student basis for program delivery and facility operations. Per student funding of a particular program is the same regardless of the institution delivering the program. One-time funding may also be provided to support institutional purchases of equipment, construction or renovation of facilities, and/or curriculum development
- Performance Envelope ($17.3 million allocated in 1999-2000) – aims to reward performance at an institution. The envelope has two components, the system award and a progress award. These awards are added to an institution's base operations grant in subsequent years. From 1997-2000, the system award has been 1% of the sum of an institution's general operations grant combined with all conditional program grants. The progress award is based on a set of Key Performance Indicators (KPIs) that are used to assess and reward the progress an institution is making toward meeting Ministry goals. KPIs include enrolment, graduate employment rate, graduate satisfaction, administration expenditures, and enterprise revenue. For the 3 campus-based universities, there are also four research performance indicators.
- Learning Enhancement Envelope ($10.0 million allocated in 1999-2000) – provides one-time grants to expand opportunity, improve learning and increase productivity through the integration of information and telecommunications technologies.
- Curriculum Redevelopment Fund ($867,500 allocated in 1999-2000) – provides one-time grants for the redevelopment of curriculum for distance learning and alternative delivery
- Equipment Renewal ($10 million allocated in 1999-2000) – provides one-time grants on a matching basis for replacement and upgrading of equipment at public post-secondary institutions. A formula consisting of two components (share of enrolment and a ratio used to determine the general maintenance portion of base operations grants).
- Infrastructure Facility Renewal ($71.2 million allocated in 1999-2000) – provided to reduce deferred maintenance and address ongoing maintenance requirements at public post-secondary institutions. Annual one-time grants are allocated based on infrastructure condition and square footage. Beginning in 2000-2001, Alberta Infrastructure will administer this envelope.

- Research Excellence Envelope ($3.5 million allocated in 1999-2000) – aims to reward and foster research excellence at public universities. Allocations are made using a weighted formula that considers each university's success in gaining national granting council awards, and the ratio of these awards to government operating grants.
- Intellectual Infrastructure Partnership Program ($15 million allocated in 1999-2000) – aims to increase research excellence and competitiveness of Alberta universities and research hospitals via strategic investment in research infrastructure.

Capital Funding

Only the public institutions are eligible for capital funding. Post-secondary institutions receive facility renewal funding through the Infrastructure Renewal Envelope, which (as of 2000-2001) is administered by Alberta Infrastructure. In 1997-98, there was a backlog of $350 million worth of deferred maintenance in the system. Annual ongoing needs are $78 million, and there is a need for expansion of existing facilities.

Institutions may build new facilities if they meet certain conditions. For example, if an institution wishes to borrow in order to build core activity facilities, it must meet cabinet-approved criteria. Institutions must show how ongoing operating costs of new facilities will be met. Ancillary services (such as parkades and residences) are supported entirely from revenues generated through these activities. New projects should be funded by relatively equal contributions from the private sector, the institution and government. All institutions have been requested to prepare and submit campus development plans with a ten-year timeframe.

Appendix 2: Overview of Funding Approaches in Other Jurisdictions

Throughout North America, Australia and Europe funding mechanisms tend to fall into one of the following categories:
- **Bureaucratic Model:** This model consists of a detailed line item analysis of costs.
- **Block Funding Grant:** This is an historical funding method. Adjustments are made to the block grant on margin or through other envelopes.
- **Enrolment Formula:** Funding is distributed on the basis of enrolment. Adjustments can be made to reflect available resources. In other words, funding is distributed based on each institution's relative share of enrolment
- **Weighted Enrolment Formula:** Funding is distributed on the basis of enrolment. The resources per enrolment unit vary depending upon program cost. Adjustments can be made to reflect available resources. In other words, funding is distributed based on each institution's relative share of enrolment.

- **Envelopes:** Most jurisdictions supplement one of the above methods with one or more special or targeted envelopes designed to meet specific needs. Capital funding or new program funding is most often provided through this method.
- **Performance Funding:** There are now two general types of performance-based funding. The first links funding directly to performance measures, while the second is referred to as performance budgeting, and is intended to link resource allocation to planned targets or measures.

Successive surveys in both Canada and the United States show an increased number of jurisdictions providing funding on the basis of performance measures. However, in the majority of jurisdictions, performance funding is supplementary and does not replace traditional budgeting methods.

Recent studies also show an increased use of performance measures for accountability reporting and for performance-based budgeting. Under performance-based budgeting allocation decisions are made based on performance measures, although there is not an explicit formulaic link.

A number of jurisdictions are undertaking comprehensive reviews of funding approaches, taking into consideration the balance between public and private contributions to the cost of education. In some jurisdictions, consideration is being given to voucher methods of funding, or funding approaches in which funding follows the student, although no practical examples have been found.

In terms of performance funding itself, the following variations on funding approaches have emerged in recent years:

- performance measures change annually or more frequently;
- some discretion is provided to institutions to allow for institution-specified indicators to reflect uniqueness of mandate;
- mandate specific measures; and
- approaches in which high performers are also given more access to other funds (e.g., program development funds).

Canada

Alberta was the first province in Canada to introduce a comprehensive accountability and performance reporting framework, introducing a pilot for KPI reporting in 1995-96 following consultations which began in 1993. Alberta was also the first to introduce performance-based funding. Since this time, most other jurisdictions within Canada have introduced performance measures or plan to introduce a performance measures framework.

Ontario has announced plans to introduce performance based funding as a supplement to its weighted enrolment formula. Nova Scotia has also announced plans to introduce performance-based funding. British Columbia has embarked on an extensive consultation to introduce a comprehensive set of performance measures.

British Columbia

- Each institution receives an annual enrolment-based operating grant based on the number of full-time equivalent students. Overall, government funding represents about 60% of total funding, while student fees represent 16%. The B.C. government has maintained a freeze on tuition fees for the last four years. The Ministry initiated a consultation in 1996 aimed at producing a comprehensive set of indicators for higher education. Each year Ministry establishes a Performance Plan for the system. Additional envelopes for capital funding and Knowledge Development Fund for Research are also in place. Through the Knowledge Development Fund $100 million in capital funding is available to research organisations upon application, including hospitals and post-secondary institutions.

Saskatchewan

- Funding is presently provided through a base operations grant.
- The Ministry has made a commitment to introduce a more activity-based funding mechanism weighted for variable program costs; however, implementation has been delayed past September of 2000. The proposal would also consist of an additional envelope to accommodate capital requirements, including a component to meet maintenance and renewal requirements, and a second component to accommodate new capital expansion.
- The Ministry has recently embarked on an initiative aimed at the development of a performance measures reporting framework, however, there are no plans to link funding explicitly to performance.
- Presently, about 70% of universities' revenue comes from government, while about 25% comes from student fees.

Manitoba

- Institutions are provided with an unconditional block grant. The grant is not enrolment-based or weighted, but historical. Primarily, all institutions receive the same inflation adjustment when available. The current distribution was originally based on an enrolment driven formula, but has been disbanded for some time.
- New program funding is provided following detailed budget analysis. Some funds are available for new programs or term certain projects.
- Some funding is available for capital projects. Funding is allocated for new capital expansion as well as for maintenance and renewal after a review of priorities (not formula-based).
- There is no explicit tuition fee policy. Tuition fees were reduced 10%, although this was revenue neutral for institutions as grant funds were increased.

- There are no plans for a review of the present approach to funding or anticipated changes to the funding approach.

Ontario

- In a 1996 report, the Ministry identified a need to establish a corridor-based funding mechanism for both universities and colleges. There was a view that an enrolment-driven formula created unproductive competition among institutions. Also, there was a belief that a purely enrolment driven formula would not encourage innovation or encourage students to fast track their studies.
- In March, the Ministry announced that a portion of funding (2%) would be distributed for the first time on the basis of performance as measured by three indicators: student employment rates, graduate satisfaction, employer satisfaction. Half of this funding is new.
- Tuition fees would be allowed to increase by no more than 2% per year, representing a contribution from students of about 35% of total costs.
- The majority of institutional funding is provided through an enrolment-based base operations grant, established in 1981-82. Through this formula, funding is allocated on the basis of each institution's respective share of instructional activity within the system, as measured by full-time equivalent enrolment. The FTE is weighted to reflect variable program cost.
- There are additional envelopes, including a formula-based Accessibility Fund to accommodate incremental enrolment growth from 2000-2001 and an Access to Opportunity Grant to target program expansion in particular areas.
- Government funding to institutions represents about 47% of total institutional revenue.

Nova Scotia

- In March 1997, the Nova Scotia Council on Higher Education proposed a new funding formula in its *Discussion paper on the Development of a New Funding Formula for Nova Scotia's Universities*.
- Institutions currently receive funding through a base operations grant. Under the proposal, funding would be provided on the basis of an enrolment-weighted formula with adjustments to reflect available funding.
- Universities would also have access to a research fund that would be performance-based as demonstrated by peer adjudicated research grants.

New Brunswick

- Institutions are provided funding on the basis of enrolment weighted formula.
- Institutions recently were provided with a three-year planning horizon framework, which included a 2% operating grant increase per annum.

United States

- A 1998 Rockefeller Institute Report showed that 13 States have adopted performance funding, a direct link between funding and performance:

Colorado	Connecticut	Florida	Illinois	Kentucky
Minnesota	Missouri	Ohio	Oklahoma	South Carolina
South Dakota	Tennessee	Washington		

- Overall, 50% of States consider performance in the budgeting of public colleges and universities.
- There is a clear increase from earlier surveys. In 1997, 10 States had a direct link between performance and funding.
- Two-thirds of State funding authorities intend to introduce performance measures to the budgeting or funding process within the next five years.
- The Rockefeller survey indicates that States are using performance funding or performance budgeting as a supplement and that it is not intended to replace traditional methods.
- A recent NACUBO paper indicates that the majority of States using performance funding (with the exception of South Carolina) allocated between 1% and 4% of government funding on the basis of performance.
- The number of indicators used in performance funding ranges from between 5 and 37.

Colorado

- Since 1993, legislation has required performance measures reporting and funding in Colorado. Goals for higher education specified in legislation. Between 1 and 2% of total available funding. In 1999-2000, institutions are to be evaluated along the following nine areas: graduation rates, faculty instructional productivity, freshmen persistence, achievement rates, class sizes, approval of diversity plan, institutional support costs, two indicators chosen by institution and governing board and Commission.

Tennessee

- Tennessee was the first state to introduce performance funding in 1975. In 1980-81, public institutions were able to earn up to 2% of appropriations based on results along five different goal areas. The proportion of funding available through performance reached a high of 5.45%. Currently, in terms of performance funding, resources are allocated along six goal areas: educational attainment, quality and performance, teacher education programs, research and public service, faculty and staff, and resources.

Missouri

- Missouri introduced a funding for results program in 1993-94. Annual funding represents 3% of total funds appropriated for public institutions, and less than 20% of new money available. The Funding for Results program defines State priorities. A second tier allows institutions to identify performance measures.

South Carolina

- South Carolina introduced Performance Funding Act legislation in 1996. 100% of institutional funding based on 37 performance measures. The legislation also requires mandate statement approval. The performance measures reflect weight and benchmark variations by sector.

Florida

- In 1994, a Government Performance and Accountability Act was introduced. In 1996, measures were set specifically in legislation. Presently, 2-3% of annual funding is tied to performance representing 25% of all new funding available to institutions. Goals for higher education are specified in legislation.

Illinois

- In 1997, Illinois introduced a performance-based incentive system to reward institutions for high performance and/or for improvement. The goal was originally to allocate 5% of funding based on performance. The 1999-2000 budget reflects 1.5% for performance funding (pilot). Performance funding is based on seven indicator areas: student satisfaction, educational attainment, employment, citizens enrolled in courses within a region, disadvantaged student success, workforce development, upper-division coursework.

Australia

- Australia is known for its history of substantial reform in higher education.
- Institutions are funded through three major components: teaching, research and capital. The funding for research is performance-based, while the funding for the teaching component is based on a guaranteed triennial funding plan, which reflects planned enrolment.
- Australia Higher Education Commission is undergoing a review of its funding framework. Recommendations to the Commission include an extension of performance-based funding to the teaching component.
- The Industry Commission Submission to the Review of Higher Education Financing and Policy also recommends substantial changes to the HEC tuition fee policy, including a linkage of tuition fee revenue to expenditure. Although tuition fee revenue currently represents about 24% of expenditure, tuition fees are uniform across undergraduate programs and institutions, and do not allow for responsiveness to unique circumstances, market demand or cost factors. Other recommendations include introducing measures to discourage students from taking excessive time to

complete a program. As well, it has been recommended that tuition fee revenue rise to 50% of the cost of direct instruction.

Netherlands/Sweden/Denmark

- In each of these three countries, a majority of funding is distributed to institutions on the basis of student progress, including time to completion factors.

United Kingdom

- The funding methodology is based on the concept of funding units, which have three main elements: entry element, teaching, and completion element. Approximately 85% of the element is associated with the teaching element. Colleges earn units based upon their strategic plans, where the institution sets out a target number of units. The institution is guaranteed 90% of the previous year allocation, although funding above this amount is done through a competitive bid process.
- The government has recently initiated a review of its funding for higher education, through its Learning to Succeed initiative. Key highlights of its White Paper, include recommendations to introduce more coherent and transparent funding arrangements, to promote excellence through high quality and value for money, and introduce measures to reduce drop out rates and improve achievement rates.
- New funding formula needs to reflect more closely the variable costs of delivery, while also reflecting achievement. There are also recommendations concerning student contributions, including increasing the contribution from students to 25% of cost.

Appendix 3: Ongoing Grants to Post-Secondary Institutions

(Including Operations Grant, Performance Awards and Access Fund Grants)
1994-95 TO 1998-99 (institutional fiscal year)

Institution	1994-95	1995-96	1996-97	1997-98	1998-99
University of Alberta	240,529,415	227,065,286	221,522,773	225,973,493	231,637,548
University of Calgary	151,828,376	146,090,162	143,693,270	147,360,067	151,149,844
University of Lethbridge	32,151,664	30,419,684	31,309,600	32,056,164	33,010,836
Athabasca University	15,810,705	14,726,156	13,603,795	13,797,615	14,045,684
Sub-Total	440,320,160	418,301,288	410,129,438	419,187,339	429,843,912
ACAD	6,067,674	5,698,461	5,525,078	5,558,436	5,714,286
Bow Valley College*	7,754,220	7,100,611	7,792,581	8,803,334	10,394,505
Fairview	11,034,165	10,261,773	10,141,594	10,692,618	10,995,411
Grande Prairie	13,929,482	13,116,574	12,679,167	13,326,819	13,400,030
Grant MacEwan	25,338,671	25,770,547	27,634,935	28,973,631	29,401,545
Keyano	15,675,843	14,923,671	14,735,122	15,308,494	15,585,494
Lakeland	14,927,445	13,937,133	13,771,530	14,353,097	16,276,615
Lethbridge	15,919,590	14,939,216	15,378,605	15,625,261	15,971,368
Medicine Hat	11,034,030	10,229,638	10,069,123	10,604,139	10,819,284
Mount Royal	28,996,324	28,033,646	27,614,784	29,009,218	29,641,221
NorQuest College*	10,187,600	9,387,695	9,183,881	10,754,300	12,324,995
Northern Lakes College	10,980,500	10,676,403	9,871,722	11,991,757	14,133,552
Olds	11,730,984	10,909,815	11,601,194	12,103,529	12,219,007
Portage College	7,006,222	6,431,404	6,240,148	7,540,672	10,284,179
Red Deer	18,624,316	17,323,888	17,091,046	17,540,947	18,131,372
Sub-Total	209,207,066	198,740,475	199,330,510	212,186,252	225,292,864
NAIT	68,566,504	64,300,929	64,994,073	65,761,574	67,375,022
SAIT	60,113,034	56,418,108	56,299,609	57,664,026	58,375,781
Sub-Total	128,679,538	120,719,037	121,293,682	123,425,600	125,750,803
Augustana University College**	3,263,088	3,006,521	2,916,325	3,157,609	3,189,185
Canadian University College**	795,434	825,732	895,960	911,640	920,755
Concordia University College**	4,033,089	4,252,393	4,001,084	4,435,040	4,588,588
The King's University College**	1,216,148	1,195,352	1,241,891	1,300,824	1,365,702
Sub-Total	9,307,759	9,279,998	9,055,260	9,805,113	10,064,230
Total	**787,514,523**	**747,040,798**	**739,808,890**	**764,604,304**	**790,951,809**

Data Source: Minister's grant letters to institutions. Data do not include one-time grant support provided to institutions.
*Prior to 1997-98, many non-university institutions had access to specific one-time funding. This provided a substantial source of program revenue for Bow Valley and NorQuest Colleges, more so than other institutions.
**A policy was introduced in 1989-90 to bring funding for arts and science programs at these four private university colleges to 75% of funding for equivalent arts and science programs at public universities. The adjustments were completed in 1997-98.

Appendix 4: Full-Load Equivalent (FLE) Enrolment by Institution

1994-95 to 1998-99

Institution	1994-95	1995-96	1996-97	1997-98	1998-99 (p)
University of Alberta	24,338.00	24,861.10	25,568.50	25,283.70	25,274.00
University of Calgary	17,540.40	18,493.30	19,171.60	19,409.40	19,829.60
University of Lethbridge	4,092.10	4,193.50	4,428.20	4,565.50	4,768.80
Athabasca University	1,811.70	1,996.30	2,231.80	2,744.30	3,150.80
Sub-Total	47,782.20	49,544.20	51,400.10	52,002.90	53,023.20
ACAD	676.1	716.9	757.3	741.8	758.2
Bow Valley College	3,982.30	3,834.30	3,450.00	2,936.20	2,938.90
Fairview	965.6	938	950.9	834.4	935.3
Grande Prairie	1,506.70	1,364.90	1,412.40	1,412.60	1,420.30
Grant MacEwan	5,777.80	6,168.60	6,391.70	6,800.50	7,248.80
Keyano	1,125.20	1,185.90	1,197.80	1,261.60	1,373.90
Lakeland	1,433.40	1,410.70	1,559.50	1,286.10	1,210.70
Lethbridge	3,695.30	3,563.20	3,701.70	3,761.10	3,731.30
Medicine Hat	1,921.60	1,912.00	2,012.50	2,043.00	2,176.40
Mount Royal	5,189.30	5,682.10	6,176.80	6,307.50	6,378.20
NorQuest College	5,838.00	5,798.90	4,639.80	3,481.60	3,451.10
Northern Lakes College	1,249.10	1,270.30	1,304.30	1,073.40	1,199.00
Olds	982.7	1,048.30	1,128.60	1,176.80	1,252.50
Portage College	892.2	838.1	900.4	923.4	1,144.40
Red Deer	3,848.40	3,784.60	3,682.70	3,450.20	3,521.70
Sub-Total	39,083.70	39,516.80	39,266.40	37,490.20	38,740.70
NAIT	8,665.60	9,014.80	9,264.90	9,423.10	10,044.80
SAIT	7,624.40	7,867.30	8,541.70	9,124.70	9,663.90
Sub-Total	16,290.00	16,882.10	17,806.60	18,547.80	19,708.70
Augustana University College	842.7	743.1	679.5	671.3	711.5
Canadian University College	327.5	303.3	275.8	281.5	317.5
Concordia University College	1,098.90	1,059.50	955	970.3	981.1
The King's University College	384.7	396.9	407.7	414.3	422.8
Sub-Total	2,653.80	2,502.80	2,318.00	2,337.40	2,432.90
Total	**105,809.70**	**108,445.90**	**110,791.10**	**110,378.30**	**113,905.50**

Data Source: Post-secondary institutions' enrolment submissions as of June 6, 2000.

(P) = Preliminary

Appendix 5: Provincial Operating Grants per FTE Enrolment

Canadian Universities
Interprovincial Comparison
1988-99 to 1998-99

		1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Nfld	Actual $	$8,233	$8,668	$8,641	$8,389	$8,995	$8,719	$8,878	$8,399	$8,200	$8,028	$7,705
	Rank	(1)	(1)	(1)	(2)	(1)	(1)	(1)	(1)	(2)	(2)	(3)
PEI	Actual $	$7,771	$8,083	$8,219	$8,008	$7,907	$7,919	$7,927	$8,318	$8,960	$7,917	$7,758
	Rank	(2)	(2)	(3)	(3)	(5)	(4)	(4)	(3)	(1)	(3)	(2)
NS	Actual $	$6,276	$6,305	$6,381	$6,117	$6,027	$5,935	$5,718	$5,688	$5,283	$5,140	$5,169
	Rank	(9)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)
NB	Actual $	$6,664	$6,908	$7,162	$6,861	$6,534	$6,593	$6,630	$6,733	$6,995	$7,027	$7,058
	Rank	(7)	(8)	(8)	(9)	(9)	(9)	(8)	(7)	(6)	(6)	(7)
Que	Actual $	$7,340	$7,827	$8,273	$8,446	$8,430	$8,393	$8,596	$8,388	$7,944	$7,460	$7,176
	Rank	(4)	(3)	(2)	(1)	(2)	(2)	(2)	(2)	(3)	(5)	(5)
Man	Actual $	$7,150	$7,483	$7,671	$7,584	$7,686	$7,737	$7,056	$7,704	$7,943	$8,092	$7,931
	Rank	(5)	(5)	(4)	(6)	(6)	(6)	(6)	(5)	(4)	(1)	(1)
Sask	Actual $	$7,011	$7,215	$7,194	$7,528	$7,225	$7,111	$6,851	$6,748	$6,946	$6,897	$7,299
	Rank	(6)	(6)	(7)	(7)	(7)	(7)	(7)	(6)	(7)	(7)	(4)
Alta	Actual $	$7,364	$7,493	$7,618	$7,873	$7,955	$7,795	$7,203	$6,709	$6,538	$6,625	$6,305
	Rank	(3)	(4)	(5)	(4)	(4)	(5)	(5)	(8)	(8)	(8)	(8)
BC	Actual $	$6,439	$7,076	$7,485	$7,804	$7,981	$8,022	$8,216	$8,062	$7,689	$7,528	$7,134
	Rank	(8)	(7)	(6)	(5)	(3)	(3)	(3)	(4)	(5)	(4)	(6)
9 Provs	Actual $	$7,119	$7,503	$7,805	$7,932	$7,952	$7,903	$7,874	$7,707	$7,431	$7,195	$6,959
Diff from Ont	Actual $	$848	$1,029	$1,033	$983	$938	$1,278	$1,318	$1,101	$1,605	$1,355	$835
Ont	Actual $	$6,271	$6,474	$6,772	$6,949	$7,014	$6,625	$6,556	$6,606	$5,826	$5,839	$6,124
	Rank	(10)	(9)	(9)	(8)	(8)	(8)	(9)	(9)	(9)	(9)	(9)
Canada	Actual $	$6,816	$7,133	$7,431	$7,575	$7,614	$7,447	$7,405	$7,317	$6,869	$6,720	$6,672
Diff from Ont	Actual $	$544	$659	$660	$626	$600	$821	$849	$711	$1,043	$881	$548

Sources:

Operating Grants:

To 1989-90: Interprovincial Comparisons of University Financing, Tripartite (MET,COU, OCUA) Committee on Interprovincial Comparisons, April 1992. Last Tripartite report.

1990-91 onwards: The year-to-year percentage changes in provincial operating grants contained in the Financial Reports of the Canadian Association of University Business Offiers were used to estimate provincial operating grants for the purposes of this interprovincial comparison. The 1997-98 and 1998-99 estimated percentage changes were obtained from the Public Accounts and Expenditure Estimates of Ontario and, for other provinces, the Association of Universities and Colleges of Canada.

Enrolment:

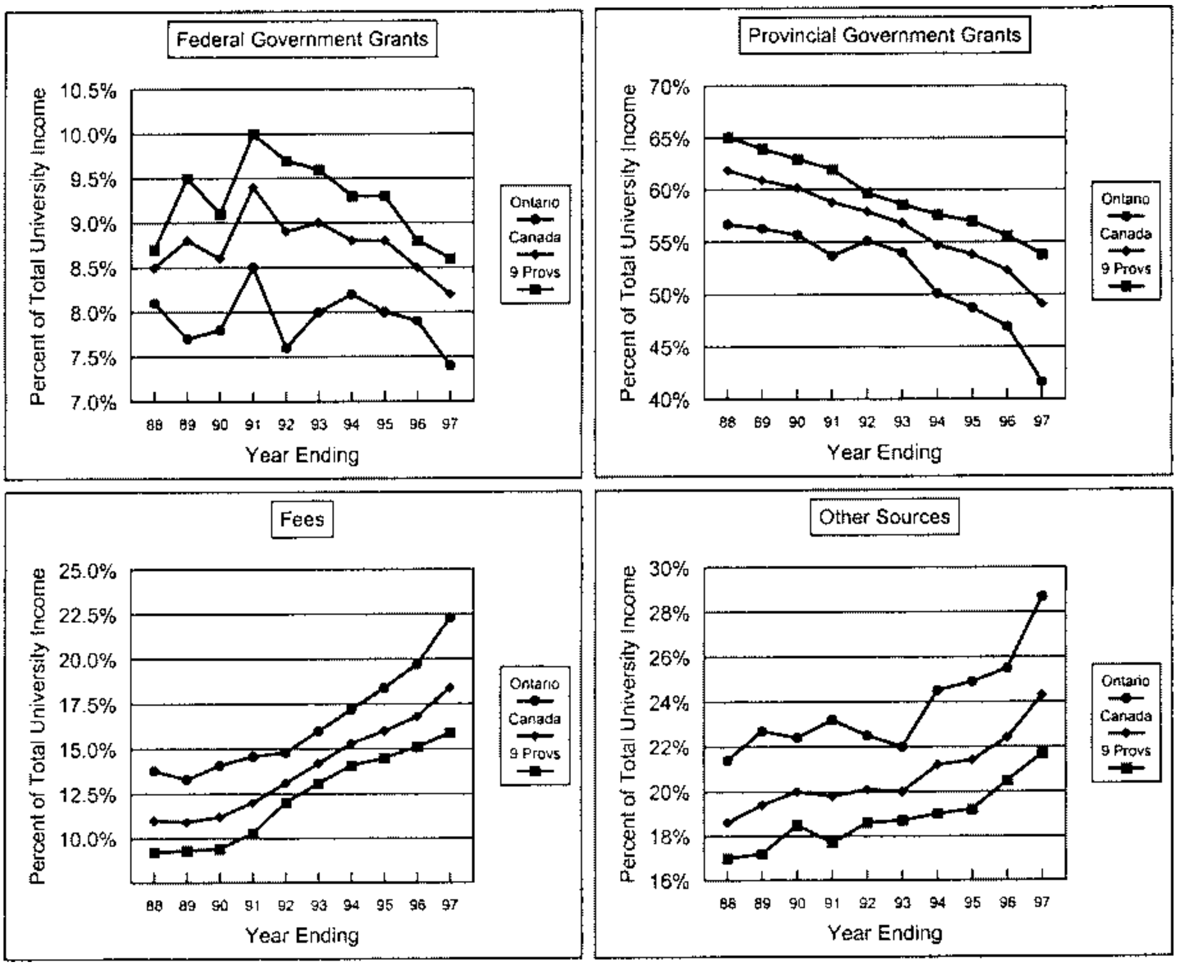
To 1989-90: Interprovincial Comparisons of University Financing, Tripartite (MET,COU, OCUA) Committee on Interprovincial Comparisons, April 1992. Last Tripartite report.

1990-91 onwards: The year-to-year percentage changes in FTE enrolment provided by Statistics Canada were used to estimate FTE enrolment for the purposes of this interprovincial comparison.

From: Council of Ontario Universities, Ontario Universities 1998 Resource Document, May 1999.

Appendix 6: Total University Income

Percent of Income by Source
Interprovincial Comparison
1987-88 to 1996-97



From: Council of Ontario Universities, *Ontario Universities 1998 Resource Document*, May 1999.

"Other Sources" include the following:

- municipal government grants
- other government grants
- bequests/donations/non-government grants
- sale of services/products
- investment income
- miscellaneous income
- federal government council grants