

Ontario University Interim Accountability Agreements:

Where did the money go?

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2005-06 Interim Accountability Agreements: Where did the money go?

Background

In the 2005 Ontario budget, the McGuinty government introduced *Reaching Higher*, a five year commitment to raise operating grants for colleges and universities by 35%, or \$1.2 billion, by 2009-10. The first instalment of the commitment provided \$282 million in additional funding for 2005-06.

About 44% of this money (\$124.1 million) is contained in a new envelope called the Quality Improvement Fund (QIF). In exchange for the money, each Ontario institution is expected to sign an Accountability Agreement with the government, outlining the concrete measures that will be taken to improve quality. The intention of the government is to develop, in consultation with stakeholders in the sector, meaningful and measurable indicators to demonstrate to the public that the money is indeed improving the quality of higher education.

The 2005-06 Interim Accountability Agreements are a transition to Multi-Year Accountability Agreements which will begin in 2006-07 after the consultations are complete and a new funding framework is in place. While recognizing that the 2005-06 measures and commitments may not be the precursor to the multi-year agreements, they still constitute the only indications to date by the government on what they mean by quality, and what kind of initiatives they are prepared to fund to improve quality. As such, it is illuminating to analyse where the government spent the first instalment of the *Reaching Higher* commitment to postsecondary education.

Quality Improvement Fund

The government has established goals and expected institutional commitments under three broad categories:

1. **Access** – institutions will be expected to report on both undergraduate and graduate enrolment growth, and work with the government to increase both overall enrolment levels, as well as meet new targets for growth in medical education, graduate education and the representation of specific groups such as aboriginal students and francophone students.
2. **Quality** – institutions must outline specific initiatives related to improving the quality of education in order to received funding in this category, and will be expected to provide information on the demonstrable improvements that flow from the spending.

The Quality Improvement template is divided into 3 sections:

- a) **Advancing Quality** – this part of the template is aimed at broad based measures of quality believed to enhance quality in most jurisdictions, such as hiring new faculty and staff, more educational resources and equipment, and better student services. Each institution will report on three specific indicators of advancing quality: student-faculty ratio, average class size and retention rates.
- b) **Supporting Excellence** – this part of the fund is aimed at institution-specific measures to advance quality within a specialized niche or differentiated mission, or aimed at a particular group (such as French-language programs).
- c) **Outcome Indicators of Quality** – the Ministry is requesting that institutions work together to develop the indicators of quality for the Multi-Year Agreements, as well as commit to participate in measurement tools used across jurisdictions such as the NSSE survey, graduate surveys and a data exchange consortium.

3. Accountability - the Interim Accountability Agreements represent the institutions' commitment to accountability. In addition, the institutions agree to continue with all existing reporting requirements, and work with the Ministry to develop the performance measurement framework for 2006-07.

Although the Interim Agreements discuss goals under each of the above three broad areas, in fact, money from the Quality Improvement Fund is only available to fund the goals in the Quality area, and in particular, within the categories of Advancing Quality and Supporting Access.

What does the Government Mean by Quality?

Each institution was provided with two global allocation figures, the Advancing Quality allocation and the Supporting Excellence allocation (see discussion above for the kinds of initiatives funded under each of these envelopes). Although the total allocation under the Quality Improvement Fund for 2005-06 was supposed to be \$124.1 million, the total of the allocations to the universities only sums to \$106.3 million. Of this total, 85% was distributed to Advancing Quality initiatives, and 15% to Supporting Excellence. Most institution's allocations were close to this split. Nipissing had the most extreme split with 93% of their allocation to Advancing Quality and 7% to Supporting Excellence.

The Advancing Quality envelope was further subdivided into 4 areas:

- a) Teaching and Learning Excellence – investments in this area include changes to class size, modes of instruction, curriculum or staff professional development.
- b) Educational Resources – equipment, supplies, library materials and IT infrastructure are funded under this envelope.
- c) Student Supports/Services – programs eligible for funding include remediation and retention strategies, general or academic counselling, special needs, career planning and employment preparation
- d) Other – any other initiatives to advance quality.

Teaching and Learning Excellence – How many faculty hires?

Overall, 52% of the Quality Improvement Fund was spent under on initiatives related to teaching and learning excellence. However, the range of funding in the envelope at the institutional level is extreme. York, Toronto and UOIT spent fully 79% of the institution's total allocation on teaching and learning initiatives. In fact, York used its Supporting Excellence funding to hire faculty as well. At the other extreme, Ryerson spent 4% of its total allocation on teaching and learning excellence, and hired no faculty under this envelope.

Within the teaching and learning excellence fund, it is impossible to determine how much of the money was spent to hire faculty. Although institutions were required to report on total hires for 2005-06 of tenure stream, limited term contracts and part-time fte's net of retirements, these numbers include all hiring, not just hiring funded under the QIF. Some institutions, such as Toronto, Western and Wilfrid Laurier outlined the number of hires and the cost (either as an average per hire or a global hiring budget). Many others, however, provided no details on expected hires.

As well, a number of institutions report the gross number of new faculty hired under this envelope, not the number of new faculty (ie. net of retirements). Guelph, for example, reports that it will hire 35 faculty and 2 staff at a total cost of \$3.4 million. However, 29 of these faculty positions are

retirement replacements, leaving a net new hire of 6 positions. There does not appear to be any recognition of the approximately \$4.3 million in salary money freed up by the 29 retirements.

Further, there is no link in the interim agreements between the data collected on student faculty ratios or average class sizes, and the hiring under the Teaching and Learning Excellence envelope. Without enrolment projections in the interim agreements, one cannot determine whether the amount of hiring proposed will have any positive impact on either the student faculty ratio, or the average class size.

Clearly, the government did not insist in its negotiations with the universities that quality improvement required that additional faculty be hired. Further, it is clear from analysing the total hiring data that neither the universities nor the government equate quality with the need for additional tenure stream hires. Of the total 614 FTE net hires reported for 2005-06 by the universities, only 35% are tenure stream; the rest are almost evenly split between full-time limited term appointments, and part-time FTE's.

Particularly startling is the fact that at 213, net new tenure stream hires are significantly below the levels of the last few years. COU's data on full-time faculty hires shows that between 2001-02 and 2003-03, 382 net new tenure stream faculty were hired; the increase between 2002-03 and 2003-04 was 784 additional tenure stream faculty. With a total enrolment of 330,800 in 2004-05, an additional 784 faculty would have needed to be hired in that year to keep the student-faculty ratio at 24:1 (neither preliminary enrolment data nor faculty numbers are available for 2005-06).

Given that the government did not insist on hiring targets, or an actual plan to bring down either the student faculty ratio or average class size, it is not clear what accountability for this money will mean. While some institutions reported that they thought the hires might improve their position relative to these benchmarks, others, such as Brock, were clear that the amount of hiring they were doing would not likely show improvement on the indicators this year. It is possible that universities in fact underestimated their hiring expectations in the interim accountability agreements to ensure they would not be "off-side" on the accountability requirement at the end of the year.

Educational Resources

About a quarter of the institutions' total allocation was spent on educational resources. Library acquisitions and computer and other IT investments appear to be the most common initiatives in the envelope. Very few universities intend to use Quality Improvement Fund money to improve staffing levels in the library. Brock intends to add one support staff position, Trent will add professional and support staff (no numbers given) and Wilfrid Laurier will hire one new librarian for its Brantford campus.

Student Supports/Services

About 16% of the Quality Improvement Fund will be used to improve student support and services. While it would appear that a number of new support staff will be hired using this envelope, there is little information on actual numbers. Most of the initiatives and support staff hiring is at the level of institution-wide administration; there does not appear to be much money spent on department level support (under this or any other envelope).

Supporting Excellence

About 15% of the total funding is dedicated to supporting excellence. It is not at all clear what distinguishes initiatives under this envelope from any of the others. York and Toronto will spend the bulk of the money on hiring faculty, with no discussion of how these particular hires relate to "institution-specific measures to advance quality within a specialized niche or differentiated mission".

Interim Accountability Agreements

Ontario Universities – Hires of Faculty/Academic, 2005-06 (not just those funded through QIF)

University	Faculty/Academic										
	Full-time Tenure-Track/Tenured			Full-Time Limited Term			Part Time (FTE)			Total Net Hires	Tenure Stream as % of Net Hires
	Hires	Retires	Net	Hires	Retires	Net	Hires	Retire	Net		
Algoma	4	3	1	1.5	1	0.5	23.6	20	3.6	5	20%
Brock	49	24	25	54	51	3			23	51	49%
Carleton	42	41	1	32	25	7			12	20	5%
Guelph	35	29	6			-20			23	9	67%
Hearst College		1	-1	5	2	2				1	-100%
Lakehead	16	7	9	2	3	-1	33	34	-1	7	129%
Laurentian	25	21	4	23	1	22			-0.2	26	16%
McMaster	28	24	4	35	1	34				38	11%
Nipissing	10	10	0	18	4	14			6.7	21	0%
Ontario College of Art and Design	6	1	5	4	1	3	11	6	5	13	38%
Ottawa	62	48.5	13.5	31.66	25	6.66			15.7	36	38%
Queen's	24	25	-1	9	5	4				3	-33%
Ryerson	61	33	28			3			10	41	68%
Toronto	145	119	26			65			22	113	23%
Trent	3	7	-4	8	7	1	77.5	73.5	4	1	-400%
Ontario Institute of Technology	12	1	11			4			11	26	42%
Waterloo	43	24	19	11	10	1	95			20	95%
Western Ontario	72	40	32			13				45	71%
Wilfrid Laurier	25	16	9	47	33	14			13	36	25%
Windsor	32	26	6	25	25	0				6	100%
York	74	54	20	45	16	29			48	97	21%
TOTALS	768	554.5	213.5	351.2	210	205.2	240.1	133.5	195.8	614	35%

Quality Improvement Fund - Initiatives Funded in 2005-06

University	Advancing Quality Envelope										Supporting Excellence Envelope	As % of Institution's Total QIF Funding	Total of Both Envelopes
	Teaching & Learning Excellence	As % of Institution's Total QIF Funding	Educational Resources	As % of Institution's Total QIF Funding	Student Supports/ Services	As % of Institution's Total QIF Funding	Other	As % of Institution's Total QIF Funding	Total Advancing Quality Envelope	As % of Institution's Total QIF Funding			
Algoma	60,000	37%	50,294	31%	19,000	12%		0%	129,294	79%	34,478	21%	163,772
Brock	1,581,277	51%	704,624	23%	310,583	10%		0%	2,596,484	83%	519,372	17%	3,115,856
Carleton	3,600,000	54%	2,000,000	30%	130,000	2%	40,000	1%	5,766,404	87%	849,937	13%	6,616,341
Guelph	3,400,000	68%	500,000	10%	250,000	5%		0%	4,076,126	81%	945,032	19%	5,021,158
Hearst College	20,478	79%		0%		0%		0%	20,478	79%	5,461	21%	25,939
Lakehead	1,271,158	49%	625,000	24%	285,000	11%	135,000	5%	2,316,158	89%	275,245	11%	2,591,403
Laurentian	758,965	48%	350,000	22%	141,000	9%		0%	1,249,965	79%	333,324	21%	1,583,289
McMaster	5,800,000	48%	4,000,000	33%	1,200,000	10%		0%	6,561,861	87%	1,023,502	8%	7,585,363
Nipissing	695,000	41%	585,000	34%	296,000	17%	118,000	7%	1,583,869	93%	119,196	7%	1,703,065
Ontario College of Art and Design	384,000	53%	129,000	18%	104,357	14%		0%	617,357	84%	113,378	16%	730,735
Ottawa	3,126,328	28%	1,901,030	17%	4,690,923	42%	85,000	1%	7,429,824	85%	1,287,427	12%	8,717,251
Queen's	2,273,771	45%	1,724,915	34%	633,845	13%		0%	4,116,250	81%	947,352	19%	5,063,602
Ryerson	375,000	4%	3,811,040	45%	2,688,960	32%	590,119	7%	7,465,119	89%	915,233	11%	8,380,352
Toronto	12,000,000	73%	2,000,000	12%	1,000,000	6%		0%	13,306,993	81%	3,153,875	19%	16,460,868
Trent	973,285	58%	231,583	14%	200,000	12%		0%	1,404,868	84%	269,471	16%	1,674,339
Ontario Institute of Technology	300,223	79%		0%		0%		0%	300,223	79%	80,059	21%	380,282
Waterloo	2,700,000	40%	890,000	13%	1,900,000	28%	1,000,000	15%	5,606,697	83%	1,113,016	17%	6,719,713
Western Ontario	3,460,145	30%	2,900,000	25%	600,000	5%	3,000,000	26%	9,960,145	87%	1,436,594	13%	11,396,739
Wilfrid Laurier	2,815,000	63%	1,160,544	26%	90,000	2%		0%	4,007,189	90%	430,998	10%	4,438,187
Windsor	2,862,707	53%	3,629,758	67%	2,008,420	37%		0%	4,772,053	88%	624,257	12%	5,396,310
York	6,800,000	79%		0%		0%		0%	6,782,982	79%	1,790,072	21%	8,573,054
TOTALS	55,257,337	52%	27,192,788	26%	16,548,088	16%	4,968,119	5%	90,070,339	85%	16,267,279	15%	106,337,618

Teaching and Learning Excellence - How many faculty Hired?

University	Total Spending	Faculty Hired	Cost of Faculty Hires
Algoma	60,000	0	
Brock	1,581,277	18	
Carleton	3,600,000	40	
Guelph	3,400,000	35	
Hearst College	20,478		
Lakehead	1,271,158	7	
Laurentian	758,965	5	
McMaster	5,800,000	38	
Nipissing	695,000		
Ontario College of Art and Design	384,000	12	
Ottawa	3,126,328		
Queen's	2,273,771	24	
Ryerson	375,000	0	
Toronto	12,000,000	75	8,500,000
Trent	973,285	0	
Ontario Institute of Technology	300,223		
Waterloo	2,700,000		
Western Ontario	3,460,145	100	4,900,000
Wilfrid Laurier	2,815,000	23	2,700,000
Windsor	2,862,707	10	
York	6,800,000	68	
TOTALS	55,257,337	455	16,100,000

Note: This chart shows which universities articulated how many faculty they expected to hire under this envelope. Where a global hiring cost was provided in the interim agreements, it is included above. More than anything, this chart shows the paucity of information universities were required to provide with regards to their spending plans