

OCUFA Policy Statement on University Differentiation in Ontario – May 2014

In November 2013, the Ontario government released its Differentiation Policy Framework. It announced that the new Strategic Mandate Agreements (SMA) would “encourage universities and colleges to focus on their unique strengths ... to avoid unnecessary duplication – helping institutions work together as complementary parts of the province's postsecondary education system.”

The SMA agreements are negotiated between the Ministry of Training, Colleges, and Universities (MTCU) and individual university administrations. The agreements cover institutional priorities and graduate student allocations, and have implications for potential changes to the funding formula.

Negotiations of this type lend themselves to a top-down, insular structure. Differentiation of Ontario's universities is better served by creating and maintaining the conditions that allow university communities to respond in good faith to student demand, developing trends in research and scholarship, and the research interests of business, local communities and other actors beyond the academy. Real differentiation must therefore be founded on these principles:

- Academic freedom
- Institutional autonomy
- Collegial governance and responsibility
- Peer review and assessment of academic quality
- Respect and adequate resources for the faculty members and academic librarians who make differentiation a practical reality

By extension, any government policy and policy instruments in support of university differentiation must:

- Preserve the academic mission of universities
- Maintain program integrity through established processes for quality assurance
- Recognize the relationship between teaching and research
- Provide adequate levels of funding through a model that is stable, predictable, equitable, accountable, transparent and simple to administer

Preserving the academic mission

Ontario's universities are differentiated from other post-secondary institutions by their academic mandate. Within that mandate, they feature a diversity of unique missions and programs serving target communities. As enrolment and research activity have increased over the past twenty years, universities have also differentiated on the basis of program mix. In that light:

- The ability of universities to offer programs characteristic of their academic mandate must not be compromised. The MTCU definition of “core” programs as those “in the basic disciplines which might be expected to be offered at any university ... (and are) appropriate to the academic ethos and character of any university” underscores the existence of a basic suite of academic programs that defines and enriches a university;
- Unique missions such as serving Northern communities, offering bilingual higher education, facilitating the participation of underserved or disadvantaged populations, specialized programs such as science and engineering or art and design must continue to be supported;
- The academic mission and teaching and program mix of each institution must be developed and articulated through existing structures and processes of academic governance.

Maintaining program integrity

OCUFA’s 2009 *Policy Position on College/University Programs Leading to Undergraduate Degrees* recommended that these programs “should be treated as would any new academic endeavor, with Senate approval and submission to the COU-led undergraduate program review process.” Similar considerations apply with respect to program integrity and quality:

- Program review, including institution-level approval and suspension, must be conducted by the appropriate academic bodies, and according to accepted criteria for academic quality;
- Credit transfer and online or blended learning programs intended to provide credit for students at more than one institution must be approved by Senate or its equivalent at each participating institution and appropriate provincial level program review process;
- Funding for online and blended learning must be sufficient to ensure that online courses meet accepted criteria for academic quality, and to ensure protection of the intellectual property rights and working conditions of faculty who develop and deliver these courses;
- Approval for program funding should not be subject to arbitrary determinations assigned by a policy on differentiation or “strategic enrolment.” Existing MTCU criteria for program funding approval already stipulates that new programs should have approval from the appropriate academic body, respond to demand, be financially viable and appropriate to the institutional mission without duplicating programs elsewhere.

Recognizing the relationship between research and teaching

Research and teaching are at the heart of our universities. In order to deliver the educational experience that students expect and the innovative research Ontario needs, it is vital that these two activities are funded adequately as linked priorities.

- Operating funding must recognize research and creative scholarly activity as a core academic enterprise essential to every university that contributes to undergraduate and graduate education;

- Operating funding must adequately support a university's teaching and research mandate through base operating grants, while respecting academic freedom and institutional autonomy;
- The appropriate mechanism for supporting differentiation of research intensity is through increased funding for research, sponsored by public granting councils and distributed on a competitive basis;
- Sponsored research funding must include support for indirect costs of research to avoid use of operating funding for research overhead and infrastructure expenses.

Providing adequate funding

Any proposal to change the funding formula must demonstrate that it meets the objectives of the university sector better than the current method of allocating base operating grants. Any such proposal must be developed through a formal stakeholder consultation process and subject to public scrutiny and comment.

Few are content with the current funding for universities, but the problems lie with the actual level of government funding and the departures from the funding formula for base operating grants, not the formula itself. The current formula reflects an essential principle: government funding must be responsive to the number of students in the system and the programs in which those students are enrolled. A review of the formula to simplify it and update it to reflect more recent developments in higher education programming and modes of delivery may be warranted, but it is critical that the student-centred principles embodied by the formula are preserved.

The funding principles OCUFA affirmed twenty years ago still hold: "the essential objectives of the funding system involve stability, predictability, flexibility for system diversity, and accountability while promoting an equitable distribution of resources." Today OCUFA adds that the formula must be also transparent and easy to administer, objective and disinterested, and neither arbitrary nor open to manipulation or negotiations behind closed doors.

OCUFA adopted a *Policy Statement on Provincial Operating Grants and Funding Envelopes* in 2009. It states the "first priority of provincial government support must be adequate and stable funding" through base operating grants, and support for institution specific missions through supplementary envelopes. In addition to the principles articulated in that statement:

- Any process to review the funding model must be based on formal stakeholder consultation;
- Final decisions must be transparent and subject to public scrutiny and comment;
- "Outcomes" and other performance indicators or metrics are inappropriate for funding allocation decisions;
- Approvals for program funding cannot be revoked: no university should be penalised for programs already approved.