

Supporting Universities for a Stronger Economy In BC

Summary

British Columbia's universities and colleges ("universities") have hit a wall with a system of funding that does not adequately support today's modern university mandates. It is time for an update of the Provincial Government's funding formula to enhance the continued growth of our post-secondary institutions.

Business Issue

Universities are large economic engines located throughout British Columbia. Some of the greatest impacts to the economy include direct and indirect spending, employment, research initiatives, and a knowledgeable workforce. For example, Thompson Rivers University in Kamloops is the fourth largest employer in the City. It contributes an estimated \$355 Million to the regional economy, adding intellectual and knowledge-based factors to the community.

Background

The present allocation formula for block grant funding of BC's post-secondary institutions is approximately 15 years old with the allocation structure generally static for 12 years. Despite a drastic increase in student enrollment across the province and many other changes at universities throughout the years, there has been little to no change in funding allocation.

Increased student enrollment is only part of the issue sighted with the present funding formula. The present formula is based on targeted enrollment and does not re-allocate total funds once actual enrollment figures are realized. Therefore, when a university targets below actual student enrollment, the university does not see an increase in funding. As such, the contrary is also true; if a university targets above actual realized student enrollment the university retains the initial funding amount.

Over a 15-year time span, a variety of changes have occurred within the universities of British Columbia, compromising outdated funding formulas. Highlighting a few for the purposes of this document:

1. Mandates have changed, recognized through changes in the University Act. BC's funding allocations do not take into account the diverse mandates of its many universities.
2. The need for individual student support services has become much more intensive especially for those universities who are designated as open access, directed to accept students without a cap on acceptance numbers.
3. Pedagogy has changed over the past 15 years to where blended classroom learning and experiential learning is the accepted best practice.
4. Enterprise management has become increasingly intensive with IT demands; safety concerns; environmental issues; government-imposed union bargaining mandates; intellectual property laws and a constant increase in provincial government reporting requirements.

In conclusion, a 15-year old funding formula does not add as much value as it could. For these reasons and others, it is crucial that funding levels and allocation of funds be revisited for our post-secondary institutions in BC. This will make a better British Columbia for all involved.

Recommendation

That the Provincial Government re-evaluate the funding model for post-secondary institutions.

Submitted by Thompson Rivers University