

# PRESENTATION TO MOHAWK COLLEGE

## THE NEW COLLEGE CHARTER

WHERE DID IT COME FROM?

WHERE IS IT GOING?

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## **THIS PRESENTATION WILL**

Explain why the charter is an issue

Describe the current act and regulations

Give you a quick history of the past two years' activity

Explain what the investing in students task force recommended

Outline the choices the government has and explain their differences

Explain where we are today and what you can expect over the next few months

## **WHY IS A NEW COLLEGE CHARTER AN ISSUE**

In the 1980's the focus of governments in the western world shifted

Result was a move to balance budgets and eliminate deficits

Effect was to get government out of some businesses, reduce their financial support of others, and increase the accountability of those still receiving public funds

Generally speaking reduction in grants was accompanied by more freedom to operate and raise own revenues

Education was one of the areas government retained – recognized as a priority

In Ontario grants were cut significantly but institutions given more flexibility on fees

Universities had a wide degree of freedom beyond fees, colleges did not

Government recognized that colleges needed more freedom

The existing legislative and regulatory framework was too restrictive

## **LEGISLATIVE FRAMEWORK**

### **Ministry of Training, Colleges and Universities Act**

Establish, name, maintain, conduct and govern colleges

Establish size, composition, powers and duties of Board of Governors, including the manner of calling and conducting meetings and the procedures to elect or appoint chairs and officers

Prescribe the type, content and duration of programs of instruction

Prescribe the requirements for admission to any program of instruction and prescribe the terms and conditions upon which students may remain in or be discharged from and program of instruction

Make regulations for the granting of certificates and diplomas

Prescribe the qualifications and conditions of service of the teaching staff

## **MTCU ACT CONTINUED**

Require students to pay registration, tuition and laboratory fees in respect of any program of instruction and fixing the amount and manner of payment

Providing for the admission of persons from outside Ontario and prescribing the fees payable

Establish Advisory Committees

Control agreements with any business or professional organization

Control agreements with universities

Create the Council of Regents to assist the minister in the planning, establishment, and coordination of programs of instruction and services

## **Regulatory Framework**

### **Regulation 770**

Details the size and composition of the Board and requires COR to report annually on it

Sets length and number of terms a board member may serve, quorum size for board and board standing committees, number of meetings a member must miss before the board may remove a member

Says board may not acquire by lease, purchase, deed, contract, or devise or sell grant convey, mortgage, pledge, lease or otherwise dispose of and real property or part thereof or any interest therein without the written approval of the Minister

Forbids boards to approve a budget with an accumulated deficit and to make any expenditure not within the financial limits set by the annual budget without the written approval of the Minister

Has the board elect a chair, vice chair and appoint a secretary-treasurer or both

## **Regulation 770 continued**

Appoint one or more auditors licensed under the Public Accountancy Act who must audit the colleges' accounts and submit to the Minister a copy of the audited financial statement

Keep records and minutes of its proceedings that accurately reflect the proceedings and submit them to the Minister if requested

Conduct an operational review at least once every three years that in the opinion of the Minister is comprehensive, thorough and objective and submit to the Minister if requested a copy of every report study or document relating to the operational review

Have board bylaws open for public examination

Have board meetings open to the public except for confidential or personal items

Requires Minister's approval to select site or sites for the college

Minister's approval needed on the process the Board uses to appoint, review and remove the President

## **Regulation 770 continued**

Requires Minister's approval and COR's terms and conditions to appoint classify promote, suspend, transfer, reclassify or remove the president and administrative, teaching and non teaching personnel

The Board is required to submit an annual report to the Minister on the date specified

Board must make available publications of programs of instruction, admission requirements, and fees approved by the Minister

The Minister must approve programs of instruction

The board must have an advisory committee for each program of instruction and they shall make recommendations on existing and new programs

## **Regulation 770 continued**

The Minister must approve the categories of diplomas, certificates or other documents awarded by the Board and in doing so must take into account at least the academic integrity of the colleges system, and the degree of public recognition and acceptance of the diplomas, certificates and other documents.

Each board shall establish a college council in accordance with the guidelines established by the Minister

Neither members of the board or college council can be remunerated for doing their duties

## **Regulation 771**

Determines your catchment area and limits your capacity to teach in french

## **ISSUES ARISING FROM EXISTING FRAMEWORK**

Too many rules and regulations

Expensive to comply – took time, effort and resources away from students

Duplicative

Didn't recognize 35 years of evolution and growth of the system

Limited further development and capacity to act and respond

Was designed for a system reliant on government for majority of its funding

Too controlling, not performance based

## **A BRIEF HISTORY LEADING TO THE NEW CHARTER**

For many years colleges had sought changes to specific elements of the regulations

In March of 1999 the Ontario Jobs and Investment Board recommended “ A New Charter for Colleges” for the 21<sup>st</sup> century.

This was to take advantage of their potential as significant contributors to the economy by allowing them to be more market driven and more flexible.

Raised issues such as private sector partnerships, increased college/university cooperation and student movement between them, and applied degrees

June of 1999 ACAATO released a paper “A New Charter for Colleges of Applied Arts and Technology” that identified three key elements for a new Charter

- Increased authority for Boards of Governors
- Increased institutional flexibility
- Increased credentials

## **A BRIEF HISTORY CONTINUED**

November 1999 ACAATO had a consultation process “Capacity and Charter Consultation” which raised four questions for discussion

What will be the role of colleges in the knowledge economy by 2010?

What will students require, not just to cope, but to thrive in the knowledge economy?

What changes do we need to get us there?

What prevents/constrains us from getting there?

April 2000 MTCU released a consultation paper “Increasing Degree Opportunities for Ontarians” which raised ideas of

applied degrees for colleges,  
establishing the QAB, and  
new private universities

## **A BRIEF HISTORY CONTINUED**

May 2000 ACAATO issued a report “Ontario Colleges for the 21<sup>st</sup> Century: Capacity and Charter Framework” which sought

- A government commitment to access

- A broad mandate for colleges

- Flexibility for differentiation

- Allow boards to act as employers, conduct real property transactions and design board appointment process

- Progressive and adequate funding and

- Permanently permit colleges to grant applied degrees

September 2000 Minister established Investing in Students Task Force

December 2000 government passed “Postsecondary Choice and Excellence Act,2000” which gave minister power to allow colleges to award degrees and created the QAB

## **A BRIEF HISTORY CONTINUED**

February 2001 Investing in Students Task Force reported and recommended

16. The government should recognize the differentiated missions for postsecondary institutions in contributing to the greater participation of regions and special populations in economic, social and community development

17. Consider the polytechnic model and potential host institutions to expand postsecondary education choices in Ontario and establish this model within the new college charter framework

18. Eliminate the government defined geographic catchment areas for CAAT's. Colleges should be given the flexibility and latitude to strike collaborative arrangements anywhere in the province, in the country or in the world

22. A new college charter should be developed and based on the governance model and administrative practices of a not for profit corporation operating under a common legislative framework

## **A BRIEF HISTORY CONTINUED**

23. A careful plan for transition should be developed that sets out the framework for the new college charter in legislation, regulation and policy

24. Eliminate the Council of Regents

April 2001 Minister's Statement promises legislation for new college charter

# **GOVERNMENT CHOICES**

STATUS QUO

AGENCY OF GOVERNMENT WITH EXPANDED POWERS

NOT FOR PROFIT CORPORATION OUTSIDE OF GOVERNMENT

## COMPARISON OF THREE OPTIONS

AREA	CURRENT	NEW GOV'T AGENCY	OUTSIDE GOVT
Agency Status	gov't agency	govt agency	not a govt agency
Board Appointments	100% COR	over 50% by COR/govt	over 50% by board
Board size & comp.	set by govt	set by govt	set by govt
Public Sector Acc Act	subject to it	subject to it	subject to it
Management Board	subject to most	subject to some	not subject to most
Funding	funded	funded	funded
Real Property	govt control	more board control	full board control
Subsidiaries	govt control	more board control	full board control

Partnerships                      govt control                      more board control                      full board control

**COMPARISON OF THREE OPTIONS continued**

<b>AREA</b>	<b>CURRENT</b>	<b>NEW GOV'T AGENCY</b>	<b>OUTSIDE GOVT</b>
Deficit Budgeting	no	no	no
Applied Research	no mandate	limited mandate	full mandate
Applied Degrees	govt control	govt control	board control
Fees	largely regulated	largely regulated	largely regulated
Coverage	catchment areas	province wide	province wide
Administration	govt approved	board approved	board approved

## **WHERE IS THIS GOING**

Government seems to prefer new govt agency model

No consensus at ACAATO on relationship with govt – some ok with agency, others not

Model likely to be unique to colleges and unlike any other govt agency

Colleges likely to get most of the changes they had consensus on

Ministry well advanced on both new act and regulations

Anticipate fall introduction with winter/ spring passage

A number of colleges are working on proposals to become polytechnics/institutes

## **WHAT DOES THIS MEAN FOR MOHAWK**

The College will be able to make more of its own decisions without government approval

The College can generate more revenue through subsidiaries to support its programs

The College can respond more quickly to its clients needs

There will be more diversity in kinds of colleges and programs for students

There is not as large a government safety net to reduce the risk of making a mistake

The environment will become even more competitive

The College will have to depend more on itself and less on government in the future

Performance will become more critical

Mohawk will need a strategic and business plan that can respond to the new environment