

Weighted Funding Units are the currency of the Ontario College system. It is through this unit of measurement that the General Purpose Operating Grants (GPOG) are calculated and disbursed to the 24 colleges in the system. Government funding to the colleges is determined by each college's WAFU (weighted average funding unit). For 2013-14 the value of each WAFU has been fixed by the MTCU at \$4,317.

It is important to remember that the WAFU is a moving average calculation based on enrolments up to 2, 3 and 4 years prior to the year in which the grant is received. So the GPOG grant calculation for 2013-14 will be based on an average enrolment from the years 2009-10, 2010-11 and 2011-12. This calculation is known as the Base Units (BU) and is a 3-Year Average, 2-Year Slip. The GPOG is paid out based on the lower of the Base Units and the Calculated Base Reference (BRU) which is calculated from enrolments in 2005-6, 2006-7 and 2007-8.

To compensate colleges for growth since the BRU, growth funding is provided on a 2-year average, 2-year slip basis. Enrolments from 2010-11 and 2011-12 are compared to the BRU above and any growth (the GU =Growth Units) are funded at the \$4,317 value.

It is important to remember that we are only compensated for enrolment growth 2 years after the actual growth takes place i.e. 2011-12 growth will only affect the grant value in 2013-14 and even then it will be averaged with the preceding year. The costs associated with the enrolment growth will be born 100% by the college until that time.

### **Activities that are eligible for funding**

There are three activities for which WFU's are calculated: full-time post-secondary (OCC, OCD, OCAD, OCGC and Degree), part-time and tuition-short. For 2007-08 these three activities represented 89%, 10% and 1% respectively of the College system's total WFU's.

#### **1. POST-SECONDARY**

There are three key components to the calculation of the WFU value of post-secondary and graduate certificate programs. The three are; the **enrolments** at the three semester audit dates, the value of the Program **Funding Unit** and the value of the Program **Weight**.

- i. **Enrolments** – audit date enrolments are reported for the three semesters of an academic year, June 30<sup>th</sup>, November 1<sup>st</sup> and March 1<sup>st</sup>. International students are excluded from the enrolment report as well as Second Career students.
- ii. **Program Funding Units** – “ **hours of instruction required to graduate**”
  - Based on the total amount of training required to graduate a student from the program. The key component is the length of the program (1, 2 years etc.) and the program delivery hours within each year.
- iii. **Program Weight** – “ **expenditure per hour of instruction**”
  - It includes teaching costs (i.e. student/teacher ratio) and non-teaching costs (the cost of instructional supplies, equipment and the number of support staff required based on the nature of the program).

*Applied Degrees receive an additional factor the “Applied Degree Factor” (ADF) which is combined with the three factors above to give an added WFU value to degree programs. The value of the factor is 1.025.*

#### **2. PART-TIME**

Eligible part-time activity is measured in Student Contact Hours (SCH's). These are the actual hours of course delivery that the course requires. The SCH's are used to calculate funding units as follows:

- 25% of the SCH's are divided by 700, and then multiplied by the institute's implicit weight value for the relevant year.
  - The implicit weight is a college specific average program weight.

- It is based on the relationship of a college's total FTE to its' WFU's for post-secondary programs. Algonquin's average program weight historically has had a value of 1.2.
- 75% of the SCH's are divided by 1120 and then multiplied by 1.1

*These two calculations produce the WFU value of the part-time activities that are eligible for government funding.*

### **3. TUITION SHORT**

These programs run less than 52 weeks. These programs are measured in Trainee Days with 1 trainee day = 5 trainee hours. The training days are used to calculate funding units as follows:

- 1 WFU = 180 Training days

### **EXAMPLES OF WFU CALCULATIONS - POST –SECONDARY**

**A.** GAS- Intro to Fine Arts is a 1 year certificate delivered over two 15 week semesters. For this example we have assumed that the November 1<sup>st</sup> audit date enrolment is 40 and that the March 1<sup>st</sup> audit date enrolment is 35. The following would be the WFU value of this program for the year.

Semester	Enrolment	x	Semester / Length(wks)	Program = Duration (wks)	=	Adjusted Enrolment	x	Funding = Unit	=	FTE	x	Program = Weight	=	WFU
1	40		15	30		20.0		1		20.0		1		20.0
2	35		15	30		17.5		1		17.5		1		17.5
	75					37.5				37.5				37.5

**B.** Water – Waste Water Technician is a 2 year diploma program (NSDP) delivered over three 15 week semesters. Enrolments are June 30th 30, November 1st 40 and March 1st 35.

Semester	Enrolment	x	Semester / Length (wks)	Program = Duration(wks)	=	Adjusted Enrolment	x	Funding = Unit	=	FTE	x	Program = Weight	=	WFU
3	30		15	45		10.0		2		20.0		1.2		24.0
1	40		15	45		13.3		2		26.0		1.2		31.2
2	35		15	45		11.7		2		23.4		1.2		27.8
	105					35.0				69.4				83.0

**C.** Broadcasting Radio is a 2 year diploma program delivered over four 15 week semesters. Enrolments are November 1st 45 level I and 39 level 3, March 31st 42 level 2 and 37 level 4.

Semester	Enrolment	x	Semester / Length(wks)	Program = Duration(wks)	=	Adjusted Enrolment	x	Funding = Unit	=	FTE	x	Program = Weight	=	WFU
1	45		15	60		11.3		2.3		26.0		1.2		31.2
2	42		15	60		10.5		2.3		24.2		1.2		29.0
3	39		15	60		9.8		2.3		22.5		1.2		27.0
4	37		15	60		9.3		2.3		21.4		1.2		25.7
	163					40.9				94.1				112.9



**Q.... Who determines the funding unit and program weight for a program?**

**A....** The Ministry (MTCU) assigns both values to the program based on the program proposal details, comparison to existing programs in the system and a number of other criteria.

**Q.... When does the MTCU determine a program's funding unit and program weight?**

**A....** The decision is made during the approval process for a new program. It is very unusual for the MTCU to consider changing the values assigned to an existing program. There would have to be significant changes to the program to warrant any revaluation.

**Q.... What is the value of a single WFU and who determines it?**

**A....** The value of a WFU for 2011- 12 was \$ 4,358 per unit. This value is determined by the MTCU and communicated to the colleges in order for them to project their government grants for budget preparation.

**Q.... What is an FTE and how does it differ from a WFU?**

**A...** An FTE or "full-time equivalent enrolment" is the calculation of the annualized enrolment in a program after weighting the enrolments from the various semesters. The key components of the calculation are the semester enrolments, the semester lengths, the program length and the MTCU Funding Units assigned to the programs. The WFU (weighted funding unit) is the result of multiplying the FTE by the MTCU Program Weight value.

**Q.... How can I increase the overall WFU's for my area?**

**A...** There are 3 components to the WFU calculation: enrolments, funding unit and program weight. Once a program has been approved and evaluated by the MTCU, the funding unit and program weight are virtually frozen so your only chance of increasing your WFU's is through enrolment growth. Smart enrolment growth would be to concentrate on programs with high funding unit and program weight values to add a multiplier to your enrolment growth.

A second method of increasing WFU's is to bring on new programs or intakes (i.e. winter) to achieve the enrolment growth and, where possible, maximize the impact of these new enrolments by ensuring the programs have high funding units and program weights.

**Q.... How can a College increase its Implicit Weight Value?**

**A....** Remember that a College's Implicit Weight Value is its weighted average program weight for all programs offered and is based on the relationship between total FTE's and total WFU's.

- There are a number of ways to increase the College's Implicit Weight Value.
  - Increase enrolments in programs with program weights above the College's average (1.2)
  - Introduce new programs with higher program weights
  - Suspend or reduce intakes on programs with low program weights.
- The key is to manage program mix to ensure enrolment is maintained or increased while at the same time promoting the growth of programs with higher program weights.

**Q.... What factors give a program a high Program Weight?**

**A....** Programs with higher unit expenditures of training are assigned higher program weights by the MTCU. This measure of the relative expenditures in delivering college programs is affected by;

- Student-Teacher ratios
- Implicit section size
  - Classroom
  - Laboratories, workshops, field work, clinical placement, etc.
- Utilization of instructional supplies and equipment
- Number of support staff needed to deliver the program.

Some Algonquin examples of high Program Weights are;

- Advance Care Paramedic 3.50
- Dental Hygiene 2.20
- Practical Nursing 1.60
- Radiation Safety 2.40
- Respiratory Therapy 2.40
- Game Development 1.60
- Furniture Technician 1.50

**Q.... Does a high WFU value automatically guarantee acceptable financial results for a program?**

**A....** Not necessarily. No program will perform well financially unless it has an adequate enrolment base to support its expenditures no matter how high its WFU value is. The MTCU's program funding parameters is also based on the principle that the "**funding mechanism should have a neutral impact on the programming decisions of colleges**". What this means is that the WFU values assigned to a program should take into account the costs of delivering the program so a college can make new program decisions without needing to consider high delivery costs as an insurmountable obstacle.