

Proportion of Provincial Operating Grants Distributed Based on College Performance

YEAR	PROPORTION
2020-2021	25%
2021-2022	35%
2022-2023	45%
2023-2024	55%
2024-2025	60%

By 2025, approximately \$74.5M of Humber’s Ministry funding will be tied to performance metrics.

SMA3 or the Strategic Management Agreement 2020-2025 is the funding agreement between the Ministry of Colleges and Universities and Humber College. Funding is allocated to Ontario colleges based on their performance against specific measures to which they and the ministry have predetermined. This process is referred to as performance-based funding. The government provides these monies through two main envelopes:

Enrolment Envelope: Funding is allocated based on student enrolment in post-secondary funded programs but is constrained by an upper limit or “corridor” beyond which the Ministry will not fund and a lower limit below which funding may be reduced. This means that as Humber develops and offers new programs, decisions must be made that ensure that overall enrollment is contained within the corridor. Non-post-secondary funded programs such as professional training are not subject to the enrolment corridor.

Differentiation Envelope: By 2025, 60% or approximately \$74.5M of Humber’s Ministry funding will be tied to performance on 10 metrics. A standard methodology sets targets aimed at continuous improvement that must be achieved to attain full funding associated with each metric. The 10 metrics are being activated in three phases over the five-year period. Some of the metrics include:

1. **Graduation rate:** Percentage of full time domestic and international students who graduate within a specific period of time (e.g., within 200% of the length of diploma/certificate programs and 175% for degrees).
2. **Experiential learning (EL):** Number and proportion of graduates who participated in at least one course with required EL component(s). Examples of appropriate EL activity include co-op placements, interactive simulations, capstone projects, service learning, practicums, and field/clinical placements.
3. **Graduate employment in a related field:** Proportion of graduates employed full-time in a field related or partially related to their program six months after graduation.
4. **Institutional area of strength or focus:** Proportion of enrolment in Humber’s program areas of strength, which have been defined as “scientific and cultural technology”.
5. **Institution-specific economic impact:** Local economic impact of international student spending on tuition, accommodations and discretionary spending. A standard formula based on Humber’s international student enrolment is used to calculate economic impact.

The introduction of performance-based funding requires that Humber establish robust enrolment management goals and processes to secure the funding associated with both the differentiation and enrolment envelopes. Whereas overall enrolment growth is no longer rewarded and will be penalized if it exceeds the corridor, enrolment growth associated with particular metrics (e.g., institutional area of strength and institution-specific economic impact) is necessary to meet the required targets and receive full funding from the differentiation envelope.

Each year, Humber engages in careful planning to develop the college’s budget, set program-level enrolment targets, implement strategies to recruit and retain students, and monitor our SMA3 metrics. Beginning in fall 2021, the college will also develop a new Strategic Enrolment Management (SEM) plan which will articulate enrolment and retention related goals for the college for the next three years.

For more information on Humber’s SMA3 agreement with the Government of Ontario: <https://www.ontario.ca/page/2020-2025-strategic-mandate-agreement-humber-college-institute-technology-and-advanced-learning>
 This document is available in an accessible online format. Visit: <http://humber.ca/strategicplanning/insights>