

## Executive Summary

Over the last twenty years, the Ontario government sought to introduce greater financial sustainability in the postsecondary system through two major policy goals: greater institutional differentiation, and enhanced opportunities for student mobility, chiefly by way of credit transfer and institutional articulation agreements. In tracing the evolution of these policy priorities, the paper establishes that they constitute the bulk of the “efficiency agenda.”

However, this paper asserts that in pursuing a system that features the characteristics of both “policy towers,” government will need to more strategically manage the policy levers at its disposal. For differentiation, this includes the deployment of funding envelopes that may be used to encourage institutions to focus on building their strengths, as well as attaching incentives to the Strategic Mandate Agreement exercise. With respect to student mobility, it means working with institutions to pursue academic partnerships in all their forms, not blindly, but with purpose and in response to real student demand and well-understood patterns of student behaviour.

This paper concludes with some key observations, which include:

- As part of the funding formula review for the university sector, establish an extra formula enrolment envelope to encourage institutions to increase the number of transfer students (through program partnerships, credit transfer and the creation of articulation agreements).
  - This would be in the form of a fixed per student dollar value that exceeds the BIU value of the program in which the student enrolls.
- Request that institutions include as part of their Strategic Mandate Agreement submission, a discussion of the institution’s credit transfer capacity, how it speaks to the institution’s mission, and how it will be achieved through the use of one or both student mobility tools.
- Reimagine the distance component of the Ontario Student Assistance Program so that it meets the true costs associated with student mobility and supporting choice.