

# Understanding the New Investment Management Agreement

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## Objectives:

- The Investment Management Agreement (IMA) is a shared agreement between the Ministry of Advanced Education and each of Alberta's 26 publicly-funded post-secondary institutions.
- The IMA outlines agreed upon principles, elements and performance metrics of the new Post-secondary Investment Framework that includes a new funding model and performance metrics in three priority areas:
  - Skills and Labour Market Outcomes
  - Institutional Performance
  - Teaching and Research
- There will also be reporting metrics that are not tied to funding that will serve to enhance transparency of the system.
- The IMA will reflect each institution's mandate and provide overall three-year funding projections, and the planned percentage of funding that will be subject to meeting the performance metrics.

## Term and Conditions:

- Three years (April 1, 2020 to March 31, 2023), signed by the Minister and Board Chairs.
- Each institution's investment management agreement is appended to its Campus Alberta Grant Agreement, and Campus Alberta Grant funds will be distributed in accordance with the institution's performance in meeting the benchmarks set out in its investment management agreement.

## Components:

### › Mandate Statements

- Individual institutions' mandate statements are incorporated into the new IMAs. The format will include all elements currently in the statements, with some alignment with the relevant performance metrics. Institutions currently in the process of updating their mandate statements can submit their updated mandates to be added into their IMA.

### › Estimated 3-year Campus Alberta Grant funding allocations - sample

	2019-20 (Reference)	2020-21 Year One	2021-22 Year Two	2022-23 Year Three
Estimated funding amount	\$#	\$#	\$#	\$#
Portion tied to Performance (at risk)	0%	15%	25%	40%

- › **Performance metrics tied to government priorities and funding.** *See Appendix 1*
  - All performance metrics and targets (approximately 15) will be determined at the beginning of the cycle, but not all will be activated in the first year. More will be used each year until all are active.
  - Performance metrics will include targets to be met and the weighting of each measure, which will be the basis of measuring performance.
  - Details related to the performance metrics, targets and weighting will be finalized after engagement with stakeholders and will be tailored to individual institutions, where appropriate, in each IMA.
  
- › **Transparency Reporting**
  - Reporting metrics that are not tied to funding that will serve to enhance transparency of the system.
  - Probable measures include:
    - Faculty to Admin staff ratio
    - Faculty workload
    - Open Educational resources
    - Transfer credit awarded at an institutional level
    - Institutional Completion Rates
    - Institutional Persistence Rates
  
- › **Institutional Priorities - *Optional***
  - Institutions may add institution-tailored information regarding areas they wish to focus on, and also measure performance on, to augment the IMA.

## Assessment/Evaluation:

- Advanced Education will do an annual evaluation of performance metrics to determine whether the targets were achieved.
- Based on the assessment of the performance, and the weightings of the various measures, a determination of the final percentage of performance-based funding that will be provided to the institution will occur and be communicated to the institution.
- There will be scaling for underachievement.
- Further operational details to be provided in technical guidelines (to be developed).

## Amendments:

- The IMA may be amended in the event of substantive policy or program changes that would significantly affect joint commitments made in the agreement. Any such amendment would be mutually agreed to in writing, dated, and signed by both signatories.

## Appendix 1 - PERFORMANCE METRICS

The following performance measures are being considered for inclusion in the IMAs. Definitions and data sources are provided. For more information on methodology and detailed institutional level results on student or graduate-related measures, contact your institutional research office or registrar's office.

Measure	Definition	Data Source	Publication/Availability	Sector Applicability
1. Graduate employment rate	Proportion of graduates of credential programs who are in the labour force and employed, two years after graduation.	Advanced Education Graduate Outcomes Survey (GOS)	<a href="https://open.alberta.ca/publications/graduate-outcomes-survey-publicly-funded-post-secondary-institutions-class-of-2015-16">https://open.alberta.ca/publications/graduate-outcomes-survey-publicly-funded-post-secondary-institutions-class-of-2015-16</a>  The survey for the class of 2018 is currently underway and data will be released in early 2021. More data will be available in tabular format (vs. pdf report).	All except Banff Centre
2. Employment in a related job	Proportion of graduates of credential programs who are employed, two years after graduation, and who respond that their current main job is very or somewhat related to the	Advanced Education Graduate Outcomes Survey (GOS)	<a href="https://open.alberta.ca/publications/graduate-outcomes-survey-publicly-funded-post-secondary-institutions-class-of-2015-16">https://open.alberta.ca/publications/graduate-outcomes-survey-publicly-funded-post-secondary-institutions-class-of-2015-16</a>	All except Banff Centre

<i>Measure</i>	<i>Definition</i>	<i>Data Source</i>	<i>Publication/Availability</i>	<i>Sector Applicability</i>
	general skills and abilities they acquired during their program.		The survey for the class of 2018 is currently underway and data will be released in early 2021. More data will be available in tabular format (vs. pdf report).	
3. <i>Time to find employment</i>	Proportion of graduates who were employed during school and kept that job, or who found a full-time job within six months of graduation.	Advanced Education Graduate Outcomes Survey (GOS)	<a href="https://open.alberta.ca/publications/graduate-outcomes-survey-publicly-funded-post-secondary-institutions-class-of-2015-16">https://open.alberta.ca/publications/graduate-outcomes-survey-publicly-funded-post-secondary-institutions-class-of-2015-16</a>  The survey for the class of 2018 is currently underway and data will be released in early 2021. More data will be available in tabular format (vs. pdf report).  Note that the wording for this question will be slightly different in 2020 (question will now read “How many months after graduation did it take you to obtain a full-time job?”)	All except Banff Centre
4. <i>Graduate median income</i>	Median income of graduates of credential programs (excluding executive programs) at an institution, by cohort year, one year after graduation.	Benefits of Post-Secondary Education Project (tax	Data is available at: <a href="https://open.alberta.ca/opendata/alberta-post-secondary-graduate-earnings-by-field-of-study">https://open.alberta.ca/opendata/alberta-post-secondary-graduate-earnings-by-field-of-study</a>	All except Banff Centre

<i>Measure</i>	<i>Definition</i>	<i>Data Source</i>	<i>Publication/Availability</i>	<i>Sector Applicability</i>
		data linkage project)	Analytical report is available at: <a href="https://open.alberta.ca/dataset/9871460137185">https://open.alberta.ca/dataset/9871460137185</a>	
5. <i>Access to career/employment services</i>	Index of: proportion of current credential program students who accessed career counselling, proportion of student who accessed employment services, and  proportion of students who have taken one or more steps to prepare for a career after graduation.	Canadian University Survey Consortium (CUSC) Alberta Collaboration Group	Survey was first conducted in 2019. Data has been received from all institutions and is being analyzed, results to be released later this year.  All institutions already have their own data, contact your institutional research office or registrar for your results.	All except Banff Centre
6. <i>Work integrated learning</i>	Proportion of current credential program students who participated in work placements as part of their program.	Canadian University Survey Consortium (CUSC) Alberta Collaboration Group	Survey was first conducted in 2019. Data has been received from all institutions and is being analyzed, results to be released later this year.  All institutions already have their own data, contact your institutional research office or registrar for your results.	All except Banff Centre

<i>Measure</i>	<i>Definition</i>	<i>Data Source</i>	<i>Publication/Availability</i>	<i>Sector Applicability</i>
			This question is being added to the 2020 survey, so results will not be available until later this year.	
7. <i>Administrative expense ratio</i>	Institutional support expenses divided by total expenses less ancillary services and business enterprise.	FIRS	Institutions should be able to calculate this for their own institution using their FIRS submissions, or may contact the department for details.	All
8. <i>CAG dependency ratio</i>	Institution's Campus Alberta Grant divided by total expenditures.	FIRS	Institutions should be able to calculate this using their FIRS submissions, or may contact the department for details.	All
9. <i>Own source revenue</i>	Institutional revenue generated through non-mandate related activities or fundraising activities divided by total revenue.	FIRS	Institutions should be able to calculate this using their FIRS submissions, or may contact the department for details.	All
10. <i>Expenditure targets</i>	Total number of FLEs divided by total expenditures.	FIRS and LERS	Institutions should be able to calculate this using their FIRS and LERS submissions, or may contact the department for details.	All
11. <i>Enrolment</i> • <i>Overall domestic</i>	Total number of domestic student FLEs at the institution in a given academic year.	LERS	Available to institutions from their LERS submissions, but also available at:	All except Banff Centre

Measure	Definition	Data Source	Publication/Availability	Sector Applicability
<ul style="list-style-type: none"> <li><i>International</i></li> <li><i>Indigenous Enrolment</i></li> <li><i>High demand programs</i></li> </ul>		Enrolment Projection Model	<a href="https://open.alberta.ca/dataset/system-wide-file-enrolment-within-the-alberta-post-secondary-education-system">https://open.alberta.ca/dataset/system-wide-file-enrolment-within-the-alberta-post-secondary-education-system</a>	
	Total number of international student FLEs (international student visa status) at the institution in a given academic year.	LERS	Available to institutions from their LERS submissions, but also available at:  <a href="https://open.alberta.ca/dataset/system-wide-file-enrolment-within-the-alberta-post-secondary-education-system">https://open.alberta.ca/dataset/system-wide-file-enrolment-within-the-alberta-post-secondary-education-system</a>	All except Banff Centre
	Total Number of indigenous learners	LERS	Available to institutions from their LERS submissions	All except Banff Centre
12. Sponsored Research Revenue	Number of domestic students enrolled in the top 20 highest demand programs at an institution (high demand programs as identified in post-secondary demand model).	Post-Secondary Demand Model and LERS	Post-secondary Demand Model was developed in 2019 and is currently being finalized. Will be shared with institutions for planning purposes.	All except Banff Centre
	Sponsored research revenues (SRR) are research funds	Audited financial statements	Current and prior years data by institution: <a href="https://open.alberta.ca/publications/2368-0350">https://open.alberta.ca/publications/2368-0350</a>	CARUs

<i>Measure</i>	<i>Definition</i>	<i>Data Source</i>	<i>Publication/Availability</i>	<i>Sector Applicability</i>
<i>13. Skills and competencies</i>	garnered outside of regular university operating grants.	and supplemental financial reports provided by institutions to Economic Development and Trade.		
	The proportion of supervisors of recent post-secondary graduates (all credential programs) who thought that the graduates they supervise were well-prepared across a range of basic skills (index of skills).	Employment Success Survey	<p>System level results and a technical report for the 2018 survey are currently available at: <a href="https://open.alberta.ca/publications/2018-employment-success-survey">https://open.alberta.ca/publications/2018-employment-success-survey</a></p> <p>The department is expanding the Employment Success Survey in the 2020 survey cycle in order to have results which are accurate and reliable at an institutional level.</p>	All except Banff Centre