



RABBCA UPDATE

May 6, 2021

1. Introduction:

- On May 6th, I met with representatives of the Minister of Advanced Education and the Minister of Finance and Treasury Board to discuss a path forward to address the challenges with the salary grid RABBCA by OIC this spring.
- At the request of the Minister of Advanced Education representative, I provided an overview to the TBF representative of the impact of the OIC on PSI's. I identified the impact based on the documentation that was used to inform the joint meeting of Presidents, Board Chairs and the Minister of Advanced Education
- The MacKinnon Panel report (page 39) was referenced in relation to the higher spending in Alberta on per student basis in comparison to the comparator provinces.
- The TBF representative confirmed that their Minister was not interested in "micro- managing institutions" nor creating guidelines that would lead to "bad business decisions".

2. Outcomes

- It was agreed that an Investment Management Agreement metric on the ratio of administrative spending to program delivery spending calculated on a per student basis could provide the basis for an institution being considered for an exemption from RABBCA.
- Before proceeding with further work on this option TBF agreed to confirm whether their Minister would be open this approach. This was confirmed by a follow up phone call immediately after the meeting.
- The ratio of administrative spending to program delivery spending was chosen over an administrative spending cap to prevent creating a disincentive to growing enrollment.
- Until the IMA metric is developed and implemented, Institutions can submit a request for an exemption from RABBCA for specific positions by presenting a business case to the Minister of Advanced Education who will confer with the Minister of TBF who has the authority to grant exemptions under the OIC.

3. Next Steps

- Advance Education is currently developing the Work Integrated Learning measure for the Investment Management Agreement. That work will proceed immediately ahead of the development of the administrative spending measure.
- COPPOA has the opportunity to establish a small working group that will engage with institutions to develop and propose a **definition** of administrative spending that is simple, clear, supported by reliable data and easily implemented. The Minister of Advanced Education is prepared to work with COPPOA throughout this process.
- COPPOA will also work with Advanced Education to recommend a reasonable **target ratio** of administrative spending to program delivery spending that is comparable to other jurisdictions.
- Once these two steps are completed, the **target** for individual institutions will be negotiated on an individual basis as part of their Investment Management Agreement.
- Institutions with an approved IMA will be eligible for an exemption from the RABBCA OIC passed this spring.

Prepared by Bill Werry

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