

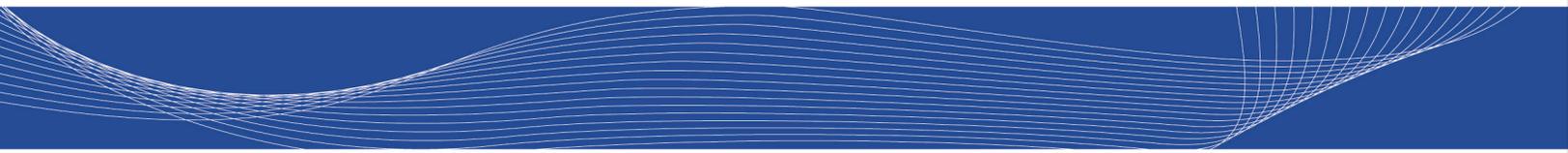
FPSE **ISSUES**

UPDATE

Condition Critical: University Transfer Programs in BC



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or almost two decades, British Columbia has succeeded in building a comprehensive system of post-secondary coordination and cooperation that allows students to transfer credits from college and university colleges to universities and have those credits count towards their undergraduate degree. The coordination and oversight is provided by the BC Council on Admissions and Transfer (BCCAT), a provincial authority tasked with ensuring that credits earned at the college or university college level are recognized at the “receiving” university.

The BCCAT model is well-regarded by other provinces. Ontario, for example, has been trying to replicate a similar arrangement within its post-secondary education system. Other provinces are following BC’s lead in the hope of both reducing unnecessary barriers for students and increasing the level of cooperation between public post-secondary institutions.

In recent years, the pattern of “sending” and “receiving” post-secondary institutions involved in university transfer programs has tended to blur. With the gradual rise of degree-granting capacity at both the community college and university college level, the need for students to transfer to a university to complete their undergraduate degrees has not been as clear as it once was. In fact, many instructors involved in university

transfer programs point out that there is an increased emphasis on the part of many colleges and university colleges to not articulate students out of their programs or institutions, but rather encourage those students to complete their degree at these institutions.

This blurring of sending and receiving institutions has been further complicated by the recent announcement by the provincial government that five existing post-secondary institutions will be designated as universities. The announcement includes legislative amendments which establish these new institutions as “special purpose” universities, a change that is not fully defined in the legislation and will likely add another layer of complication to overall trends in BC’s university transfer system.

This paper examines the trends in University-Transfer (UT) over the past 15 years to assess how policy changes in the last five years have affected transfer students. The paper looks at trends in enrolment and tuition fees. It also reviews some of the current tracking research that has been done on transfer students. It concludes with a number of recommendations for change designed to strengthen the opportunities for transfer students and ensure more effective access to post-secondary education becomes a reality for more students in the future.

The data sources for this paper relied on various information from the Ministry of Advanced Education, BCCAT, and the Canadian Federation of Students. As many post-secondary education policy analysts can appreciate, consistent enrolment data by institution and program area is difficult to assemble. In assessing change in enrolment over the period in question, this paper relied on actual FTEs of students as documented by the Ministry. In examining trends within program areas, the paper relied on headcount data from the Ministry's data warehouse. While headcount and FTE data are conceptually different, their value in this analysis was in the trend that they helped to describe.

University-Transfer Students: Important Characteristics

BCCAT provides the most comprehensive and ongoing analysis of University-Transfer students. Through

a number of specific research papers, as well as ongoing tracking of transfer students (e.g., class of 2000 and class of 1996), a detailed profile of transfer students has emerged. The following are some of the key findings from that research:

- On average, BC Universities admit three college transfer students for every five BC secondary school students (direct entry students).
- Nearly two thirds of the transfer students come from Lower Mainland post-secondary institutions, including Capilano College, Langara, Kwantlen, and Douglas. The remainder come from outside the Lower Mainland.
- 51 per cent of transfer students entered the Faculty of Arts
- 16 per cent of transfer students entered the Faculty of Science
- 7 per cent of transfer students entered the Faculty of Applied Science
- Almost half (49 per cent) of transfer students registered full time at university compared to 84 per cent of direct entry students.
- According to BCCAT, "Given the diversity of transfer students—they are on average older, tend to have family commitments, and come from a wide range of academic backgrounds—these students perform impressively at university, graduating with an

average that is only 5 per cent below the average of direct entry students.”

- The average debt of transfer students was \$5,500 more than direct entry students.
- Transfer students were more likely to rely on student loans than direct entry students. As well, transfer students were less likely to rely on family for financial assistance than direct entry students.

The research on transfer students shows that these students not only account for an important source of students for universities, but also an important comment on openness and access for public post-secondary education in general. The majority of college transfer students were not admissible as direct entry students but,

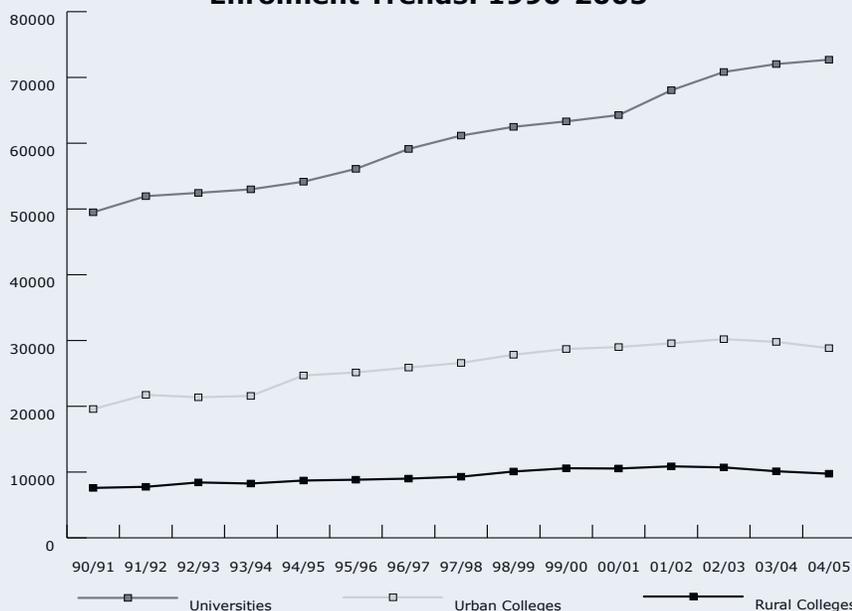
as a result of their college experience, were eventually able to enter university and complete their degrees— an outcome that would not have been possible without the system of transfers and coordination provided by BCCAT and the ability of colleges to provide high-quality learning environments for their students.

Enrolment Trends: 1990–2005

As noted in the introduction, this discussion paper relies on actual student FTEs as a proxy for enrolment. This data source is the most consistent over time (Data Warehouse Headcount Data, by comparison, is only available for the period 2003 to the present). In examining trends in student FTEs, this paper compares the enrolment trends of rural colleges, urban colleges,

TABLE 1

Enrolment Trends: 1990-2005



Source: Based on Ministry of Advanced Education Historic FTE Totals

university colleges, and universities. Table 1 summarizes the information by year and by institutional grouping.

A number of important patterns have emerged in terms of student FTEs since 1990. Throughout the 1990s, enrolments increased significantly, with the greatest increases occurring in colleges (both urban and rural) and university colleges. While university enrolments increased as well during this period, their rate of increase was relatively modest compared to colleges and university colleges.

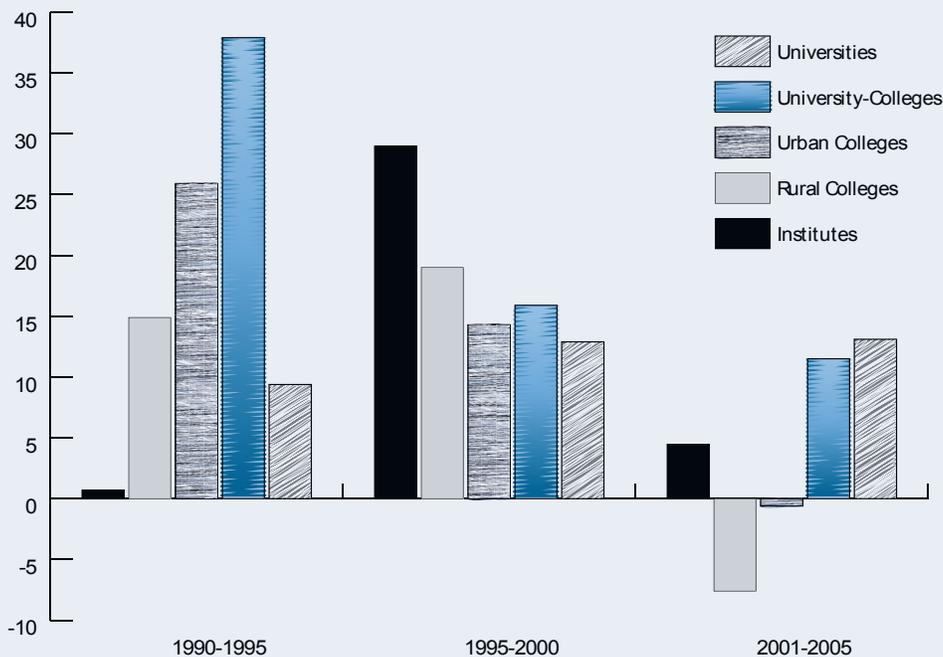
Table 2 summarizes the per cent change in student FTEs. The changes are summarized into three periods: 1990-95, 1996-2000, and 2001-2005. The reason for this segmentation is to

separate the period during which tuition fees were frozen (1996-2000).

During the 2000-05 period, enrolments at rural colleges suffered the greatest decline, dropping by almost eight per cent between 2001 and 2005. Urban colleges saw a decline in enrolments; however, their decline was not as severe: overall enrolment dropped by 0.6 per cent. University colleges continued to see increases in their enrolments over this period, but the change from 2001 to 2005 tends to overstate the trend. From 2003 to 2005, for example, university college enrolments have essentially plateaued. In marked contrast to other public post-secondary institutions, universities saw their enrolments increase at a faster rate in the 2000-2005 period

TABLE 2

Percentage Change in Actual FTE Post-Secondary Students by Type of Institution, 1990-2005



Source: Based on Ministry data from Table 1

than was the case in the two other time periods (1990-95 or 1996-2000). This is particularly important to note when one considers that it was during the 2001–2005 period that university tuition fees effectively doubled.

University-Transfer Programs Hardest Hit

The enrolment trends indicate that outside of universities, enrolments have either plateaued or decreased. To assess which program areas were the most adversely affected during this period, headcount data was examined. While headcount data often overstates the absolute level of enrolment (it doesn't fully recognize the difference

between part-time and full-time students), it does provide some insight into the trends.

Table 3 data shows that rural colleges saw the steepest declines in enrolment. Headcount data for rural colleges indicates that UT programs dropped by 13.8 per cent between 2003 and 2006 even though overall headcounts for these institutions showed an increase. University colleges saw a similar pattern in UT headcounts, although not as severe as was the case for rural colleges; at university colleges, UT headcounts were down by two per cent, while the overall headcount total was up slightly. At urban colleges, the impact on UT programs mirrored the pattern recorded at rural colleges: UT

TABLE 3

BC Student Headcount by Program and Type of Institution, 2003-2007					
Type of Institution	2003/4	2004/5	2005/6	2006/7	% change 2003-2007
<i>Urban Colleges</i>					
Arts & Science	24,648	22,936	22,227	21,421	-13.1%
Total	91,186	93,386	94,635	96,989	6.3%
<i>Rural Colleges</i>					
Arts & Science	4,652	4,393	4,055	4,008	-13.8%
Total	55,949	56,821	60,403	61,921	10.7%
<i>University Colleges</i>					
Arts & Science	15,706	15,882	15,576	15,394	-2.0%
Total	52,802	54,082	53,797	53,452	1.2%

Source: Ministry of Advanced Education, Data Warehouse

headcounts dropped by 13.1 per cent while overall headcounts for these institutions increased by 6.3 per cent.

It is worth pointing out that while total headcounts show increases between 2003 and 2006, those increases likely reflect the changing mix in students who were enrolled in post-secondary institutions. Table 1 shows actual FTEs declined, yet total headcounts increased, indicating that more students have shifted to part-time study during the last five years. That shift from full-time to part-time, especially for non-university post-secondary students, is consistent with the evidence at an institutional level where instructors have noted more students dropping back to part-time as a way of coping with rising costs.

Tuition Fee De-regulation: Part of the Problem

As noted earlier, post-secondary tuition fees were frozen from 1996 to 2000. After taking office in 2001, the new government effectively “de-regulated” tuition fees, leaving institutions free to increase them by whatever amount they wanted to set. Over the next four years, tuition fees almost doubled. Table 4 summarizes the average tuition fees as documented by the Canadian Federation of Students.

The trend shows not only significant per cent and absolute increases in the cost of post-secondary education from the students’ perspective, but also significant shifts in the relationship of

average tuition fees between various types of post-secondary institutions. This last point, especially the significant decrease in the relative gap between university and university college tuition fees, is one on which there needs to be more detailed public policy research.

From 2001 to 2005, tuition fee deregulation led to a dramatic spike in those fees. Average college tuition fees increased by more than 94 per cent. For university students, the average tuition fee increase was close to 91 per cent. University colleges saw the biggest increases with average tuition fees almost tripling over the period 2001 to 2005.

The significant increase in university college tuition fees also dramatically changed the relationship that had previously existed between tuition fees at university colleges and those at universities. Prior to tuition fee deregulation, average university college tuition fees were about 60 per cent of the average recorded at BC’s universities. By 2005, that percentage figure had climbed to 80 per cent. As we saw with headcount data for the period 2003-07, enrolment in University-Transfer programs at university colleges has been dropping steadily during this period, even though enrolments at universities have managed to sustain double digit growth rates during the period of tuition fee deregulation (see Tables 1 and 2). Part of the decline in UT programs may well reflect the decreases in the differential between the fees charged at university colleges and those charged at universities. When combined

TABLE 4

Average Tuition Fees for BC Degree Credit Programs by type of institution, 2001-2005				
Type of Institution	2001/2	2002/3	2003/4	2004/5
College	\$1,306	\$1,831	\$2,324	\$2,536
University College	\$1,264	\$2,286	\$3,078	\$3,315
University	\$2,168	\$2,766	\$3,617	\$4,137

Source: Canadian Federation of Students

with lower entrance requirements at universities—a trend that began in 2005 and has increased since then—some students who might have otherwise gone to university colleges because of the relatively lower cost are now opting to go directly to university.

It's important to note that tuition fees represent only part of the cost that students face when it comes to accessing post-secondary education. Most public post-secondary institutions have also used the period of tuition fee deregulation to impose additional fees beyond basic tuition fees. These additional fees often total hundreds of dollars per semester and could contribute to discouraging students from accessing post-secondary institutions.

Other Factors Affecting UT Enrolments

Demographic Change

The dramatic rise in tuition fees had an immediate impact on thousands of post-secondary students. Debt levels jumped in tandem with the tuition fee increase. By 2005, the Canadian

Federation of Students estimated that the average student debt upon graduation was \$30,000, up from \$18,000 in 2001. Rising tuition fees also caused many students to either drop-out or at least drop-back to part-time study.

What has become evident over the 2001-2008 period is that the provincial government never considered how a confluence of other factors would affect overall post-secondary enrolments. In many respects, it was this lack of forethought that has created some of the biggest problems for post-secondary education. For example, it has been well-known for at least a decade that demographic changes would eventually have an impact on post-secondary enrolments. The number of young people in the important 18-25 years-of-age cohort is in decline, a development that planners were well aware of in the 1990s. That demographic shift means that post-secondary institutions would face a tougher time attracting students. Adding significant affordability barriers—higher tuition fees—to the mix only ensured that vulnerable enrolment levels would face even greater challenges.

Loss of Student Grants

The UT enrolment problem was also affected by the virtual elimination of the student grant programs by the BC Liberals. The loss of this financial support for students affected every post-secondary student, but given the profile of UT students, it's clear that they would be more adversely affected. These students are generally older than direct entry students and are more likely to be self-supporting in terms of shouldering most or all of the costs of their post-secondary education than is the case of direct entry students.

Uneven Participation in Articulation Process

Much harder to quantify, but certainly an important piece of the UT program puzzle is the degree to which established universities fully participate in the ongoing articulation process. Over the last seven years, college and university college faculty have noted a conspicuous absence of the major universities in articulation meetings. Some have suggested that as real funding has continued to decline and competition for potential students has increased, there is almost a built-in reluctance by universities to strengthen the articulation process. From this perspective, universities may well see the articulation process as a potential threat to their enrolment base, a threat that could ultimately lead to less funding.

This perspective fails to recognize that BC's public post-secondary system is indeed a system. By strengthening

the articulation process BC opens more doors and access points for both existing and potential post-secondary students, a move that benefits both the entry-point (e.g. a community college) and, ultimately, the "receiving institution."

25,000 New Spaces

In 2004, when the provincial government announced their plan to add 25,000 new spaces to the public post-secondary education by 2010, many believed that the policy would begin to address some problems that chronic underfunding and tuition fee de-regulation had created. Several provincial budgets later, it has become obvious that the 25,000 of the new spaces were more fiction than fact. Per-student operating grants to public post-secondary institutions continued to decline, in real terms, despite the announcement. In fact, it wasn't until the BC Auditor General's 2006 report on the status of the 25,000 new spaces that we had verifiable third-party information confirming that progress on the 25,000 new spaces was falling well short of the much heralded promise.

The Auditor General's report left little doubt that the government's approach to post-secondary was not working. The report noted:

"Post-secondary education enrolments are sensitive to several factors: tuition fee increases, revised student aid provisions, changes in debt levels, fluctuations in the labour market and shifts in demographics. British Columbia has

experienced changes in all these areas in recent years.

The impact of these intersecting factors helps explain the softening in student enrolment. We expected the Ministry and institutions to be well aware of these influences and to have been developing strategies to offset any negative impacts. We found, however, that softening enrolment caught many institutions and the Ministry by surprise.

Although the Ministry recognized the need for institutional capacity-building, it did not do an environmental scan to better understand the challenges institutions would face in attempting to achieve their performance targets and did not develop a strategy to help struggling institutions build capacity. Given the improving provincial economy and job market, increasing tuition and other fees, and increasing competition for students coming from other provinces and institutions, there is good reason to question whether struggling institutions will be able to meet the enrolment targets set by the Ministry.”

— Auditor General’s report,
*Government’s Post-Secondary
Expansion—25,000 Seats by 2010*,
December 2006, p. 31-32

In many respects the 25,000 new spaces created additional problems for UT programs. The choice to allocate a larger portion of the 25,000 spaces to universities in the initial phase

was one of many factors contributing to the diversion of college and university-college bound students into universities. In effect, by prioritizing the spaces to universities the government simply shifted students rather than grow the enrolment levels in the college and university college programs.

Perrin Report

Further complicating this picture was the uneven treatment that colleges and university colleges received after the Perrin-Thoreau Consultants review. This review was undertaken in early 2006 to identify ways to address some of the fiscal imbalances that post-secondary institutions face. The initial recommendations led to an increase in base funding for universities. A subsequent recommendation to have base funding increases apply as well to college and university colleges was rejected by the provincial government. The effect of this was to further erode the capacity of colleges and university colleges to attract students. When combined with the front-loading of the new spaces to universities, the picture that emerges is one in which preference and advantage in the competition for a limited number of students has been shifted to universities.

Budget Cuts and University Status

In March and April, a series of government announcements have further complicated the picture for UT programs. In mid-March, the Minister of Advanced Education met with college and university presidents to tell them that operating grants for 2008-09

would be cut by 2.6 per cent. The cut was a surprise to every institution. They were in the second year of a three year service plan and the unilateral cut to their operating grants pushed their 2008-09 budgets into deficits. That, in turn, led to major revisions in institutional Educational Plans.

Since the mid-March budget cut, post-secondary institutions have been scaling back on programs and course offerings. UT programs, already feeling the adverse effects of five years of poor policy choices by the provincial government, have come under increased pressure. In some institutions this has meant significant reductions in the number of sections offered in various UT programs. In others, the budget cuts are used to justify "vertical cuts" which means that certain disciplines will be completely eliminated.

In both cases, the impact on enrolment goes far beyond the direct loss of sections or disciplines. Many students start their post-secondary education with a limited idea of what they want to pursue. They take a cross section of courses and pick from there. If students know that certain disciplines are not offered at their local college, they may choose to go somewhere else.

It's also important to note another cascading impact of these budget cuts. They put even more pressure on colleges to scale back on their comprehensive approach. That approach is one of the reasons why, for example, colleges tolerate low class

size numbers in courses where only a single section is offered. However, with these new budget pressures that ability to maintain their comprehensive approach will be significantly undermined.

The provincial government's decision in mid-April to change three university colleges into universities and designate Capilano College and Emily Carr Institute of Art + Design as universities further complicates the picture for UT programs. None of the university announcements included any additional funding, a move that most media characterized as "contradictory." Clearly, the announcements were not intended to improve access or affordability because both of those improvements could only be achieved with better funding.

In many respects the mid-April university announcements are like the government's pledge to add 25,000 new spaces by 2010. The university announcements won't address the over-arching problem of declining enrolments, especially in the UT program area. In fact, the university announcements could simply lead to greater competition between both established and newly-minted universities for a shrinking pool of potential students. What the post-secondary education system needed was not a "re-branding" of various institutions, but a more thoughtful and appropriately funded strategy to encourage and support students to enter and complete their post-secondary education.

Conclusion

The provincial government's current approach to post-secondary education policy needs to focus on how to reduce or eliminate the barriers that prevent students from pursuing a post-secondary education. Instead of discouraging students from post-secondary education—and in so doing force institutions to compete for a limited number of students—public policy should be encouraging enrolment. The rationale for that policy is very straight forward: BC needs to increase the number of people who have some form of post-secondary education. That is the most effective way to deal with a skills shortage.

If the public policy challenge facing BC is to increase participation rates in post-secondary education, then the provincial government needs to better recognize the ways in which various parts of the public post-secondary system can contribute to that goal. Colleges and university colleges represent a critical access point for adult learners. Many who attend these institutions would not qualify for direct entry to a university. Yet, BCCAT and other studies show conclusively that the college system's "open door" approach produces student outcomes very similar to those of direct entry students. In fact, several studies note that transfer students survive the "shock" that students often face in university at rates equal to those of direct entry students even though the transfer students didn't have the grade requirements for direct

entry. These studies also confirm many of the impressions gathered by college instructors who note that the combination of small classes and more supportive teaching strategies at the college level help more marginal students to successfully complete a university degree.

The college and university college access points also make good fiscal policy. The dollars-per-student operating grants from the Ministry to colleges and university colleges are lower than the same grants provided to universities. The difference is, in part, explained by the fact that universities have higher operating costs because of their need to support original research. However, if the objective is to make the best use of provincial dollars in reaching the goal of higher post-secondary participation rates, having more students start in colleges and university colleges would be the most sensible approach.

Other provinces—notably Quebec—go one step further by requiring all students interested in post-secondary education to go directly to college first before transferring to universities. The policy not only encourages and supports higher participation rates, it also ensures that funding support for post-secondary education aligns with a cost-effective approach to delivering on that objective.

Recommendations for BC

1. BC needs to make a comprehensive commitment to public post-secondary education that leads to meaningful reductions in tuition fees and substantial increases in per-student operating grants for public post-secondary institutions.
2. In the short-term, the BC government needs to adopt all the funding recommendations in the Perrin-Therreau consulting report undertaken in 2006.
3. Over the longer term, the BC government needs to revise and re-balance the funding formula for post-secondary institutions. The current formula does not adequately support the real costs of delivering post-secondary education throughout the province.
4. To begin addressing some of the financial barriers that post-secondary students face, the BC government should fund a new initiative that would guarantee that the first-year of post-secondary education is tuition free.
5. To strengthen BC's current articulation system, the Ministry of Advanced Education should compel all universities to fully participate in the articulation process.

