

Internal Allocation of 2009 LTPF Funds

1. Introduction

This report presents a proposed allocation of the \$3,953,768 of Learning and Teaching Performance Funds (LTPF) that have been allocated to the University for 2009. It is based on the methodology that was used to distribute the \$4.798M of Learning and Teaching Performance Funds (LTPF) that were allocated to the University for 2008 as requested by the Deputy Vice-Chancellor (Education) after discussions he had with the Vice-Chancellor.

2. Background

The LTPF was established by the Commonwealth government with the intention of rewarding excellence in teaching and learning.

The government adopted a formulaic approach based on selected performance indicators to allocate LTPF funds rather than a labour-intensive portfolio approach, although the latest calculations include an allocation based on improvement. The indicators used by DEEWR for determining LTPF allocations comprise the following seven indicators under three main areas:

- **Student Satisfaction**
 - Satisfaction with Generic Skills
 - Satisfaction with Good Teaching
 - Overall Satisfaction
- **Outcomes**
 - Full-Time Employment
 - Further full-time and part-time study
- **Success**
 - All Bachelor students' progress rates
 - Commencing Bachelor students' retention rate

While the University has had ongoing concerns with the methodologies adopted for allocating LTPF funds including the inappropriateness of the adjustments done to raw scores on a variety of factors, it has nonetheless fared reasonably well on LTPF allocations with allocations of \$2.580M for 2006 (4.7% of the total national allocation), \$4.226M for 2007 (5.2%), \$4,798,340 for 2008 (5.9%) and \$3,953,768 for 2009 (5.4%).

3. Principles for Allocating LTPF Funds

The following principles have underpinned previous internal allocations of LTPF funds:

- (i) Provision should be made to fund specific projects and activities designed to enhance teaching and learning and be allocated by the Deputy Vice-Chancellor (Education).
- (ii) Every faculty and the School of Indigenous Studies should receive a share of the LTPF funds and, if the overall funds are increasing, this should ideally be no less than the allocation in the previous year. If the overall funds are decreasing, then a faculty's share should not decline by more than 10% greater than the average decline.
- (iii) The faculty allocation should include a fixed component to act as seed funding to allow each faculty to develop initiatives to enhance their teaching and learning.
- (iv) There should also be a component that recognises the relative teaching and learning performance of each faculty constructed so as to reward performance in teaching and learning consistent with the Operational Priorities Plan targets, with some (but secondary) consideration of factors driving the LTPF allocation. This should however not be based on the adjusted scores and the broad discipline groupings used by DEEWR to allocate LTPF funds. The adjustment process includes too many extraneous factors that, in our view, unduly distort the performance measures, and the four discipline groupings used by DEEWR in the 2008 LTPF process are too heterogeneous to appropriately measure internal performance.

An over-arching consideration in allocating funds, including the LTPF funds, is that the allocations should be consistent with the strategic directions articulated in the University's plans, especially the Strategic Plan and the Operational Priorities Plan. In this

regard, it is clear that one of the highest priorities for the next few years is to implement the recommendations of the Review of Course Structures; i.e. develop the Future Framework.

While the University's LTPF allocation is the highest per student nationally, the 2009 allocation has declined mainly because the total amount allocated nationally was reduced. This presents particular challenges in the context of the tight financial situation facing the University, while pursuing an ambitious agenda that includes the implementation of the Future Framework.

The proposed 2009 allocation is nonetheless based on the principles articulated above.

4. Central Allocation Amount

It is proposed that the centrally-allocated amount be reduced from \$1,398,340 in 2008 to \$1,253,768.

In light of the importance of the Future Framework, as stated above, and the feedback given at the Senior Leadership Day held on 10 February 2009, it is proposed to allocate \$600,000 for the Future Framework implementation.

The proposed allocation of funds to be allocated by the Deputy Vice-Chancellor (Education) has been reduced by \$244,572. These funds will be allocated to projects to enhance the student learning experience, such as refurbishment of lecture theatres and laboratories, WebCT, and projects undertaken by areas such as the Library, Registrar's Office, the Finance and Resources Division and colleges.

Table 1 shows the actual and proposed split of internal LTPF funding allocations between faculties and central teaching and learning allocations.

Table 1: Internal LTPF Funding Allocations, Actual 2007 and 2008 and Proposed 2009

	Proposed 2009	Actual 2008	Actual 2007
Direct Allocation to Faculties	\$2,700,000	\$3,400,000	\$3,000,000
DVC(Education) Allocation	\$653,768	\$898,340	\$726,000
Future Framework Implementation	\$600,000	\$0	\$0
WebCT	\$0	\$0	\$500,000
Lecture Theatre Refurbishment	\$0	\$500,000	\$0
Total Amount of LTPF	\$3,953,768	\$4,798,340	\$4,226,105

5. Fixed Amount Allocated to Each Faculty

Given that UWA's grant has been reduced by 18% this year, it is proposed that the fixed amount allocated to each faculty also be reduced by 18%, hence the \$110,000 per faculty and \$30,000 for the School of Indigenous Studies in 2008 becomes \$90,000 per faculty and \$25,000 for the School of Indigenous Studies in 2009.

6. Performance Component

It is proposed that \$1.850M (down from \$2.345M in 2008) be allocated on a similar basis to 2008 using the performance relative to the other Group of Eight universities in each field of education. In particular the internal performance on the 2008 CEQ has been derived by comparing the internal UWA figures within each faculty with the corresponding figures for other Group of Eight universities in 2007 in each of the 40 broad fields of education used by Graduate Careers Australia. It should be noted that national CEQ data sets for 2008 are not yet available. Table 2 presents the relative performance figures derived by this methodology.

Table 2: CEQ Performance 2008 Relative to G08 Average 2007 by CEQ Scale

Faculty	Relative Performance				Previous Performance (a)
	OSI	GTS	GSS	Average	
Architecture, Landscape & Visual Arts	98.4%	101.4%	96.2%	98.7%	108.5%
Arts, Humanities & Social Sciences	108.3%	109.8%	109.9%	109.3%	115.8%
Business	105.6%	105.2%	106.5%	105.8%	117.1%
Education	101.8%	119.2%	104.1%	108.4%	130.0%
Engineering, Computing & Mathematics	104.7%	89.6%	101.4%	98.6%	110.9%
Law	108.5%	101.8%	112.2%	107.5%	104.0%
Life & Physical Sciences	106.5%	111.0%	105.0%	107.5%	112.5%
Medicine, Dentistry & Health Sciences	106.0%	110.0%	108.8%	108.3%	119.2%
Natural & Agricultural Sciences	106.0%	105.0%	109.7%	106.9%	115.9%
Total	106.0%	106.6%	106.4%	106.3%	115.0%

(a) UWA performance in 2007 relative to other G08 universities in 2006.

Consistent with the 2008 approach and in recognition of the differences in the costs of teaching different disciplines, the relative performance figures have been converted to a performance-based allocation factor by multiplying the relative performance figure by the 2008 FFM-weighted load of students in coursework programmes and calculating the relative faculty shares, as shown in table 3.

Table 3: Performance Factor Adjusted for Relative Faculty Size

Faculty	Relative Performance	FFM-Wtd Coursework Load	Relative Performance x Wtd Load	Relative Share of Total
Architecture, Landscape & Visual Arts	98.7%	1,220.4	1,204.1	4.8%
Arts, Humanities & Social Sciences	109.3%	2,495.2	2,728.3	10.8%
Business	105.8%	3,261.8	3,450.2	13.7%
Education	108.4%	433.3	469.6	1.9%
Engineering, Computing & Mathematics	98.6%	4,599.6	4,534.4	18.0%
Law	107.5%	1,524.8	1,639.1	6.5%
Life & Physical Sciences	107.5%	5,612.9	6,033.9	23.9%
Medicine, Dentistry & Health Sciences	108.3%	3,349.6	3,627.9	14.4%
Natural & Agricultural Sciences	106.9%	1,342.1	1,434.7	5.7%
Indigenous Studies	100.0%	79.7	79.7	0.3%
Total	106.3%	23,919.4	25,201.8	100.0%

It should be noted that CEQ scores cannot be attributed directly to the School of Indigenous Studies because only graduates are surveyed in the CEQ. Nonetheless a notional relative performance of 100% has been assigned to the School and its weighted load included in the performance factor in recognition of its contribution to the overall student experience.

In its 2009 LTPF allocation, DEEWR introduced a relative improvement factor to reward those institutions whose performance improved over the previous year. However we do not share the view that measuring improvement is as important as rewarding absolute performance, and so we have not included such a factor in our allocations.

7. Proposed Allocation of LTPF Funds to Faculties

Combining the above calculations gives the proposed funding allocation to faculties that is presented in table 4.

Table 4: Proposed Internal LTPF Allocations (\$) to Faculties for 2009

Faculty	Performance Component	Fixed Amount	Adjustment Component	2009 Allocation	2008 Allocation
Architecture, Landscape & Visual Arts	89,000	90,000		179,000	224,717
Arts, Humanities & Social Sciences	201,000	90,000		291,000	376,297
Business	254,000	90,000		344,000	429,125
Education	35,000	90,000	12,000	137,000	190,326
Engineering, Computing & Mathematics	333,000	90,000		423,000	523,606
Law	120,000	90,000		210,000	253,066
Life & Physical Sciences	443,000	90,000		533,000	656,203
Medicine, Dentistry & Health Sciences	267,000	90,000		357,000	468,456
Natural & Agricultural Sciences	105,000	90,000		195,000	240,308
Indigenous Studies	6,000	25,000		31,000	37,896
Grand Total	1,853,000	835,000	12,000	2,700,000	3,400,000

As can be seen, the Faculty of Education receives an additional allocation of \$12,000 to ensure that its total allocation of LTPF funds does not decline by 10% more than the average decline across the faculties. [While the Faculty of Education has excellent CEQ results, its performance-related component is modest because of its small weighted student load.] Also note that Faculty allocations have been rounded to the nearest \$1,000.

Again in light of the importance of the Future Framework, faculties will be expected to use at least one half of the funds allocated to them for work associated with the implementation of the Future Framework and the remaining funds on projects specified in their OPP for 2009-2013 that are designed to enhance the student learning experience.

8. Recommendation

It is recommended that the \$3,953,768 of LTPF funds for 2009 be allocated with:

- (i) \$1,253,768 retained centrally and be allocated by the Deputy Vice-Chancellor (Education) to provide resources for additional activities designed to support teaching and learning (including \$600,000 for Future Framework implementation);
- (ii) \$2,700,000 allocated to faculties as per table 4 in this paper on the proviso that at least one half of the funds allocated to each faculty be spent on work associated with the implementation of the Future Framework and the remaining funds to be spent on projects articulated in the faculty OPP that are designed to enhance the student learning experience. Allocations would be for activities proposed by Deans and approved by the Senior Deputy Vice-Chancellor.

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