



TO: Business Board

SPONSOR: Derek McCammond, Vice-Provost Planning & Budget
CONTACT INFO: 416-978-7116, d.mccammond@utoronto.ca

DATE: March 21, 2003 for meeting on April 7, 2003

AGENDA ITEM: 7(c)

ITEM IDENTIFICATION:

Cost Recovery Ancillary Fees, 2003-2004

JURISDICTIONAL INFORMATION:

The Policy on Ancillary Fees delegates to the administration the authority to make annual adjustments to these fees, provided that the adjustments relate to changes in the cost of the materials or services provided. These changes are to be reported annually to the Business Board for information.

OTHER ACTION TAKEN:

The schedule comes forward annually

HIGHLIGHTS:

The University's Policy on Ancillary Fees, under Category Five, permits divisions to charge students for the reasonable cost of the provision of certain learning materials and services. The University, through its operating budget, is responsible for the delivery of an academic program, but the student may be expected to purchase the requisite materials prescribed for the program. A copy of the policy is attached. All of the fees reported are within one of the seven cost recovery fee categories identified in the Policy.

These fees include fees for: publications, case studies, or laboratory manuals; field trips, clothing; equipment that becomes the property of the student; equipment rentals; other goods or services provided individually to students for their exclusive use; and any non-credit remedial instruction provided. All of the fees reported fall within one of these categories. The Ministry of Training, Colleges and Universities' policy on ancillary fees now makes a special allowance for "system-wide" fees. The fee for the CANCOPY license and University Health Insurance Policy (UHIP) are now separated in the schedule on that basis.

As directed under the policy, the only cost recoveries that may be charged are those shown on the University Schedule of Cost Recovery Fees. This schedule has been updated and is attached for the Business Board's information. In most cases the fees have remained the same, a few have been increased or decreased. As a result of the re-negotiation of the license with CANCOPY, many divisions are no longer distributing and charging for publications directly. Instead, the publications are made available through the University of Toronto Press.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

The fees are set at a level to cover the cost of the service.

RECOMMENDATION:

For information only.

ATTACHMENT A (i)

Policy on Ancillary Fees

In Addition to the Tuition Fee Schedule, there shall be a Schedule of Ancillary Fees. The schedule will be organised as follows:

1.0 Student Services provided by the University¹

- 1.1 Student Services
- 1.2 Health Services
- 1.3 Athletics
- 1.4 Hart House
- 1.5 Constituent College fees (excludes college library fees which are prohibited)

¹All fees in this category are compulsory.

The Ministry of Education and Training's Compulsory Ancillary Fee Policy requires that protocols be established in order to increase or add new fees to this category.

2.0 Student organisations and services provided by such organisations²

- 2.1 Student society fees including any portion thereof in support of student initiated health plans and communications.
- 2.2 Social and cultural services (excluding Hart House)
- 2.3 Other fees levied by student organisations to cover the costs of operating the organisations or services provided by them. The University may act as a collection agent for the student organisation, but the fees will be passed directly to the respective student organisations.

²In accordance with the Ministry of Education and Training's Compulsory Ancillary Fee Policy fees established by student governments, including those resulting from referenda sponsored by them are excluded from the protocol requirement.

3.0 Student levies for specific, limited projects³

Student organisations may establish levies for specific, limited projects within the University which are designated by them.

The University may act as a collection agent for the student organisation, but the fees will either be passed directly to the respective student organisation or to a restricted account for the purpose(s) designated by the organisation.

³Such fees must be approved by student referenda as required by the Ministry of Education and Training's Compulsory Ancillary Fee Policy. These fees are exempt from the protocol requirement of the Ministry's policy.

All fees in Categories 1.0, 2.0 and 3.0 that are compulsory will be governed by the University's Policy on Compulsory Non-academic Incidental Fees. The application of the Policy will not preclude the assignment of Category 3.0 Student levies for specific, limited projects to academic purposes.

4.0 Academic surcharges for extraordinary cost

4.1 Studio Fees

4.2 Cinema Screening Fees

4.3 Laundry

4.4 Computing Fees

Compulsory ancillary fees normally may not be levied for these services. The only exception may be for extra services beyond those normally provided and required by a degree program or course, as for example when additional computing time is made available to students at their option.

5.0 Cost Recoveries⁴

5.1 Publications, case studies, laboratory manuals

5.2 Field trips

5.3 Clothing

5.4 Equipment purchases that become the property of students

5.5 Equipment rentals that, for the period of rental, come into the individual possession of students

5.6 Other goods and services provided individually to students for their exclusive use. Charges for various forms of non-credit remedial instruction, if provided, may be included here.

5.7 Materials, services, or licenses where the University acts as a broker with a vendor for the student.⁵

Fees charged to recover costs must relate to those costs, and may not exceed them, or a reasonable estimate of them. The only cost recoveries that may be charged are those shown on the University Schedule of Cost Recovery Fees, which initially shall be the list of cost recoveries shown in the University's submission to the Ministry of Training & Education, February 16, 1987. The fees shown on the Schedule may be adjusted annually by administrative authority (the Vice-Provost, Planning & Budget) provided that the adjustments relate to changes in cost, and are for goods and services that comply with the Policy on Ancillary Fees. All changes shall be reported annually to the Business Board for information.

⁴Such fees, whether or not they are compulsory, are exempt from the Ministry of Education and Training's Compulsory Ancillary Fee Policy protocol requirement.

⁵This is a new category introduced by the Ministry of Education and Training Policy. For the University of Toronto, this category replicates Category 5.4.

6. Administrative user fees and fines⁶

6.1 Registration fees

6.2 Records and documents (excluding diplomas and certificates, for which no fee may be charged except for replacements)

6.3 Examination and grades (excluding initial grade reports, for which no fee may be charged)

6.4 Co-op program placement fees

6.5 Library fines

6.6 Other administrative user fees or fines shown on the University Schedule of Administrative User Fees and Fines.

Administrative user fees must relate to the costs of the services provided, and may not exceed them, or reasonable estimates of them. The only administrative user fees and fines that may be charged are those shown on the University Schedule of Administrative User Fees and Fines. The fees and fines shown on the Schedule may be adjusted annually by administrative authority (the Vice-Provost, Planning & Budget), provided that the adjustments relate to the costs of the services provided. All changes shall be reported annually to the Business Board for information. The introduction or removal of a fee from the Schedule must be submitted to the Business Board for review and approval.

⁶All fees in this category are exempt from the Ministry of Education and Training's Compulsory Fee Policy protocol requirement.

7.0 General program support

Other than tuition fees, no fees may be levied for general program support, except as provided for in Category 3.0, student levies for specific, limited projects.

8.0 System Wide Fees⁷

8.1 University Health Insurance Plan (UHIP)

Such fees are established through a formal agreement under which students at all Ontario universities pay a comparable fee for a comparable service. Such fees are exempt from the Ministry of Education and Training's Compulsory Ancillary Fee Policy protocol requirement.

⁷This is a new category introduced by the Ministry of Education and Training policy. The UHIP fee is actually a Council of Ontario Universities fee which is reported here for information.

Attachment A (ii)

Policy on Ancillary Fees - Administrative Interpretation Category Five

Categories one through four of the schedule will be maintained by the Office of the Vice Provost, Students.

Categories five through eight will be maintained by the Office of the Vice-Provost, Planning & Budget.

5.0 Cost Recoveries¹

Introduction

Divisions, under this section of the Policy on Ancillary Fees, may charge students for the reasonable cost of the provision of certain learning materials and services. As a matter of principle, the University through its operating budget will be responsible for the delivery of an academic program, while the student will be expected to purchase the requisite materials prescribed for the program.

Eligible Cost Recoveries

The following groups of cost recovery fees will be permissible under the provisions of the Policy:

5.1 Publications, case studies, laboratory manuals*

In determining the appropriate cost recovery for fees in this category, divisions may include the direct cost of supplies, a reasonable estimate of labour charges, and a provision for photocopy equipment utilisation, either rental charges or capital depreciation.

5.2 Field Trips**

Eligible cost recoveries for compulsory or non-compulsory field trips shall include only the reasonable, direct costs of transportation, accommodation, meals, equipment rentals, and admission charges as appropriate.

Such fees shall not include the costs (full or partial) of salaries, benefits, travel, accommodation, meals, equipment rentals, and admission charges of faculty or any other instructional activity.

Compulsory ancillary fees cannot be charged for any component of an out-of-province compulsory field trip in compulsory courses. Compulsory courses are defined as courses which a student is required to take in order to fulfil the requirements of his or her program or degree.

¹ Such fees, whether or not they are compulsory, are exempt from the Ministry of Education & Training's Compulsory Ancillary Fee Policy protocol requirement.

5.3 Clothing

Only the direct cost of clothing which is retained by the student may be recovered.

5.4 Equipment purchases***

Purchased equipment must become the property of students. This includes materials used in the production of items which become the property of students.

The direct cost of equipment, including brokerage, freight, and taxes, and a reasonable estimate of handling charges will be eligible for recovery. Associated items required for the operation of such equipment, such as computer software, may be included in such cost recoveries.

5.5 Equipment rentals***

Equipment rentals, for the period of rental, must come into the individual possession of students.

Divisions may, as a convenience to students, provide equipment on a rental basis in instances where the student would normally be expected to acquire the equipment. Such charges should not normally be compulsory for all students registered in a course of program.

Divisions may also levy a cost recovery fee in respect of students' personal use of University equipment, that is, use for purposes beyond the satisfaction of the academic requirements of a course or program. Cost recovery fees should be set with reference to the ongoing costs of operation and maintenance, as well as capital depreciation.

5.6 Other goods or services provided individually to students for their exclusive use.

Charges for various forms of non-credit remedial instruction, if provided, may be included here.

Divisions may elect to provide non-credit remedial instruction for specific groups of students who have specific skill deficiencies, for example, writing or mathematics workshops, or English proficiency instruction. In such instances cost recovery fees should be levied only against those students enrolled in the remedial program, not as a compulsory fee against all students in a program.

Cost recovery fees should be set with reference to the direct cost of instruction, including salaries, supplies, equipment, and a reasonable estimate of administrative overhead.

5.7 Materials, services or licenses where the University acts as a broker with a vendor for the student

An example of such a fee would be Dental Instruments.

The CANCOPY fee, while it is a system-wide fee, is charged differentially across universities. For this reason it is categorized as a license.

* Eligible for OSAP, as part of allowance for books.

** Eligible for OSAP, provided trip is compulsory.

*** Eligible for OSAP, up to a maximum established by Ministry of Education and Training.

Approval

The only cost recoveries that may be charged are those shown on the University Schedule of Cost Recovery Fees, which shall be adjusted annually by administrative authority (the Vice-Provost, Planning & Budget) and reported for information to the Business Board.

1. Changes to Existing Fees

Initially the University Schedule of Cost Recovery Fees will be those cost recovery fees reported to the Ministry of Training & Education, on February 16, 1987. Divisions will be required to submit any changes to this schedule by January 31st each year to the Office of the Vice-Provost, Planning & Budget for review and implementation in subsequent academic sessions. Changes to existing fees must be accompanied by a description of the service provided and a detailed cost estimate of the service.

2. Implementation of New Fees

Divisions will be required to submit proposals for the introduction of new fees by January 31st each year to the Office of the Vice-Provost, Planning & Budget for review and implementation in subsequent academic sessions. Proposals for new fees should be accompanied by a description of the service provided and a detailed cost estimate of the service.

Refunds

Such fees will not normally be refundable.

Publication of Fees

Each division must publish a listing of such fees each year in its calendar, calendar supplement, or comparable publication. Students must in this manner be provided with notice of such fees prior to registration in a course, program or college.