



University of Toronto

VICE-PRESIDENT AND PROVOST'S OFFICE

TO: Business Board

SPONSOR: Vivek Goel, Vice-President and Provost
CONTACT INFO: (416) 978-6159, vivek.goel@utoronto.ca

DATE: March 14, 2007 for meeting on April 11, 2007

AGENDA ITEM:

ITEM IDENTIFICATION

Tuition Fee Schedule for Publicly Funded Programs for 2007-08.

JURISDICTIONAL INFORMATION

The Business Board recommends the schedule of tuition fees to Governing Council for approval.

OTHER ACTION TAKEN

The tuition schedule has been reviewed by Principals and Deans.

HIGHLIGHTS

The Minister of Training, Colleges and Universities announced a new Framework for tuition fees for Ontario universities on March 8, 2006. According to this framework, university tuition may increase by up to 4.5% for the first year of first-entry programs, except for MTCU-designated professional programs, and by up to 4% for all in-program students. Tuition fees for professional programs may increase by up to 8%, provided that the overall average increase in tuition across the institution is no more than 5%.

The University of Toronto Tuition Fee Report for 2007-08, including a complete fee schedule, is attached. It has been designed in accordance with the University's policy on tuition, our clear objective of maintaining excellence in all programs and the Government's tuition Framework. The *University's Tuition Fee Policy* defines five elements: advocacy, fee revenue, fee differentiation, fee level commitment and monitoring. It is also important to note the University's commitment to accessibility as reflected in the *Policy on Student Financial Support* states that "...no student offered admission to a program at the University of Toronto should be unable to enter or complete the program due to a lack of financial means."

The increase in tuition fees in 2007-08 for most programs will be 4.5% for entering students and 4% for continuing students. Tuition for all graduate programs will increase by 4%. For students in the MD program, tuition will increase by 2%. This lower increase is possible as a result of the additional government funding for medical education provided in the 2005 Ontario Budget. Tuition for Engineering (BASc & MEng), Law (JD), Dentistry (DDS), MBA, MMPA and MN will rise by 8%, because of the resource requirements of these programs. Full details on tuition in all programs are given in the report.

There are some programs, such as Commerce and Computer Science, in which students pay a higher fee in upper years of the program, starting in Second Year. For these programs, the Government's upper limit of 8% applies to Second Year tuition. Second Year tuition in these programs for 2007-08 was recommended in last year's tuition report. In 2008-09, Second Year tuition is proposed to increase by 8% above Second Year tuition level in 2007-08. The tuition schedules for these programs for both 2007-08 and 2008-09 are described clearly in the report and are given in a separate table. To ensure that students are properly informed at the time they enter the University in September 2007, the Business Board is being asked to approve the tuition schedule for Second Year of these programs for a two-year period.

The average tuition fee increase for all domestic students in the University is 4.28%. This is well within the maximum of 5% allowed by the Government's tuition Framework. About 94% of domestic students will experience fee increases of 4.5% or less. Sixty-one percent of domestic students will experience fee increases of \$200 or less.

Tuition for international students in all programs will increase by 5% relative to 2006-07. In order to provide potential applicants with information regarding tuition fee levels, the attached schedule also includes proposed tuition fees for international students in 2008-09. The international student aid fund established in 2005-06 will continue to be used to support students who encounter financial difficulty during their program of study.

FINANCIAL AND/OR PLANNING IMPLICATIONS

The proposed tuition schedule will increase tuition revenue in 2007-08 by \$28.1M. This is the total increase due to the combined effect of the increase in tuition levels (price) and changes in enrolment (volume). Price changes alone, that is the proposed increase in tuition, will provide \$18.6M of new revenue in 2007-08. An additional \$9.5M of revenue is projected due to increases in enrolment as well as to the flow-through of previous tuition increases as students move to upper years of their programs. In contrast, the total projected increase in provincial grant revenue is \$1.9M relative to 2006-07.

Without the \$18.6M of new revenue from the proposed tuition fee increases, some of the planned improvements to student experience would need to be delayed. For example, it is estimated that about 100 faculty positions would remain unfilled in the coming academic year.

RECOMMENDATION:

The Business Board recommends to Governing Council

THAT the Tuition Fee Schedule for Publicly Funded Programs in 2007-08 as described in the attached report and the tuition fees in 2007-08 and 2008-09 for the special programs identified in Table 2 of Appendix B & C of the report be approved.