



TO: Planning and Budget Committee

SPONSOR: Professor Vivek Goel, Deputy Provost & Vice Provost, Faculty

CONTACT INFO: vivek.goel@utoronto.ca – (416) 978-6159

DATE: October 3, 2003 for October 21, 2003

AGENDA ITEM: #4

ITEM IDENTIFICATION:

Removal of UTS as a unit of OISE/UT and re-organization as a separate legal entity within the university community.

JURISDICTIONAL INFORMATION:

The Committee is responsible for reviewing and making recommendations for the use of University resources, including staff positions, funds, and space and facilities. The proposed Item would remove UTS as a unit of OISE/UT, create a new legal entity within the University and require the entering into agreements regarding funds, space and facilities.

The Item involves Planning and Budget Committee areas of responsibility 4.1, 4.2, 4.4, and 4.6.

4.1 Planning & Monitoring

- The Item proposes the disestablishment of UTS as an organizational unit of OISE/UT and its re-organization as a separate legal entity with the University community.

4.2 Campus and Facilities

4.2.3 Individual Plans and Projects

- The Item proposes licencing University space and facilities at 371 Bloor Street West to UTS until at least April 30, 2006.

4.4 Academic Units and Programs

4.4.1 Disestablishment of Academic Unit

- The Item proposes the disestablishment of UTS as an organizational unit of OSIE/UT.

4.4.2 Planning and Resource Implications

- The Item proposes the maintenance of the current University budget allocation to or for UTS until at least April 30, 2006.
- The Item proposes the continued provision of administrative functions and facilities maintenance to and for UTS until at least April 30, 2006.

4.6 Incorporation of associated organizations and research ancillaries

- The Item proposes the entering into an Interim Affiliation, Services and Premises Agreement with UTS after its incorporation as a separate legal entity within the University community.

PREVIOUS ACTION TAKEN:

None.

HIGHLIGHTS:

THE SCHOOL

UTS began operating in 1910, shortly after the establishment of the Faculty of Education of the University of Toronto. The School was identified, from the start, as a "practice school", connected with the academic education of teachers at the Faculty of Education. It also had an important role in curriculum development and research at the Faculty. In 1920 the Faculty of Education was designated the Ontario College of Education (for many years the sole institution in the Province for the preparation and certification of secondary school teachers). In 1966 the OCE was designated the College of Education, University of Toronto, and in 1972 was designated as the Faculty of Education, University of Toronto. UTS was identified as part of OISE/UT when the Faculty of Education and the Ontario Institute for Studies in Education merged in 1996 to form OISE/UT.

With the admission of girls in 1973, and the changing ethnic and cultural composition of the student body, the visible face of the School has changed. The same enthusiasm for learning and quest for excellence remains.

Throughout its history, the School's involvement in and responsibility for teacher education has been consistent. As the concept of the School being a school for "gifted" students grew, the School contributed significantly to the development of curriculum and teaching practice for academically able students, locally, nationally and internationally. It has had an excellent reputation.

In the way it has been perceived, the School has to some extent been seen as a unique entity, neither a typical public school, nor a typical private school. With the withdrawal of public funding, it moved closer to what the Ministry of Education has viewed as an "independent" school. However, while the expectations regarding the School have remained as high as for leading private schools, the fees are still significantly lower. Accessibility has always been an important value of the School.

Since the withdrawal of provincial funding in 1994, UTS has moved towards a more self-supporting model, with financial stability and accessibility taking on greatly increased significance. Tuition fees now play a much more significant role in meeting operating expenses. The capital facilities, however, have continued to be provided by the University. The pressing need for a new or renewed physical plant has highlighted the importance of clearer plans and structures for financial support and stability, as well as for longer-term strategic policy formulation.

THE GOVERNANCE RESTRUCTURING PROPOSAL

UTS has no formal constitution or similar originating documents which govern it specifically. As a unit of OISE/UT, the UTS Principal reports to the Dean. Major decisions affecting the School must be first presented to the OISE/UT Faculty Council and then the Governing Council, when appropriate. The interim board of directors, a formal advisory group created in 2001 by then Dean Fullan (see more below) may make recommendations concerning UTS to the Dean, however the ultimate responsibility and authority for UTS rests with OISE/UT and the University.

Throughout the 1990's, the various stakeholders in the UTS community - the University, UTS Faculty and Administration, Parents, Alumni and Students - have been involved in a discussion about the best way to move the School forward. A number of events and conditions at the School, including changes in leadership, a renewed search for the "mission" of the School, and concerns raised by various stakeholders, have fostered a consensus that a new system of governance for the School should be considered.

In a memo dated September 12, 2001 the Dean of OISE/UT established an Interim Board of Directors for UTS, and charged it with several tasks including the following:

The Board will examine the issues associated with governance of the University of Toronto Schools and make formal recommendations regarding the operation of a permanent Board of Directors.

The decision to explore the creation of a permanent Board of Directors with actual authority and to explore a new governance model was based on the view that the School would benefit from the more focussed strategic attention that a permanent Board could provide, and that this would also offer the opportunity to implement a new governance structure that could meet the School's needs for the future.

Commencing in the autumn of 2001, the Interim Board discussed governance issues several times, and in the spring of 2002 established a working group, including representatives of School administration, the UTS parents, alumni, University administration and others. The working group met several times over the summer of 2002 and conducted a detailed review of the different options that are available for a future governance structure for UTS.

Three different proposals for UTS were presented to stakeholders in what was referred to as the "Phase 1 Consultation": 1) to keep the status quo; 2) to become a completely independent school; and 3) to become a semi-autonomous entity within the University community.

The arguments for the latter option included the following:

- The strong connection with the University is maintained, because the “new” UTS would remain within the University.
- An empowered board would allow a more focussed and strategic approach to decision making and implementation of vision, since it would hold fundamental accountability.
- The board would provide clearer accountability structure for the Principal and School leadership.
- It would be easier to develop unique policies, procedures, and terms and conditions that pertain exclusively to the School.
- Problem-solving would occur at the School and board level, reducing administrative burden on University and allowing quicker responses.

Phase 1 Consultation

The Interim Board reviewed the results of the Phase 1 consultation process, completed in 2002. The Interim Board carefully considered the input from all stakeholders, including the University of Toronto itself, and determined that the interests of UTS would be best served if the School was continued as a separate legal entity in affiliation with the University of Toronto.

In providing input to Phase 1, the President Birgeneau advised the Interim Board that the University endorses the separate legal entity within the University community model in principle and wished to work with School representatives to clarify its relationship with UTS for the future. In particular, the University wished to examine and define the mandate of UTS within the University and to determine a level of financial support for UTS that is consistent with the new mandate statement and with the agreed needs of the School.

The separate legal status would ultimately put the School in a position similar, but not necessarily identical to, the various affiliated colleges and other institutions which are part of the University of Toronto community as a whole.

The recommendation to give the School its own separate legal status was presented to the Dean of OISE/UT and to other University officials. The Dean accepted the Interim Board’s recommendations and directed the Interim Board, with support from the Office of the Provost, to bring forward for consideration by all UTS stakeholders, a constitutional proposal with a view to continuing the School as a new legal entity in affiliation with the University.

Phase 2 Consultation

Further to this new mandate, the Interim Board proceeded to formulate a new draft UTS constitution that best reflects and supports a consensus of all stakeholders. The Interim Board and University drafted proposed by-laws for the governance of the “new UTS”. Stakeholders were given a full opportunity to comment and make submissions on the proposal. These consultations were known as “Phase 2”.

By-Laws

The proposed by-laws were drafted jointly by the Interim Board and the University. They cover such details as the selection of the members and directors of the corporation and the government of UTS by the directors. In summary, the by-laws create a board of 9 directors to consist of 2 directors nominated directly by the University of Toronto Governing Council on the recommendation of the President of the University, and at least 2 parents, 2 alumni and 1 unaffiliated director. The initial board will consist of the 2 University nominees, 1 unaffiliated nominee, 3 parents and 3 alumni directors. *Board appointments are subject to the approval of the Governing Council of the University.* The directors will serve 3 year rotating terms.

The By-Laws have a core set of “entrenched” clauses which can not be changed without consent of the Governing Council.

Interim Affiliation, Services & Premises Agreement

The Item includes an agreement (the “Agreement”) to be entered into between the “new UTS” and the University which would set out the description of the fiscal and administrative relationship between the University and UTS for the period from January 1, 2004 through April 30, 2006 (the “Interim Period”) and to describe the areas of the relationship which must be negotiated between the University and the new board of UTS for a longer term agreement. The Agreement calls for much of the current administrative relationship and resulting support to remain in place during the Interim Period while a long-term agreement is negotiated.

Until now, the University has provided annual indirect support for UTS in the range 10% to 20% of UTS’ total operating costs (depending on several variables and assumptions). The going forward "Funding Principle" for UTS is that it will become self-sustaining. The University proposes to continue supporting UTS, however, unlike in the past, the support will be based on the value UTS adds to the University’s performance of its academic mission.

APPROVAL BY THE OISE/UT FACULTY COUNCIL

The proposal to remove UTS as a unit of OISE/UT has been approved by OISE/UT's Faculty Council. The proposal was presented to and discussed by the Executive Committee of Faculty Council at a Special Meeting in August and to and by the Council at a special informational meeting in September. The Executive unanimously approved the proposed change in UTS governance. In recognition of the fact that the first scheduled meeting of the full Council would be too late to meet the University's timetable for presenting the proposal to Governing Council, the Executive directed that the proposal be voted on by the Faculty Council through a mail-in ballot. To ensure that members were given an opportunity to ask questions and to express any concerns they had about the proposal, a special information meeting for the entire Faculty Council was held on September 8. The ballots were due by September 19. Seventy percent (70%) of those who cast ballots voted in favour of the proposal.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

If the Item is recommended by this Committee and ultimately approved by the Governing Council, during the Interim Period (from January 1, 2004 to April 30, 2006 (assuming Governing Council approval by the end of 2003)), there will be no change to UTS’ current

financial relationship with the University. The financial implications after the Interim Period are not yet known, however, it is understood that the School will become self-sustaining following the Interim Period. The long-term affiliation agreement will be brought forward for approval by governance before the end of the Interim Period

RECOMMENDATION:

It is recommended that the Planning and Budget Committee recommend to the Academic Board for approval by the Governing Council:

THAT

1. The University of Toronto Schools be disestablished as an organizational unit of OISE/UT;
2. The University of Toronto Schools be incorporated as a separate legal entity within the University community; and
3. The University enter into an interim affiliation, services and premises agreement substantially the same as the attached.