



# University of Toronto

OFFICE OF THE VICE-PRESIDENT AND PROVOST

Appendix B to  
Report Number 113 of the  
Planning and Budget Committee  
September 18, 2006

TO: Planning and Budget Committee

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DATE: August 28, 2006

AGENDA ITEM: 6

**ITEM IDENTIFICATION:** School of Graduate Studies: Proposal for a Master of Finance (M.F.) to be offered by the Joseph L. Rotman School of Management.

## **JURISDICTIONAL INFORMATION:**

Excerpt from the terms of reference for the Planning and Budget Committee:

*4.4.2. The Committee advises the Academic Board on the planning and resource implications of plans and proposals to establish, disestablish or significantly restructure academic programs. Implications might include significant planning and budgetary changes within the significant effects on other divisions, the University as a whole and the public.*

## **PREVIOUS ACTION TAKEN:**

The proposal was approved by School of Graduate Studies Council on May 23, 2006.

## **HIGHLIGHTS:**

The establishment of a new Master of Finance Program is an important element of the Rotman School's academic plan developed as part of the University's 'Stepping Up' planning exercise. A brief description is provided in the attached Executive Summary. The increase in enrolment resulting from the introduction of this program is part of the graduate expansion plan of the University.

Consultations on program plans have been undertaken with the Directors of the Master of Mathematical Finance (MMF) and Master of Financial Economics (MFE) programs, who support the new program, as does the Dean of the Faculty of Arts and Science. The program was approved by the Rotman School of Management Faculty Council on April 28, 2006. It will be brought forward to the Committee on Academic Policy and Programs on September 20, 2006.

## **FINANCIAL AND/OR PLANNING IMPLICATIONS:**

The School's graduate expansion plans have been approved by the Vice-President and Provost and the Planning and Budget Office has reviewed the financial plan for the program. Funding for the program will be through a combination of tuition revenue and operating grant funding from the government. The latter will be provided from the graduate expansion envelope. The program will be offered in existing facilities in the Rotman School of Management Building. It will be financed within the Responsibility Centre Management (RCM) framework established between the University of Toronto and the Rotman School of Management. There are no implications for the University budget.

## **RECOMMENDATION:**

The Planning and Budget Committee recommends to the Academic Board:

THAT the Master of Finance Program, leading to the degree of Master of Finance (M.F.) within the Rotman School of Management, commencing September, 2007, be approved.

## Executive Summary

This proposal is for a Master of Finance [MF] professional degree program at the Rotman School of Management at the University of Toronto. The program will be offered over 20 consecutive months using a cohort-based model. It fills a void in the financial services industry in Toronto and in Canada, builds on the strength of the Rotman School, and serves a need for quality academic instruction of graduate students in the field of finance.

The current proposal flows directly from the Rotman School's academic priorities, as part of the University of Toronto's 'Stepping Up' planning exercise, and it builds upon the School's academic strength in the field of Finance. Rotman's finance area was ranked recently among the top ten finance faculties in the world by the *Financial Times*.

The program focuses on the important and growing field of corporate and institutional financial management, a key engine for growth in Toronto and Ontario. It expands Rotman's portfolio of graduate management offerings and allows the University to remain among the world leaders in modern academic management education.

The program allows experienced, highly qualified students who are not currently served by purely technical continuing education programs, or by non-finance oriented general management programs, to advance in their finance careers and enhance their knowledge base. The program differs significantly from the existing MBA offered at Rotman in that it focuses exclusively on finance, which represents a small fraction of the MBA degree. No other programs at the University target the same incoming students as the proposed MF, and students will not take courses in other programs.

The program will use existing facilities and resources at Rotman, and staffing needs can be met with current faculty as well as independently planned future faculty additions. The expected steady state enrollment is 60 students per year, and tuition fees and BIU income will cover all associated costs. Approval for the program comes from the Master's Programs Committee, the Executive Committee, as well as the Faculty Council of the Rotman School in April 2006. The MF program is expected to begin in September 2007.

While the MF is a new program, it builds on the existing strength of faculty, the existing connections with the Toronto Financial Community, as well as the experiences of other Master of Finance programs at leading universities located in major financial centers around the world. In particular, it is modeled on, and has been designed with input from former faculty members of, the London Business School Master of Finance, one of the very top programs in the world. Courses will be a combination of new courses and significantly re-developed existing finance courses at Rotman. MF students will have full access to the career development centre as well as the student financial aid programs of Rotman. All of the faculty involved in the program already teach in the various graduate programs at Rotman and they are listed in the document.