



TO: Members of the Planning and Budget Committee

SPONSOR: Avrum I. Gotlieb, Chair, Planning and Budget Committee

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AGENDA ITEM 4

ITEM IDENTIFICATION:

Planning and Budget Committee – Terms of Reference: Revisions to Section 4.4.2

JURISDICTIONAL INFORMATION:

Section 2(14) (e) of the *University of Toronto Act* empowers the Governing Council to “appoint committees and delegate thereto power and authority to act for the Governing Council . . .” Such delegation of authority is limited to committees consisting of a majority of members of the Council, apart from certain purely academic matters. In other matters, the Planning and Budget Committee must make recommendations to the Academic Board, which must in turn make recommendations to a higher level of governance – the Governing Council or its Executive Committee.

The Governing Council achieves the delegation of authority through its approval of committee terms of reference. Traditionally, Committees recommend revisions to their own terms of reference to their parent Board, which in turn makes a recommendation to the Governing Council.

PREVIOUS ACTION TAKEN

For some years, the University has been using its new budget model.

On October 28, 2010, the Governing Council approved the recommendations of its Task Force on Governance.

On June 24, 2010, the Governing Council approved the revised Policy for Approval and Review of Academic Programs. It also received for information the detailed University of Toronto Quality Assurance Process, which has been submitted to the Ontario Universities Council on Quality Assurance (the “Quality Council”) for ratification.

HIGHLIGHTS:

- **The new budget model** enables each academic division to allocate its own net revenue – the revenue it generates minus its share of University-wide expenses, its contribution to student aid and its contribution to the University Fund. If, therefore, a division wishes to allocate a portion of its net revenue to establish a new academic program, it is reasonable that it be permitted to do so without detailed governance scrutiny of the budget implications by a committee of the Governing Council. As a result, in all or almost all cases, the proposals for new academic programs that have been brought to the Planning and Budget Committee contain no implications for the University budget. It would therefore make sense that the Planning and Budget Committee consider the budget implications of proposals for new academic programs only in any cases where their establishment would require the allocation of additional resources to the division.
- **The Report of the Task Force on Governance** has urged the avoidance of duplication. It has also urged that the Planning and Budget Committee review and approve divisional plans at a high level. That would remove the need to look more specifically at the plans for individual programs. Avoiding duplication, the consideration of individual programs would be left to the Committee on Academic Policy and Programs. From a planning perspective, consideration of proposals by the Planning and Budget Committee would be necessary only where a plan for a new program would have effects outside of the division offering the plan – either on other University divisions or outside of the University.
- **The revised Policy for Approval and Review of Academic Programs and the detailed University of Toronto Quality Assurance Process (the U.T.QAP)** set a very high standard for the program review process. The Policy stipulates that the review process will “address the quality of programs, and how the programs and the units in which they reside compare to the best in their field among international peer institutions.” It strengthens Governing Council oversight of the review process. Because governance would be vigilant with respect to the performance of programs, there would not be a need for proposals to be examined by both policy committees of the Academic Board.
- **P&B role.** Therefore, the Planning and Budget Committee would be called on to advise the Academic Board and to concur with the recommendation to approve a new program, only (a) when that program will have substantial resource implications requiring additions to a division’s approved budget, or (b) when there are significant effects outside of the division offering the program, and therefore significant planning implications.

The Planning and Budget Committee would continue to be the lead Committee in considering recommendations to establish or close academic units.

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FINANCIAL AND/OR PLANNING IMPLICATIONS: N/A

RECOMMENDATION:

Be it Recommended to the Academic Board

THAT the proposed amendment to section 4.4.2 of the terms of reference of the Planning and Budget Committee be approved.