



MEMORANDUM, DCD #23, 2010-11

To: Department Chairs
From: Rick Halpern, Dean and Vice-Principal (Academic)
Date: 22 June 2011

Re: Academic Budget Matters

The Dean's Office is working on several initiatives to manage limited resources more efficiently while at the same time moving ahead with plans to provide departments with sustainable budgets and enable them to exercise more autonomy in spending. With increased autonomy comes more responsibility for how each department allocates its resources. The initiatives outlined below were introduced at a meeting with chairs on 3 June. At that time it was clear that department chairs supported generally these initiatives; accordingly we will proceed with implementation as outlined below. A few initiatives require further work and fine-tuning over the summer; we will bring them back for discussion early in the Fall.

1) Departmental Carry Forwards:

The majority of departments have healthy carry forwards. This is very encouraging as it confirms that our efforts to place departments on a sustainable platform are having the desired effect. Carry forward funds in their entirety will continue to remain in the departments, and departments still will be required to provide carry forward spending plans. In future, we ask that Chairs give careful consideration of the expenditure of carry forward funds and provide a detailed outline of the items and initiatives that will be supported by them. It will be acceptable to earmark a reasonable amount for contingencies.

As a general principle, the Dean's Office will expect departments to cover funding needs from their own budgets. If departments make requests to the Dean for additional funding, I will be looking to them to partner with us, where possible, in meeting these needs.

2) Set up Costs for New Faculty:

Given the healthy carry forwards, as of this year (2011-12) departments will be expected, wherever possible, to cover set up costs for new faculty from their own budgets. This will include the provision of furniture and, where appropriate, computing hardware and software needs. Ideally, departments will develop their own IT policies and plans that will enable them to provide appropriate IT equipment for all faculty and staff. The IT policy should include a reasonable plan to refresh departmental equipment. You are encouraged to work with IITS on your IT plan.

3) Start-up Funds:

All start-up funds for new faculty at UTSC are included in an offer of employment only after careful review and approval by the Vice-Principal Research. Where start-up funds have been included as

part of an offer of employment, current practice is to flow the full amount to new faculty with no time limit set for the expenditure of these funds. Since the intention of start-up funds is to support new researchers in the early years of their employment at UTSC, it is not surprising that often large sums are carried forward year-over-year. In light of recent and ongoing changes in funding from granting councils, we are anticipating that in the future UTSC will be required to provide the majority portion of start-up funding. We have developed the following strategy to manage this:

- Chairs will be expected to work with all new research faculty to support their applications for any University of Toronto funds, such as the Connaught New Research Program, and to external granting agencies that support start-up needs;
- At the beginning of their employment, new research faculty will be asked to provide the Dean's office with a spending plan for UTSC start up funds. This plan will be updated regularly and funds will be provided on an annual basis as outlined in the plan. (A suggested template for the spending plan is attached.) Generally, we expect that start-up funds will be spent prior to the faculty member obtaining tenure. Any outstanding balance at that time will be returned to central accounts.

4) Honoraria:

I have recently become aware that there is wide variability in the amount paid for honoraria. We have agreed that an honorarium of up to a maximum of \$250 will be the UTSC standard for a visiting lecturer or professional participating in courses.

The following two items will be further developed over the summer and brought forward for discussion in September.

5) Ancillary Fees:

The University's use of ancillary fees is governed by the Ministry of Training, Colleges and Universities and the University of Toronto's *Policy on Ancillary Fees*. Category 5 Ancillary Fees are cost recoveries for the provision of certain learning materials, goods and services. Category 6 Ancillary Fees are cost recoveries for administrative user fees and fines. All Category 5 and 6 ancillary fees must be approved by the Provost and reported to Business Board for information. Recently, we have become aware that UTSC does not make optimal use of ancillary fees. We need to start thinking more carefully about applying them whenever it is appropriate and will look to the other campuses for examples and best practices. Over the summer, Gail Atwill, Financial Manager in the Dean's Office, will continue to research this subject and will be in touch with you to explore possibilities of applying these fees in your department's programs. She will be working closely with Financial Services to develop a set of guidelines that we will table for discussion in September.

6) Search Costs:

Over the past few years, we have been setting aside funds to cover search cost and travel and moving costs of new hires -- \$10,000 for tenure stream faculty and \$3,000 for teaching stream faculty. For the most part these limits appear reasonable, although in some instances moving costs can increase the search cost total significantly beyond these limits. Over the Summer, we will be reviewing these costs at UTSC, investigating the practices in place at the Faculty of Arts and Science and UTM, and developing guidelines and best practices for search costs that will be available for discussion in September. We welcome your suggestions.

UTSC: Start Up Fund Spending Plan		Total	Year 1	Year 2	Year 3	Draft: Last update: May 27, 2011	
Student salaries and benefits		\$ -					
	Undergraduate	0					
	Master's	0					
	Doctoral	0					
Non-student salaries and benefits		0					
	Postdoctoral fellows	0					
	Other (clerks, secretaries, research assistants, research associates)	0					
Other expenses		0					
	Laboratory set up	0					
	Equipment: Acquisition	0					
	Equipment: Operation and maintenance	0					
	Professional / technical services	0					
	Materials, supplies and other expendables	0					
	Travel and workshops	0					
Other expenses (specify)		0					
	Total	\$ -	\$ -	\$ -	\$ -		