Tri-Campus Review and Budget Model Review
Tri-Campus Budget Relationships Working Group

September 2019

I. INTRODUCTION

A. Tri-Campus Review and Budget Model Review: A Dual Mandate

In the spring of 2018, the Vice-President and Provost announced two concurrent review processes: a Tri-Campus Review[1] and a Budget Model Review[2]. The Tri-Campus Budget Relationships (3CBR) Working Group was formed at the intersection of these two review processes to consider ongoing and emergent budget issues that relate to the University's tri-campus structure.

The working group undertook a review of funding for inter-campus undergraduate teaching, the allocation of revenues and expenses for tri-campus graduate programs, and budget planning for tri-campus and campus-specific administrative services.

The working group members included:

- Professor Scott Mabury, Vice-President, Operations and Real Estate Partnerships & Vice-Provost, Academic Operations (Chair)
- Andrew Arifuzzaman, Chief Administrative Officer, University of Toronto Scarborough
- Judith Chadwick, Assistant Vice-President, Research Services
- Brian Coates, Chief Financial Officer, Faculty of Applied Science & Engineering
- Nancy Edwards, Chief Financial Officer, Faculty of Medicine
- Saher Fazilat, Chief Administrative Officer, University of Toronto Mississauga
- Mary Lyne, Chief Administrative Officer, Rotman School of Management
- Kim McLean, Chief Administrative Officer, Faculty of Arts & Science
- Trevor Rodgers, Assistant Vice-President, Planning & Budget (Assessor)
- Margaret Mah, Director, Budget Administration & Institutional Planning (Project Manager)

The group struck a sub-committee to review the issue of campus-specific administrative costs, and regularly sought information, advice, and expertise on an ad hoc basis from divisional finance and administrative staff to inform discussions regarding divisional cost structures. Ultimately, the sub-committee's work and other ad hoc analyses were reviewed by the working group and incorporated into the recommendations that follow in this report.

[1] Tri-Campus Review: https://www.provost.utoronto.ca/committees/tri-campus-review-one-university-three-campuses/
[2] Budget Model Review: https://www.provost.utoronto.ca/committees/budget-model-review/

B. The Tri-Campus Budget Context

The University adopted a new budget model in 2006-07, shifting from an incremental budget approach to a modified RCM[3] approach. The new model introduced a transparent methodology for attributing institutional revenues among academic divisions, and for allocating a pro-rata share of the cost of common administrative services (e.g. facilities, human resources, and libraries) and University-wide expenses (e.g. insurance, legal expenses, and taxes).

From a revenue perspective, the model recognizes the role of UTSC and UTM as academic divisions: they earn income through student fees, government grants, and other general operating revenues. They are also eligible to receive funding from the portion of general operating revenues allocated by the Provost on the basis of academic priorities (referred to as the University Fund) following annual budget consultations with Deans and campus Principals.

When the new budget model was introduced, it did not address funding for inter-divisional teaching at the undergraduate or graduate levels. Revenues are allocated based on the division in which a student is registered, without adjustment for shared contributions to undergraduate teaching or graduate supervision. At the graduate level, all revenue for tri-campus doctoral stream programs are allocated to the Faculty of Arts & Science at the St. George campus.

From a cost perspective, UTSC and UTM function as both academic divisions and as stand-alone campuses. They are responsible for the costs of faculty and staff salaries, program delivery, and division-level administrative costs like HR, IT, and registrarial services that are borne by all academic divisions. They also incur campus-level costs for services such as facilities and student services which at the St. George Campus are pooled and shared amongst multiple divisions.

The model acknowledges the responsibility that UTM and UTSC have for delivering campus-specific services, and they are exempt from contributing to the cost of services delivered to the St. George campus only. In some cases, this is accomplished by a proxy discount rather than an exact accounting, particularly where a single administrative unit delivers both institution-wide and campus-specific shared services (e.g. the UTL system). There remains, however, a lack of clarity regarding which services delivered by UTM and UTSC are required by their role as campuses, and which services are required by their role as academic divisions.

The Working Group sought to clarify key budget issues that have persisted since the introduction of the model: funding for inter-campus undergraduate teaching, the allocation of revenues and expenses for tri-campus graduate programs, and transparency and oversight of tri-campus and campus-specific administrative services.

[3] Responsibility Centre Management is a budget approach under which revenue-generating units are wholly responsible for managing their revenues and expenses.

II. DISCUSSION AND RECOMMENDATIONS

A. FUNDING FOR INTER-CAMPUS UNDERGRADUATE TEACHING

When the budget model was introduced in 2006-07, the University deferred implementation of an institutional framework for undergraduate inter-divisional teaching. At the time, issues with data quality prevented a thorough and reliable analysis of registration data in ROSI and instructor cost assignment data in HRIS. In 2007-08, the Inter-divisional Teaching Task Force outlined some key principles[4] to consider in funding of inter-divisional teaching and recommended that individual arrangements be established in a series of bilateral negotiations between divisions.

As part of the 2018-19 budget model review, the University has developed an institutional framework for allocating undergraduate interdivisional teaching (IDT) revenue at the St. George Campus in consultation with the deans of the six divisions with the most significant volume of IDT activity[5]. The simplified framework provides a consistent approach to funding inter-divisional teaching across all divisions. The tri-campus budget relationships working group endorses this approach and recommends extending the model to include inter-campus undergraduate teaching activity.

Recommendation #1: that the institutional inter-divisional teaching framework be extended to include inter-campus undergraduate teaching activity.

In 2019-20, the Faculty of Arts & Science was teaching 6,941 HCE registrations to UTM and UTSC students, while UTM and UTSC were teaching 1,774 HCE registrations to A&S students.

A&S teaching UTSC students	2,856 HCE	A&S teaching UTM students	4,085 HCE
UTSC teaching A&S students	691 HCE	UTM teaching A&S students	1,083 HCE
Net A&S HCE teaching (UTSC) = 2,165 HCE		**Net A&S HCE teaching (UTM) = 3,002 HCE**	

Under the institutional IDT framework, revenue associated with teaching activity is shared according to one of four rates that are informed by average revenue and teaching cost structure for the participating divisions. For tri-campus IDT, 65% of the revenue associated with undergraduate course registrations will be transferred to the teaching division while the registering division retains the remaining 35%.

The net impact of revenue sharing associated with the 2019-20 IDT registration activity noted above is $6.6 million to the Faculty of Arts & Science. However, this funding gap must be measured relative to the 2006-07 year, in which baseline levels of $3.8 million in inter-divisional teaching activity were locked in as part of the original transition to the new budget model. The unfunded revenue sharing growth of $2.8 million for the Faculty of Arts & Science between 2006-07 and 2019-20 is known as the "reference level gap".

[4] http://www.planningandbudget.utoronto.ca/Assets/Academic+Operations+Digital+Assets/Planning+$!26+Budget/IDTtaskforce.pdf
[5] https://memos.provost.utoronto.ca/announcing-a-new-institutional-inter-divisional-teaching-framework-pdadc-21/

To support the implementation of the framework, Provostial funding is available to hold UTM and UTSC harmless from 70% of the financial impact of this reference level gap, with the remaining 30% shared equally by A&S and either UTM or UTSC in each bilateral arrangement as outlined in the table below.

2019-20 Reference Level	**A&S Teaching of UTSC**	**UTSC Teaching of A&S**	**A&S Teaching of UTM**	**UTM Teaching of A&S**
Divisional Average Revenue per HCE	$2,044	$2,056	$2,029	$2,056
IDT Revenue per HCE at 65%	$1,329	$1,337	$1,319	$1,337
IDT HCEs Taught	2,856	691	4,085	1,083
IDT Revenue Transfer	$ 3.795 m	$ 0.924 m	$ 5.386 m	$ 1.447 m
Adj for Revenue Driven UWC	$ (0.152 m)	$ (0.044 m)	$ (0.187 m)	$ (0.100 m)
IDT Net Revenue Transfer	$ 3.644 m	$ 0.880 m	$ 5.199 m	$ 1.347 m
19-20 Reference Level Net Transfer to A&S		**$ 2.764 m**		**$ 3.852 m**
Less 06-07 Baseline		$ (2.073 m)		$ (1.715 m)
Reference Level Gap		**$ 0.691 m**		**$ 2.137 m**
Provost 70% Share of Gap		*$ 0.484 m*		*$ 1.496 m*
A&S Share of Gap		*$ 0.104 m*		*$ 0.321 m*
UTSC/UTM Share of Gap		*$ 0.104 m*		*$ 0.321 m*

This Provostial support will be provided in base in the 2020-21 budget, and will remain fixed at the reference level amount. Going forward, the divisions will share incremental revenue growth based on the 65/35 split as defined in the University's inter-divisional teaching framework. The following tables provide a projection of net impacts to divisional budget plans assuming the level of IDT activity remains constant at current levels.

A&S-UTSC IDT Projections	**2019-20 Ref Level**	**2020-21 Est Act**	**2021-22 Plan**	**2022-23 Plan**	**2023-24 Plan**	**2024-25 Plan**	**2025-26 Plan**
Net IDT Transfer to A&S	**2.764 m**	**2.996 m**	**3.039 m**	**3.164 m**	**3.222 m**	**3.254 m**	**3.340 m**
2006-07 Baseline	(2.073 m)	(2.073 m)	(2.073 m)	(2.073 m)	(2.073 m)	(2.073 m)	(2.073 m)
Provost 70% Share of Ref. Level Gap	(0.484 m)	(0.484 m)	(0.484 m)	(0.484 m)	(0.484 m)	(0.484 m)	(0.484 m)
A&S 15% Share of Ref. Level Gap	(0.104 m)	(0.104 m)	(0.104 m)	(0.104 m)	(0.104 m)	(0.104 m)	(0.104 m)
Net Impact on UTSC Budget	**(0.104 m)**	**(0.336 m)**	**(0.379 m)**	**(0.503 m)**	**(0.561 m)**	**(0.593 m)**	**(0.679 m)**
Net Impact on A&S Budget	**0.588 m**	**0.819 m**	**0.863 m**	**0.987 m**	**1.045 m**	**1.077 m**	**1.163 m**

A&S-UTM IDT Projections	**2019-20 Ref Level**	**2020-21 Est Act**	**2021-22 Plan**	**2022-23 Plan**	**2023-24 Plan**	**2024-25 Plan**	**2025-26 Plan**
Net IDT Transfer to A&S	**3.852 m**	**4.075 m**	**4.167 m**	**4.251 m**	**4.358 m**	**4.453 m**	**4.583 m**
2006-07 Baseline	(1.715 m)	(1.715 m)	(1.715 m)	(1.715 m)	(1.715 m)	(1.715 m)	(1.715 m)
Provost 70% Share of Ref. Level Gap	(1.496 m)	(1.496 m)	(1.496 m)	(1.496 m)	(1.496 m)	(1.496 m)	(1.496 m)
A&S 15% Share of Ref. Level Gap	(0.321 m)	(0.321 m)	(0.321 m)	(0.321 m)	(0.321 m)	(0.321 m)	(0.321 m)
Net Impact on UTM Budget	**(0.321 m)**	**(0.543 m)**	**(0.635 m)**	**(0.720 m)**	**(0.827 m)**	**(0.922 m)**	**(1.052 m)**
Net Impact on A&S Budget	**1.817 m**	**2.040 m**	**2.131 m**	**2.216 m**	**2.323 m**	**2.418 m**	**2.548 m**

The 3CBR working group noted that, although data quality has improved in recent years, linking of student data (ROSI) and faculty appointment data (HRIS) still requires significant manual intervention. The working group therefore recommends that the University pursue changes to ROSI and/or HRIS data collection processes to facilitate the identification of which division is financially responsible for teaching costs of individual course sections.

Recommendation #2: that the University pursue changes to ROSI and/or HRIS data collection processes to facilitate the identification of which division is financially responsible for the teaching costs of individual course sections.

B. TRI-CAMPUS GRADUATE PROGRAM REVENUES AND EXPENSES

Currently, all revenues and program-level expenses for tri-campus graduate units (excluding direct space and faculty compensation costs) are attributed to the Faculty of Arts & Science. This has led to a lack of transparency regarding the impact of graduate programs on campus-level budgets. One on hand, all revenues flow to Arts & Science, from which costs of program support and graduate funding packages are covered. However, compensation costs associated with faculty teaching and supervision time, as well as the costs of office and research space, are provided at the campus level.

The working group conducted a detailed analysis of graduate program revenues and expenses in an effort to provide greater clarity regarding the financial structure of tri-campus graduate programs.

A starting point for this effort was a review of graduate student enrolment data. The committee relied on ROSI data regarding research supervision and graduate course instruction to indicate the relative contribution of faculty members at each campus to supervision in tri-campus graduate programs. Although not all students have an assigned supervisor and not all students are registered in graduate coursework, the combination of these two sources gives a reasonable indication of relative enrolments by campus.

The data indicate that the distribution is roughly 75% A&S, 10% UTSC, and 15% UTM. This differs from the campus affiliations declared by individual students at time of registration, but more accurately reflects the volume of supervision and instruction that takes place between campuses within the tri-campus graduate unit.

	TS Faculty	*Students Supervised*	*Sections Taught*	*Students Supervised per faculty*	*Sections Taught per faculty*	*% ROSI Supervision*	*% ROSI Teaching*	Blended % at 50/50	*For Reference: Share of Self-Declared FTEs*
A&S	*706*	*2,292*	*996*	*3.25*	*1.41*	*72%*	*78%*	75%	*89%*
UTSC	*246*	*404*	*99*	*1.64*	*0.40*	*13%*	*8%*	10%	*4%*
UTM	*284*	*495*	*188*	*1.75*	*0.66*	*16%*	*15%*	15%	*7%*
Subtotal	**1,235**	**3,191**	**1,283**	**2.58**	**1.04**	***100%***	***100%***	**100%**	*100%*

Next, the working group reviewed tri-campus graduate program revenue, as well as the cost of student funding packages and program administration. Although there was some variability between tri-campus graduate units based on funding package structure, **the overall financial picture for tri-campus graduate programs showed that tuition and grant revenue is insufficient to cover the costs of program administration and graduate student funding. That is, tri-campus graduate programs operate at a financial loss even before accounting for the direct costs of teaching and space.**

Tri-Campus Program Revenues:	
Tuition & Grant Revenue (excluding UF)	75.8
SGS Bursaries and Financial Aid	(1.9)
University Wide Costs excl. space	(18.7)
Program Overhead (30%)	(14.1)
Student Funding Packages from Operating	(48.4)
Net Revenue, Tri-Campus Program	**(7.3)**

Despite this finding, the working group continued its analysis to get a complete picture of the net cost and cross-subsidies of tri-campus graduate programs. Based on an analysis completed by the Faculty of Arts & Science during undergraduate inter-divisional teaching negotiations, a proxy for allocating tenure stream faculty compensation costs between undergraduate and graduate program revenues is 55% undergraduate, 45% graduate. This is an average across all departments and assumes that research and service time are funded proportionally from both undergraduate and graduate program revenues. The total cost of compensation (salary and benefits), pro-rated 45% to graduate program revenues, is approximately $110 million.

Compensation	**A&S**	**UTSC**	**UTM**	**TOTAL**
Avg. Salary & Benefits	**$ 210,670**	**$ 185,921**	**$ 179,971**	
Tenure Stream Faculty (Sep-17)	**706**	**246**	**284**	
Allocation to graduate program revenues	**45%**	**45%**	**45%**	
Total Compensation Cost	**$ 66.89 m**	**$ 20.55 m**	**$ 22.97 m**	**$ 110.41 m**

In addition, the working group allocated the cost of research space, classrooms, and faculty offices assuming an average cost of $300/NASM, based on the actual NASMs reported in the institutional space inventory. The space analysis included an adjustment for approximately 2,000 NASMs of office space at the St. George campus that is occupied by faculty members with primary appointments at UTM or UTSC.

Space Costs	A&S	UTSC	UTM	TOTAL
Office space (NASM) per FTE	21.9	13.8	13.7	
Research space (NASM) per FTE	44.7	35.0	25.3	
Average NASM per FTE	**66.5**	**48.7**	**39.0**	
Tenure Stream Faculty (Sep-17)	706	246	284	
Allocation to graduate program revenues	45%	45%	45%	
Faculty Space Cost @ $300/NASM	**$ 6.34 m**	**$ 1.62 m**	**$ 1.49 m**	**$ 9.45 m**
UTM & UTSC faculty offices at St. George	$ 0.56 m	$ -	$ -	
Classroom Space Cost for Sections Taught	$ 1.22 m	$ 0.01 m	$ 0.01 m	$ 1.24 m
Total Space Cost	**$ 8.11 m**	**$ 1.63 m**	**$ 1.50 m**	**$ 11.24 m**

Finally, the working group combined the analyses above to look at the net cost of tri-campus graduate programs, and the relative financial contribution of each undergraduate division to graduate program activity. On average, the contribution from the Faculty of Arts & Science was higher on a per-faculty member basis, while the contribution of UTM and UTSC was higher per student supervised.

Tri-Campus Program Net Expenditures:	A&S	UTSC	UTM	Total
Net program revenues	(7.3)	-	-	**(7.3)**
Graduate Expansion Fund	(2.0)	1.0	1.0	**-**
Space	(8.1)	(1.6)	(1.5)	**(11.2)**
Faculty Compensation	(66.9)	(20.6)	(23.0)	**(110.4)**
Net Expenditures:	**(84.3)**	**(21.2)**	**(23.5)**	**(129.0)**
Net Expense per Faculty	*(119,486)*	*(86,284)*	*(82,739)*	
Net Expense per Student Supervised	*(36,777)*	*(52,490)*	*(47,401)*	
Students Supervised per Faculty	*3.25*	*1.64*	*1.75*	
Sections Taught per Faculty	*1.41*	*0.40*	*0.66*	

The analysis of graduate program revenues and expenses provides important insights. However, given the variability between tri-campus graduate units, the working group does not recommend any specific changes to the way revenues and program overhead costs are allocated via the budget model. **Rather, the working group recommends that Deans of divisions involved in tri-campus graduate programs review the data to identify how each division should contribute to these costs from other divisional revenue sources. This might include review of tri-campus TA assignments and consideration of cost sharing for increases in graduate student funding packages.**

C. BUDGETING FOR TRI-CAMPUS AND CAMPUS-SPECIFIC ADMINISTRATIVE SERVICES

From a cost perspective, UTSC and UTM function as both academic divisions and as stand-alone campuses. As a result, they incur costs for services delivered in three ways:

1) **University-wide Shared Services.** The University provides infrastructure and services such as enterprise IT systems, electronic library acquisitions, labour relations, and research accounting. All divisions,

including UTM and UTSC, contribute to these costs on a pro-rata basis and advise the President annually on investment in these services.

2) **Campus-specific Shared Services.** Some services that are shared by divisions at the St. George campus must be provided locally at UTM and UTSC. These include utilities, maintenance, student life programming, and some IT infrastructure and library services. St. George divisions share the cost of these services on a pro-rata basis, while UTM and UTSC are independently responsible for the design, delivery, and cost of these services for their campuses.

3) **Divisional Services.** UTSC and UTM also provide services that are delivered by all academic divisions, such as divisional human resources, IT support, advancement, and financial services. Every division is independently responsible for the design, delivery, and cost of these services.

The working group reviewed the categorization of tri-campus and campus-specific administrative services as a first step toward enhancing the process of oversight, approvals, and cost efficiencies for shared services and campus costs. Administrative service costs were categorized as follows:

1. **Institutional Costs.** Costs incurred in management of the University as a whole, developing broad institutional policy and strategy, and presenting a unified voice in external relations. These costs are incurred for the common good and are not easily or appropriately attributed to activity in any one division. Budgets are presented to the President annually by executive leaders in each administrative portfolio. Costs are consolidated and reviewed at a summary level via the existing Divisional Advisory Committee (DAC) process.

   Examples:
   - *Executive offices (Governing Council, Offices of the President, Vice-Presidents, Campus Principals, Chief Financial Officer, Chief Information Officer, Chief Librarian)*
   - *Institution-wide services (Government Relations, University Advancement, Marketing & Communications, Risk Management & Insurance, Planning & Budget)*
   - *Non-discretionary institutional expenses (legal fees, insurance, municipal taxes, pension deficit)*
   - *Special Initiative Funds (International Fund, Major Research Project Management Fund, Admin Priorities Fund, Provost's Contingency).*

2. **Tri-Campus Shared Services.** Costs of infrastructure and staffing within institution-level administrative units to support division-level activity. This often reflects a choice the University has made about the mode of delivering services to take advantage of economies of scale and specialized expertise that are not easily or efficiently duplicated at a divisional level. Budgets are presented to the President annually by executive leaders in each administrative portfolio and reviewed in detail by the Divisional Advisory Committee to ensure alignment with and support of divisional academic priorities.

   Examples:
   - *Financial Services & Procurement*
   - *Enrolment Services & School of Graduate Studies*
   - *Human Resources & Labour Relations*

- *University Advancement (Divisional Relations, Campaigns, and Alumni Relations)*
- *Communications*
- *IT Applications & IT Infrastructure*
- *Library Services & Acquisitions*
- *Research Services & Compliance*
- *Environmental Health & Safety*

3. **Campus-Specific Shared Services.** Costs of infrastructure and staffing within administrative units to support day-to-day divisional activities that, by virtue of geography, are shared by divisions at the St. George campus, but must be provided locally at UTM and UTSC. Budgets for St. George campus costs are reviewed in detail by the Divisional Advisory Committee. Budgets for UTM and UTSC campus costs are reviewed by the campus Principals and CAOs.

   Examples:
   - *Utilities, Maintenance & Services*
   - *Teaching & Learning Support*
   - *Student Life / Student Affairs*

4. **Divisional Services.** Administrative services designed and delivered locally within academic divisions to complement and/or enhance the services delivered by shared service units. Frequently includes the cost of day-to-day administrative activities, as well as support for division-specific processes and strategic planning.

   Examples:
   - *Divisional human resources*
   - *Divisional IT support*
   - *Divisional advancement*
   - *Divisional financial services*
   - *Divisional registrarial and student services*
   - *Divisional facilities and space planning*

While shared service units have good working relationships with senior leaders and administrative staff at the campuses and in academic divisions, there is limited formal documentation regarding the division of responsibility for service provision between academic divisions, campuses, and tri-campus shared service units. This can lead to a lack of clarity regarding the services covered by university-wide costs and concerns about duplication of service at the campus or division level.

The working group therefore recommends the development of service responsibility agreements that articulate the division of responsibility for administrative services. Immediate priorities include financial services, advancement, communications, and capital projects. In the medium term, focus should turn to information technology, research services, and human resources, followed by government relations and library services in the long term.

Recommendation #3: Administrative units should document the division of responsibility for the provision of services between academic divisions, campuses, and tri-campus shared service units. Where campuses have responsibilities above and beyond those of all academic divisions, the cost of tri-campus and campus-specific services should be identified separately and allocated appropriately.

With respect to budgetary oversight for shared services, the Divisional Advisory Committee meets once annually to review shared services and St. George campus costs. The working group noted the following challenges with this process:

- Opportunities for divisions to engage in consultation on administrative service priorities outside the annual DAC process are informal and piecemeal.
- Budgetary proposals from shared service divisions have a short-term focus and provide limited lead time to integrate with budgets and priorities of divisional and campus services.
- There is no opportunity for institutional review of UTM and UTSC campus-specific shared service costs.

The working group felt that there is need for an integrated, prospective consultation channel between tri-campus academic and shared service divisions that would allow divisional leaders to jointly identify internal and external pressures for new or enhanced services, share best practices in provision of divisional services, and identify opportunities to optimize the design, delivery, and efficiency of shared services across all three campuses.

Recommendation #4: Augment the existing DAC process by establishing an integrated, prospective, consultation channel between tri-campus academic and shared service divisions. This would provide a forum to discuss internal and external pressures for new or enhanced services, the sharing of best practices in divisional services, and opportunities to optimize the design, delivery, and efficiency of shared services across all three campuses.

The working group felt that the annual budget process should include a more formal recognition of the unique role of UTM and UTSC as campuses, with opportunity for institutional review of campus costs. UTM and UTSC should have greater autonomy and control over their annual budgeting processes, with opportunities for engagement with their local communities as campus budgets are developed for roll-up into the University operating budget. For example, Campus Principals might consider developing a local administrative process with campus stakeholders each fall, before submitting a Campus Budget to the Provost for review and consolidation into the broader institutional operating budget.

Recommendation #5: Broaden the academic budget review (ABR) process for UTM and UTSC into a "Campus Budget Review" incorporating both the ABR elements (enrolment, revenues, complement, divisional expenses, academic capital requirements), and a more intentionally distinct discussion about campus-level costs.

Finally, the working group addressed a specific issue regarding the structure of internal capital project management fees. Unlike divisions at the St. George campus, UTM and UTSC are required to provide project management services for level 1 capital projects (<$5 million) as a campus cost, and therefore do not benefit from the inherent cross-subsidy between project management fees for large and small projects. Upon review of the fee structure, the working group recommends a discount on capital project management fees for UTM and UTSC.

Recommendation #6: Review the capital project management fee structure to acknowledge the campus-level responsibility for management of level 1 capital projects at UTM and UTSC.