

PLEASE DISTRIBUTE WIDELY AMONGST FACULTY, STAFF, AND STUDENTS

From: Colum Grove-White, President, Arts and Science Students' Union
To: Members of the U of T Arts and Science Community
Re: Program/Flat Fee

April 3, 2009

Dear Members of the Arts and Science Community at the University of Toronto,

This Monday, the Faculty of Arts and Science Council (FASC) will vote on whether to implement a program/flat fee for incoming students who take between 3-6 FCEs. Over the past two weeks, I have had the pleasure and privilege of discussing this proposal with voting Faculty members of FASC, principals of colleges, chairs of programs, as well as Arts and Science students. Through these consultations, I have compiled a number of concerns with the proposal, and as promised, I am circulating all of these to you now. My apologies for sending this to you so late; there is a lot of information to disseminate.

The proposed program/flat fee proposal is a severely flawed document, which, if adopted, will have catastrophic consequences for the Faculty and students. We all recognize that the current financial status quo cannot continue, but this proposal is no more acceptable. As there are so many arguments against this proposal, I will address each in different sections.

First, I will address the flawed and inaccurate economic assumptions and modeling of the proposal itself; second, I question the urgency and crisis mentality that FAS has constructed from the economic recession to pass this proposal; third, I debunk the argument that this is consistent with other universities in Ontario, or within FAS; fourth, I challenge the financial assumptions the proposal makes for students, including financial aid; fifth, I will explore the academic and student experience implications if this program fee proposal is adopted; sixth, I will question the premises of the Program Fee Implementation Committee (PFIC) and its lack of faculty representation, and highlight what is missing from the current proposal. I finally conclude with some thoughts and a course of action on how we, collectively as a Faculty and as FASC, can progressively move forward into uncertain economic times.

ECONOMIC FLAWS WITHIN THE CURRENT PROPOSAL

The proposal assumes that “At full implementation, assuming 0.5 FCE intensification of course load, the models project FAS would annually receive an additional \$10M in base funding.”¹ It goes on to say that

a student taking 4 courses who is charged a program fee at the 5-course level may decide to take one more half or full course. This report refers to this behavior pattern as “course intensification”. If it occurs, the

¹ Program Fee Proposal PDF, pg. 2

number of individual students would not increase, but that number of students would take more courses, resulting in additional student FCEs.²

In short, the overriding assumption of the document suggests that FAS will benefit from students intensifying and completing their degree in 4 years.

If the intensification assumption is correct, then on average, new students will take approximately 5.0 FCEs.

Here are the scenarios in the proposal:

“FAS could either increase the intake at the entry level to maintain the size of the student body, or FAS could maintain the intake at current levels and use the opportunity to reduce the overall number of students.”³

These assumptions are flawed:

“FAS could have a greater number of students taking a more intense course load and so generating more tuition and grant revenue to improve the educational experience.”

In other words, we maintain a static headcount *in the Faculty* and have new resources. Yet although we maintain student numbers, course enrollment would increase by about 10%, which would mean 10% increase in class sizes. The proposal calls for “an additional 17 faculty and 6 staff,”⁴ but I unfortunately don’t see how these new hires will result in more resources, smaller class sizes, and a lower student-faculty ratio, and thus, enrich the undergraduate experience. Quite simply, they don’t.

“Alternatively FAS could have fewer students taking a more intense course load, reducing the strain on the services and divisional costs thus improving the educational experience overall.”

If all students intensify as projected by the proposal, and the Faculty *decreases* enrollment down by 10%, therefore keeping course enrollment *static*, there are zero additional resources. While there may be fewer heads in the university, they are taking the same amount of courses as they are now, and thus receive the same amount of BIU funding as we are receiving now. The University and Faculty may, in fact, lose money from ancillary fees if they decrease the undergraduate population. There are no new resources, and our student-faculty ratio will stay the same.

If the document is accurate in its assumption that students will intensify to 4.9-5.0 FCE, both assumptions assume increase in revenue. The first assumption there would be an increase in revenue, but the difference would come at a cost of 10% increased course enrollment. That does not only mean a 10% increase in work for faculty and teaching staff, but students, on average would need to use the writing and math centres 10% more,

² Ibid, pg. 5

³ Ibid, pg. 8

⁴ Ibid, pg. 2

check out more books at the libraries, and so on. If students intensify in the second scenario, then there is absolutely no new revenue, because even if student enrollment in the Faculty is down, course enrollment will stay the same. Students will still be paying the same amount of tuition, be receiving the same amount of GIUs, and be using the same amount of resources like aid centres and libraries, because they are on average taking more courses.

Where does the estimated \$9-10 million in resources come from? The document is misleading because it suggests more resources come from 'intensification' and more BIU grants. I argue that a proposal like this needs to be much more clear, transparent, and truthful about where these resources are coming from, because it will not be from course intensification and additional BIUs.

Thus, to conclude this section, the proposal's assumptions and models are flawed if we assume the impact of 'course intensification' will have significant revenue gains as this proposal has. If this proposal is presented to Faculty Council on April 6, a motion should be made to refer the proposal back to PFIC, or to a new Special Committee voted on by FASC, to clear up the factual errors and inconsistencies. A structurally flawed proposal should preclude any discussion as to whether this proposal is good for the Faculty or students.

WHAT URGENCY?

PFIC only reached consensus on one issue. On February 6, PFIC agreed that the program fee should not be implemented in September 2009. Too many issues had not yet been adequately addressed, and given that students had already started applying for U of T and FAS, we thought a hasty change would be unfair to those that did the research on how FAS charges tuition, particularly those from disadvantaged background. Yet on March 5, the Dean informed PFIC that this proposal must be voted through immediately.

Arguments for rushing through the proposal, which I was given by the Dean and Scott Mabury, are as follows:

- 1) We did not want the issue to become political, and be conflated with a new tuition framework by the province.

This issue is political, and haste has only made it more so. Proper consultation was not done with Faculty members. Most FASC members knew nothing of this until about two weeks ago.

- 2) We did not know how much money, if any, we would be receiving from the provincial government in OTO funding.

The province has ear-marked \$150 million in OTO funding for post-secondary institutions to make up for shortfalls, and to specifically prevent budget cuts and teaching staff cuts. U of T, as the largest university in the province, should expect

15-20% of this money, because it is distributed on a per student basis. As FAS is the biggest Faculty in U of T, and given that FAS is on average facing more financial difficulties than other faculties, it is reasonable to assume that a substantial portion of this money will go towards shortfalls at FAS.

3) We received 0% pay-outs on endowments.

It is undoubtedly true that U of T's aggressive investment strategy has destabilized the endowment fund.⁵ To be sure, this is not the fault of FAS, and everyone has suffered from the economic recession. But it was least of all the fault of future students, and they are least prepared to foot the bill.

There is no need to rush through a flawed proposal that has negative repercussions for students. I would like the main U of T administration to inform FAS how much we will be getting in OTO funding. I am calling on FASC to respect the initial wishes of PFIC. I know collectively as students, faculty and administrators, that we can do better than this.

PROGRAM FEES ARE BECOMING THE NORM IN ONTARIO AND U OF T

Both the proposal and the Dean have suggested that with this proposal, U of T is only falling in line with other universities across the province, and other departments within FAS.⁶ But when we look more closely at other universities with flat fees, a more nuanced picture emerges.

While 10 other universities across the province do administer a program fee, they do not administer it consistently across the board. For instance, Brock sets its threshold at 4.0 FCEs⁷ and Western sets it at 3.5 FCEs.⁸ Members of PFIC knew exactly what the threshold for each of these 10 schools were, and most schools do not set their threshold at 3.0. Guelph charges tuition on a semester basis rather than annually. "In an effort to spread out the financial burden, payments are required at the start of each semester instead of having to pay the entire amount all at once at the beginning of the school year," notes the university's website.⁹

Universities with higher thresholds give their students the option to pay a per-course fee, below the threshold, without sacrificing their full-time status and OSAP eligibility. At FAS, on the other hand, the program fee would force students to either pay for a full course load or give up all of the financial aid available to full-time students.

Many people have commented to me that this is the first time in a long while that U of T has been comparing itself to Brock, Western and Guelph. We must remember that the

⁵<http://www.theglobeandmail.com/servlet/story/RTGAM.20090403.wpaygta03art2251/BNSStory/National/home>

⁶ Program Fee proposal, pg. 3

⁷ <https://safaweb.ccs.brocku.ca/fees/FMPro?-db=Fees%20Calculator&-lay=ALLFIELDS&-format=new.htm&-view>

⁸ http://www.registrar.uwo.ca/FinancialServices/Fall_Winter_2008_2009_FeeSchedule_UGRDcanFT.pdf

⁹ <http://www.uoguelph.ca/registrar/studentfinance/index.cfm?fees/index>

University of Toronto is in the middle of the largest urban centre of Canada. While some students come here because of its reputation, others come here because it is their local university. Many students have to take care of dependents. The current structure offers students the option of working full or part-time, perhaps taking care of dependents, but still remaining a full-time student.

Within FAS, both Commerce and Computer Science students have program fees. Yet let us look at both of these departments independently.

Commerce has deregulated tuition, so there is no reason to imagine that it will have a similar fee structure. Commerce students have an incentive to do 5 FCEs during the year, so they can get work placements or internships in the summer. The Commerce department provides some assistance to its students in finding these placements and internships.

Comp Sci students are more in line with the Faculty of Engineering. Their tuition also costs more than the rest of the departments in FAS. Yet Comp Sci students, along with engineering students, have the option of doing a 12-16 month paid internship where the average salary in 2008-9 was \$38,650.00.¹⁰ These students have the option of doing a co-op term, paying off the majority of their student debt before they even graduate.

Both of these degrees are professional degrees, and their prospects of employment upon graduation are far greater than students with other degrees.

Thus, I conclude this section by suggesting that if FAS is going to be making comparisons with other universities and departments, there needs to be a thorough comparative analysis.

FINANCIAL AID AND TUITION REFUNDS

It should be noted that for domestic students with financial need, tuition fees are fully covered by government and/or University student aid. The possible increase in tuition would therefore not itself create a compulsion for students to increase their course load.¹¹

First, we need to be clear about how few students meet the proposal's definition of financial need. While U of T's lowest income students do qualify for extensive tuition grants, huge numbers of undergraduates finance their education with government and bank loans. Their tuition fees are not nearly covered by government or university aid, and they will be hit hardest by this change.

We also need to consider what will happen to students with financial need who choose to drop below 3.0 FCEs. Those students will be eligible for minimal student loans, and interest will be charged on them immediately. They will also likely not be eligible for the

¹⁰ <http://www.pey.utoronto.ca/student.htm>

¹¹ Program Fee Proposal, pg.

new financial aid which we are to believe will be generated by the new revenue. As noted above, this is not consistent with other universities that use program fees.

If the projections are correct, there will be an additional \$1.5 million in financial aid.¹² But if we wish to address these problems with financial aid, we need to rethink the way that financial aid will be administered.

Let us imagine a student who is currently taking 4.0 FCEs, and pays \$4000 in tuition. This student might be eligible for \$500 in financial aid from his college. Another student under a program fee who is taking 4 courses now has to pay \$5000 in tuition. This student may be eligible for \$1000 in financial aid. Yet this \$1000 does not go into the student's pocket, and she will end up paying more than a student who is on a per-course fee, even though in absolute terms she is receiving more financial aid.

Additionally, our current refund schedule will be inconsistent with a program fee policy. Does a student who drops down to 2.5FCES get a \$2500 refund? A new refund policy needs to happen in conjunctions with a new program fee proposal.

A new tuition framework calls for new policies on financial aid and refunds. These should be developed and introduced together.

ACADEMIC IMPLICATIONS – WHAT DOES ‘INTENSIFICATION’ MEAN FOR STUDENTS AND THE FACULTY?

If we assume that students will intensify, and that course enrollment increase by 10%, while the student population within the Faculty stays constant, there will be an inevitable increase in class sizes.

Furthermore, if the threshold is set at 3.0 FCEs, and we are encouraging students to take 5.0 FCEs a year, there will be absolutely no academic incentive for students to take summer school, participate in Summer Abroad programs, or other summer programs in departments which are not necessarily program requirements. If the point of the program fee proposal is to get students out of university in 4 years, then the program fee should extend to summer tuition as well.

Program fees, according to computer science and commerce students, make it easier and cheaper to ‘shop’ for classes. Once program fees are brought in, students will sign up for 6 classes, and then drop one late in the term, incurring no financial or academic penalty. This will exacerbate students’ problems getting into the classes that they need, particularly with the new waiting list restrictions next year, which will make it almost impossible for students to enroll in full classes after the first week of class. This issue is not addressed in the program fee proposal, although I brought it up several times in PFIC.

Most registrars recommend that students do not take more than 5 FCEs, and some would recommend less. Some of the registrars and undergraduate coordinators I have talked to

¹² Program Fee Proposal, pg. 6

have expressed concern that under this proposal, students would start taking 6 FCEs in this academically rigorous institution, and make poorer academic choices. More research needs to be done to determine the impact intensification will have on students' GPAs.

STUDENT EXPERIENCE

I imagine that FASC members have been receiving quite a bit of email about how this proposal will negatively affect student experience. I only hope that students have not expressed aggressive outrage at FASC members, because this proposal is certainly not FASC's fault. If what students are saying is true, and that the flawed program fee proposal will detrimentally affect student experience, this will in turn decrease our NSSE ratings.

These concerns from students have been received as "anecdotal evidence" by some, and thus, not substantive arguments. Indeed, the proposal argues that "given our performance on measures of student engagement, one might suggest course intensification would have little to no impact or perhaps even have modest benefits."¹³ I find it incredibly problematic that no research has been done to investigate what the impact of 'course intensification' will have on student experience. The only works referenced in the program fee report is a study from 1991, which if you read carefully, does not actually address the issue of student experience.

The proposal suggests that "It is noteworthy that the two Ontario universities that received top scores on 'overall student satisfaction' in the recently-published Globe and Mail Report Card, Guelph and Western, charge program-based fees."¹⁴ This is anecdotal evidence in itself. Additionally, the President of this University is skeptical of the Globe and Mail Report Card,¹⁵ and U of T in general is more concerned about NSSE ratings.¹⁶

As noted earlier, I am skeptical about the economic assumptions of the proposal and what new resources it will bring. It is safe to assume that class sizes will increase, which will negatively affect our NSSE ratings. Any proposal should have accurate indicators as to how a policy will enhance student experience. This is yet another flaw in the current program fee proposal.

PROGRAM FEE IMPLEMENTATION COMMITTEE – WHAT WAS THE POINT OF IT?

I am very concerned that if FASC approves this proposal, that the current composition of the PFIC will be monitoring it. The composition of PFIC included only one student

¹³ Program Fee Proposal, Pg. 7

¹⁴ Ibid.

¹⁵ <http://www.president.utoronto.ca/aboutthepresident/speeches/universityreportcards.htm>

¹⁶ <http://www.provost.utoronto.ca/public/reports/performanceindicators/pi-2008/student-recruitment-retention-experience/student-experience-undergrad.html>

(myself), one faculty member (Scott Mabury, Chair of Chemistry), and 11 administrators (from the Dean's Office, the University Registrar, Budget and Planning, UTM, UTSC, etc.).

As I have expressed to many of you, none of what I said (and indeed, concerns from other PFIC members from UTM and USC) were incorporated into the proposal. In fact many of the concerns that you have all raised with me were brought up in PFIC, but never incorporated into the proposal. And as I mentioned before, there was a consensus for FAS not to implement this in September 2009.

Most of you have never heard of PFIC until two weeks ago, and most of you do not even know who sat on PFIC because there were no names in the proposal. To be sure, CPAD was aware that plans for a program fee were happening well before March, but CPAD members were only informed at the beginning of March that the program fee proposal was being rushed through, seemingly because it was necessary.

I believe that a committee like PFIC, which debated something with such extraordinary consequences, should have been approved, and even struck, by FASC. Instead, FASC was presented with a rushed proposal from a committee they have never even heard of.

FASC is the body that governs the Faculty of Arts and Science, not the other way around. If talks about a program fee proposal had been in works for many months, an update should have at least been given to FASC members well before now. We have debated on breadth requirements in two FASC meetings, and whether people agree with it or not, at the very least, people knew the proposal has been in the works for three years. If we vote in favour of the current program fee proposal, I fear that FASC's democratic mandate will be damaged.

Thus, I propose that the flawed proposal be tabled back to a PFIC with an entirely different composition, or be committed to a new Special Committee which comprises of more faculty members and students. After many consultations with Faculty members across the campus, I realize that there are a number of smart people that can help us with our problems. I would have much more faith in a severely amended proposal from a committee comprised of numerous faculty members and students from a variety of different perspectives and disciplines. This committee would no doubt address and fix the major flaws of the current proposal. Furthermore, this would bring transparency and democracy back to FASC.

WHAT'S MISSING IN THE PROPOSAL?

We need to be realistic about the impact of program fees on class sizes, student experience and accessibility. Furthermore, new financial aid and refund schedule policies need to be voted on in conjunction with a new tuition framework.

A policy with major implications such as this needs strong, measurable benchmarks so that subsequent committees can rate whether the policy is a success or a failure. The

current proposal has no benchmarks. Some thought should be given as to how we can measure changes in student experience with a new tuition framework.

If there is to be new resources, we need projections and estimates as to where these resources are going. The current program fee proposal, which promises more resources, is inconsistent with the memo the Dean sent out to all Faculty members and staff on March 6. Are resources going back to departments, colleges, and students, or are they going to pay off our massive deficit?

We need to talk about broader structural problems with the FAS budget. FASC should be aware of how much FAS is subsidizing other faculties.

There are also quite a few hidden costs associated with this proposal, and I believe the document should be transparent about the financial resources a transition will take, like that of changing over ROSI.

Finally, there needs to be transparent and honest language in any proposal. The current proposal has dressed itself up in something that it is not. A new proposal needs to be explicit in where additional resources are coming from.

CONCLUSION

It will not be the end of the world, nor the end of this Faculty, if we do not accept the current proposal. The news media is following the developments of FASC very carefully, and will be present at our meeting on Monday. Given the size of our deficit, the money we would potentially stand to lose in one year is quite negligible. I believe that by shelving the current proposal so that we can rethink and reshape it, we would send a strong message to Queen's Park that universities need help. Asking students to foot the bill for an economic crisis would send a very different message not only to Queen's Park, but also prospective students and their parents, both at home and abroad.

It has been an honour and privilege to serve as President of the Arts and Science Students' Union this year. There truly is a wide array of interests at stake here, and I realize this through my consultations with our diverse student body and faculty. It is also my job to protect the rights of our future students, and this policy will be detrimental, particularly to those first-years that are entering FAS next year. Together I know we can persevere through this, and create a policy that will guide us out of financial troubles, and be mutually beneficial to students, faculty members, and the University of Toronto as a whole.

Colum Grove-White
President, Arts and Science Students' Union