



# UNIVERSITY OF TORONTO

University of Toronto  
Governing Council

## **Policy for Compulsory Non-Academic Incidental Fees**

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# Policy for Compulsory Non-Academic Incidental Fees

## Preamble

### Purpose

The aim of this policy is to regulate the compulsory non-academic incidental fees in the campus services and student societies areas for which the University Affairs Board has responsibility: Athletics, Hart House, Health Service, Student Services Fees and various campus-wide and divisional student societies.

### Responsibility

In recognition of their differing kinds and levels of service, activity, and need, divisions and organizations on whose behalf such incidental fees are collected shall have the initiating authority to establish such fees, subject to approval by the University Affairs Board of the Governing Council. Requests to cancel or to change an existing fee, or to introduce a new levy, will be reviewed by the Office of the Vice-President and Provost which will, according to the guidelines, bring the requests with recommendations to the University Affairs Board.

### Applicability

Where facilities or services are open to the campus as a whole, the fee structure shall include all groups of tuition-paying potential users. However, if there seem to be valid reasons for differentials, as for example in the case of students at the University of Toronto at Mississauga and the University of Toronto at Scarborough, these will be recognized where possible.

### Information Concerning Fees

The University administration shall pursue ways and means of ensuring that information relating to incidental fees is clearly presented and readily available, particularly to newly-admitted students.

### Fees Addressed

This policy shall apply to compulsory non-academic incidental fees charged to students for campus and student services, student societies, and specific, limited projects within the University including those for academic purposes.

## Policy

### A. General

#### Assessment of Fees

1. All applicable compulsory non-academic incidental fees shall be charged to all students who are liable for academic fees except those categories of students noted in A.1.(b) below and those categories of students designated by the University Affairs Board as exempt from such fees on the recommendation of the senior assessor.
  - a. Categories of students exempted from such fee shall not have access to campus services for which compulsory non-academic incidental fees are normally charged.
  - b. Students registered in the School of Continuing Studies and students registered in the Additional Qualification Program of the Ontario Institute for Studies in Education/University of Toronto shall not be charged compulsory non-academic incidental fees.

### Sessional Amounts

2. Compulsory non-academic incidental fees shall be reported and approved as amounts to be charged to registered students on a sessional basis. Those fees which are not applicable in any particular session (summer, fall or winter) shall explicitly be described as such.

### Charging of Fees to Full-time and Part-time Students

3. All full-time students as designated by the academic divisions shall be charged the normal fees as described in A.3.(a) below and all part-time students as designated by the academic divisions shall be charged fees as described in A.3.(b) below.

#### Normal Fees

- a. All full-time students on any campus in any session (fall, winter or summer) shall be charged the normal compulsory non-academic incidental fees applicable in that session.

#### Normal Fees

#### Part-time Fees

- b. All part-time students on any campus in any session (fall, winter or summer) shall be charged compulsory non-academic incidental fees at a rate of 20% of the normal compulsory non-academic incidental fees applicable in that session. This provision will not necessarily apply to student society fees.

### Sex

4. There shall not be fee differentials based on sex.

### Persons Over 65

5. Compulsory non-academic incidental fees shall not be charged to students registered in Arts and Science programs who are 65 years of age or older. Such students shall have access to campus services for which compulsory non-academic incidental fees are normally charged.

### Protocol on Non-Tuition Fees

6. The establishment of compulsory non-academic incidental fees or increases to fees charged for campus services shall be subject to terms and conditions of the Memorandum of Agreement Between The University of Toronto, The Students' Administrative Council, The Graduate Students' Union and The Association of Part-Time Undergraduate Students For a Long-Term Protocol on the Increase or Introduction of Compulsory Non-Tuition Related Fees while it is in effect, and/or other applicable agreements and policies.

### Other Fees

7. With respect to fees for student societies, the foregoing does not limit or restrict the Governing Council from authorizing the collection of compulsory non-academic incidental fees for organizations, purposes, or activities other than those referred to above, provided always that any such fees have been duly initiated in accordance with the by-laws of the organization affected, and are handled in a manner consistent with the policies and procedures relating to student societies' fees. However, fees will not normally be collected on behalf of organizations other than student societies except when such fees are included in the student society fee for the constituency concerned.

## B. Student Societies

### Definition of Student Society

A student society is an organization on whose behalf the University collects a compulsory non-academic incidental fee, in which membership is automatic and determined by registration and status in a particular division or program, or in one of a number of divisions or programs of the University of Toronto. In the case of a residence student society, membership is determined by residency in a particular University residence.

### Constitutions of Student Societies

1. In order to encourage greater awareness and participation on the part of their constituents and to minimize some of the problems which can arise when office-holders change each year, student societies must have constitutions and/or by-laws which provide for the orderly and democratic governance of the society. These constitutions and/or by-laws must include specific provisions which fulfill the following requirements:

#### Regular Financial Reports

- a. that a report be made on a regular basis (preferably monthly) to the executive and council or board of directors of the society's financial position including:
  - a comparison of year-to-date actual income and expense to budget;
  - a statement of expected income and expense for the balance of the fiscal year (or a "cash flow forecast" to the end of the year);

#### Annual Audit

- b. that auditors be appointed to conduct an annual audit of the society's financial statements, and that the audited financial statements and the auditor's report thereon be approved by the executive and presented to the members, including through such means as a general meeting of the society's membership as early as possible in the subsequent academic session, publication in campus media, etc.;

#### Availability of Records

- c. that, in addition to B.1.(b) above, all financial records, budgets, auditor's reports, council minutes and minutes of council committees, commissions, or other subsidiary bodies of the society be available for examination by any member of the constituency concerned;

#### Accounting and Financial Procedures

- d. that appropriate guidelines be adhered to for accounting and financial procedures consistent with the directions outlined in the Handbook for Student Societies (published annually by the Office of the Vice-President and Provost);

#### Procedures to Request a Change in Fee

- e. a description of the procedure to be followed in order to request a change in the society's fee;

#### Complaints from Members

- f. a description of a procedure which provides for the expeditious consideration of complaints from members of the society that the society is not following its constitution or is failing in some other way to manage its affairs properly.

### Copies of Constitution Deposited with University

Each student society on whose behalf the University collects a compulsory fee shall deposit a copy of its constitution and/or by-laws, and of any amendments thereto which may be approved from time to time, with the head of the division or program in which the society is located, with the Office of the Governing Council, and with the Office of the Vice-President and Provost.

(Three societies, the Association of Part-time Undergraduate Students, the Students' Administrative Council, and The Varsity, draw their membership from more than one academic division and need file a copy of their constitution only with the Office of the Governing Council and with the Office of the Vice-President and Provost.)

#### Conditions on Collection of Fee (Audit Requirement)

2. The University shall continue to collect fees on behalf of student societies only so long as the individual societies operate in an open, accessible and democratic fashion, following the terms of their constitutions, and submit evidence, in the form of an annual report from an independent auditor licensed under the Public Accountancy Act, that adequate financial records are being maintained and that funds collected are being properly accounted for.

##### Exemption from Audit Requirement

- a. Exemptions from the above audit requirement may be granted by the University's Internal Auditor provided that all the following conditions are fulfilled:
  - (i) incidental fees collected by the University on behalf of the student society concerned amount to less than \$30,000 in the fiscal year, and the total amount of other income, not including fees, does not exceed \$7,500 in the fiscal year. (These amounts may be changed from time to time by the Office of the Vice-President and Provost acting in consultation with the Internal Auditor. Student societies shall be notified of changes in the Handbook for Student Societies);
  - (ii) the request is made no later than October 31 following the end of the fiscal year concerned and is supported by two-thirds of the full membership of the executive of the society; and
  - (iii) the Internal Auditor is satisfied that the society is maintaining proper books of accounts and supporting documentation.

If an exemption is granted, unaudited financial statements must be prepared by a public accountant or by the student society, and submitted for review and acceptance by the Internal Auditor. The specific documentation required for this review shall be described in the Handbook for Student Societies and must be submitted no later than December 31 following the end of the fiscal year.

The student society will reimburse the Internal Audit Department for the cost incurred in reviewing the society's financial information. At the discretion of the student society, the student society may appoint an independent public accountant to provide a Review Engagement Report instead of the review by the Internal Audit Department.

##### Withholding of Fee Instalments

- b. If an auditor's report is required, and is not received by December 31, or if there is a denial of audit opinion or other qualification which in the view of the University's Internal Auditor requires special attention, the Office of the Vice-President and Provost may, in consultation with the Internal Auditor, withhold further instalments of the fees collected until it is satisfied that the problems or questions which were identified have been resolved satisfactorily.

##### Portions of Fee Designated for Affiliates of Student Societies

- c. Where a portion of the student society fee is designated for another organization, the student society must obtain, by December 31, from the organization that receives the designated portion of the fee, financial statements audited by a public accountant. Where the total amount of the fee remitted annually falls below that amount specified in this Policy for waiving of the requirement of an audit, the student society has the discretion to waive the audit on the same basis the Internal Audit Department would waive the requirement of Audit.

Student societies shall report annually on the receipt of audited financial statements and/or exemptions granted related to organizations that receive designated portions of student society fees.

#### Disbursement of Funds to Other Organizations

- d. If student societies disburse funds to other organizations, including course unions and clubs, they shall require a statement of expenditures, covering the amount of funds disbursed, prepared and signed by the appropriate official from the receiving course union, club or other organization.

#### Procedures to Address Allegations of Irregularities

3. If the Office of the Vice-President and Provost has reason to believe that a student society is not operating in an open, accessible and democratic fashion and following the terms of its constitution, it shall inform the society of this in writing along with details of whatever inadequacies in the society's conduct of its affairs are alleged to exist. In the case of a divisional student society, the division head should similarly be informed. The Office of the Vice-President and Provost should ensure that the society's internal complaint procedure had been exhausted before it proceeds further unless there are compelling reasons for doing otherwise, in which case this should be reported to the University Affairs Board. If the Office of the Vice-President and Provost intends to proceed further, the student society should be given the opportunity to comment upon the allegations that have been made. If the Office of the Vice-President and Provost continues to have reason to believe that significant constitutional or procedural irregularities exist, further instalments of fees may be withheld.

#### Report of Fees Withheld

Whenever funds are withheld from a student society, the Office of the Vice-President and Provost shall so inform the next meeting of the University Affairs Board. A decision to withhold funds may be appealed by the student society involved to the University Affairs Board.

#### Requests to Change Fees

4. Requests to change the fee collected on behalf of a student society and requests for new fees shall be approved only when evidence has been presented that the request has been authorized by due constitutional process in the organization. The procedures to request approval of a new fee or an increase to an existing fee shall be published in the Handbook for Student Societies.

#### Cost of Living Increases

- a. Where the amount of an increase in the fee charged is not greater than the year-over-year change in consumer prices for Ontario as measured by Statistics Canada (December-over-December) as of December 31 of the previous year, the request must be supported by the results of a previous referendum approving the principle of a cost-of-living adjustment.

In special circumstances (e.g., when a portion of a student society fee is designated for a health plan or capital project), other inflation indexes or predetermined inflation factors may be used, provided that the request is supported by the results of a previous referendum approving the use of the specific inflation index or predetermined inflation factor.

#### Referendum Requirement

- b. Where the amount of an increase in the fee charged is greater than the year-over-year change in consumer prices, the request must be supported by the majority of the society's members voting in a recent referendum.

#### Special Levies

5. Student society fees may include levies for specific, limited projects, within the University including those for academic purposes. Such levies shall:

- a. be approved by whatever process is required by the student society's constitution for consideration of a fee increase, and by a referendum;
- b. be in effect for a limited time period or include provision for periodic review;
- c. be treated as part of the student society fee but be specifically listed on students' accounts;
- d. be paid by the Student Accounts office directly to the student society or to a restricted account for the purposes designated in writing by the student society. Such a designation must be approved by the council or board or directors of the society.

#### Assessment of Student Society Fees

6. Notwithstanding the provisions outlined in A.3. and A.4. above, student society fees may be charged in a manner explicitly authorized by the members of the society voting in a referendum.
7. In acknowledgment of the differing levels of service provided in the Summer Session, student society fees shall be charged in the Summer Session when this principle is supported through the appropriate and due constitutional decision-making process within the society.
  - a. Fees charged in the Summer Session shall normally include all designated portions of student society fees except as directed pursuant to the terms and conditions of a relevant referendum on the matter.

September 23, 2003