Date: July 11, 2017

To: The McGill Community

Subject: Facilities Operations and Development Revised Billing Policies

Please note that effective June 1, 2009, Facilities Operations and Development (FOD) has instituted three new policies which will result in a more equitable, transparent fee structure. These changes are in response to requests from the McGill University community and have been developed in conformity with the April 30, 2008 provincial Order in Council* on charges for professional services, and in keeping with the requirements of all major funding agencies.

The changes are outlined below:

**TAX REBATE**

As of June 1, 2009, the benefit of the 7% tax rebate offered by the provincial and federal governments to public institutions will be passed directly to the client. This rebate applies to all billable work orders. Firm price jobs quoted before June 1, 2009 will remain as originally estimated.

1) **OVERHEAD CHARGES**

Overhead charges will now be harmonized at 12%, to be applied uniformly to the after-tax (including 7% tax rebate) total of all expenses on billable work orders.

2) **PROJECT FEES**

Project fees will be charged to the project account as follows upon completion of the work:

- **Management and coordination fee**
  A management fee of 5% of construction costs will be applied to all projects. The cost of estimates is included in this fee.

- **Pre-Design fees**
  A pre-design fee of $2,500 will be charged for architectural programming and $1,500 for mechanical/electrical programming, when those services are provided by McGill Design Services.

  In such cases where pre-design services are provided by external design firms and consultants, the associated costs will be charged to the project.

- **Design Services fees**
  Fees for services provided by McGill’s Facilities Design Services will be calculated in accordance with the percentage method outlined in the Order in Council* and charged to the project (see attached for further details).

  In such cases where the services of external design firms and consultants are used, the associated costs will be charged to the project.

* L.R.Q., c. A-6.01, r. 7 « Tarif d’honoraires pour services professionnels fournis au gouvernement par des architectes », and r. 9 « Tarif d’honoraires pour services professionnels fournis au gouvernement par des architectes », as detailed in La loi sur l’administration publique.