



TO: Planning and Budget Committee

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DATE: March 22, 2012 for April 4, 2012

AGENDA ITEM: 3

ITEM IDENTIFICATION: *Towards 2030: The View from 2012 – A Framework*

JURISDICTIONAL INFORMATION

Pursuant to section 4.1 of the Planning and Budget Committee *Terms of Reference*, the Committee is responsible for policy on planning. The Committee reviews and makes recommendations on the University's general planning framework. Specific areas in which recommendations are made to the Academic Board include:

- policy on the organization of planning;
- statements of the University's mission or general objectives;
- statements of multi-year University principles and objectives for academic planning;
- guidelines for divisional academic plans;
- statements of general divisional objectives;
- enrolment plans and policies;
- long-range planning and/or (operating and capital) budget guidelines;
- strategic planning framework for research.

PREVIOUS ACTION TAKEN

On October 23, 2008 Governing Council approved in principle *Towards 2030: A Third Century of Excellence at the University of Toronto*.

On November 12, 2009 the Academic Board reviewed for information *Academic Planning in the context of Towards 2030* which set out the rationale and process of academic planning for faculties. The new process aligned academic planning with the decanal term (i.e., normally plans are to be developed within two years of a new dean coming into place or within a year of decanal reappointment).

HIGHLIGHTS

Towards 2030: A Third Century of Excellence at the University of Toronto set out long term and overarching goals for the University with respect to matters such as enrolment, the student experience, the three campus model, resources, funding models, and university governance.

Towards 2030: The View from 2012 assesses the University's progress towards these long-term goals and identifies the new and ongoing challenges and opportunities that may be ahead. It is the culmination of an extensive consultation process with the University of Toronto community including over 40 meetings - town halls on each of the three campuses, sessions with faculty, students, staff, governors, academic administrators, and alumni. Written submissions were also received.

Towards 2030: The View from 2012 is divided into two documents. The first, *Towards 2030: The View from 2012 – A Framework* highlights the achievements to date and the new and continuing challenges. The *Framework* is what is being brought forward for approval in principle by governance. The second document, *Towards 2030: The View from 2012 – An Assessment of the University of Toronto's Progress Since Towards 2030* provides a more detailed analysis of the 2012 context and our progress to date in the areas outlined by *Towards 2030*.

BUDGETARY IMPLICATIONS

None.

RECOMMENDATION

That the Planning & Budget Committee recommend to the Academic Board

THAT *Towards 2030: The View from 2012 – A Framework*, dated March 28, 2012, be approved in principle.

Towards 2030: The View from 2012 - A Framework

Over a two-year period, beginning in early 2007, the University of Toronto community deliberated on how to build on its past achievements and strengthen its position as one of the world's leading publicly-assisted universities. *Towards 2030: A Long-term Planning Framework for the University of Toronto* was approved by Governing Council in October 2008. http://www.towards2030.utoronto.ca/files/LongTerm_Planning_Framework_Oct_2008.pdf

Four years on, much has happened, both at the University of Toronto and in the world. *Towards 2030* used the word 'sobering' with respect to the then-current state of funding from the Government of Ontario. We are even more sober today. Undergraduate per-student funding in Ontario is the lowest of any of the provinces; the global market collapse in 2008 has had deleterious effects on public sector defined-benefit pension plans; and the economy remains volatile. This economic uncertainty has understandably been accompanied by some anxiety on the part of students, staff and faculty. Undergraduate students worry about modest but steady tuition and fee increases, although for most Ontario students significant relief has come with the Province's \$1600 Tuition Rebate. Undergraduate and graduate students worry about the job markets they are moving into. Staff and faculty are concerned about the demoralizing critiques of universities from the media and government, along with public policy discourse about how Ontario universities need significant 'reform.'

It is time to see what progress the University of Toronto has made in the last four years and to assess the new and ongoing challenges and opportunities that lie before it. That is the task of *Towards 2030: The View from 2012*. It is the culmination of eight months of engagement with the University of Toronto community, initiated by the Provost in August 2011. Over 40 meetings were held – a Town Hall on each of the three campuses and sessions with faculty, students, staff, governors, academic administrators, and alumni. Submissions were also made in writing. Participation was lively and passionate - the strong commitment to this great University was apparent at every turn.

The core message is heartening: despite our heavily constrained resources, the University of Toronto is respected as one of the world's best research-intensive universities, rivalling both the great private universities of the United States and the ancient public universities of Britain in quantity and quality of research and in educational offerings. Here is how the message was expressed by first, a faculty member and next, an alumnus:

'The University of Toronto's faculty is among the most productive in the world in terms of generating new scholarship and knowledge, and among the most cited, and our students are the envy of our colleagues across Canada. Many of our departments, including my home department, are among the best in the world in their disciplines.'

'The University of Toronto is the pre-eminent university in Canada by many measures: number of students, research productivity, breadth of teaching programs, library resources and it ranks as a significant research and teaching

university globally. It is a public university with private peers, which itself is an extraordinary achievement given the funding challenges in post-secondary education in Canada and in Ontario, in particular. The University also comprises three campuses in one of Canada's largest and most diverse urban areas. Undeniably, the University is an important post-secondary institution. But the University of Toronto is not only that. It is also one of the nation's most effective means to achieve Canadian aspirations of an egalitarian, globally aware, technologically sophisticated society that sustainably harnesses our wealth in natural resources and human potential for the prosperity and betterment of all.'

These are heartening words, but they also bring into sharp relief the duty that the University of Toronto community has to not just maintain, but strengthen the institution they have inherited.

Meeting the Goals set out in *Towards 2030: Progress to Date*

Much time and attention in *The View from 2012* deliberations was paid to the great strides taken in meeting specific goals set out in *Towards 2030*. The following are merely some of the highlights, with many more achievements set out in detail in the full document.

- Significant advances have been made in the recruitment and admission of first-entry undergraduates, including an overhaul of recruitment and admissions materials and processes and a new structure for enrolment management. These efforts have been rewarded with an increasing number of excellent applicants to the University of Toronto, with more of them making the University of Toronto their first choice, and with a marked increase in the numbers of students from the rest of Canada and, especially, the rest of the world choosing to attend the University of Toronto.
- A number of excellent bridging programs for international students have been put in place, building on the success of *Greenpath* at University of Toronto Scarborough. These bridging programs provide international students the wherewithal to succeed in their studies at the University of Toronto.
- Real improvements have been made in the first-entry undergraduate experience. Much excitement has been generated, for instance, about the expansion of our first year foundational programs – the 'One' series of programs. (<http://discover.utoronto.ca/one>) They, along with many other excellent initiatives, enable the University of Toronto to offer one of the very best first years in the country.
- The University of Toronto is now even more of a leader in having its finest researchers teach across the whole spectrum of the undergraduate and graduate curriculum. Canada Research Chairs, endowed chair holders, and other award-winning researchers are in the classroom with undergraduates, often in the first

year. In 2011 a successful mechanism was put in place – the *Undergraduate Course Development Fund* – to encourage professors in the professional faculties, such as Social Work and Law, who normally teach only graduate students or second-entry undergraduates, to teach in the early undergraduate years.

- The University of Toronto’s commitment to being accessible to students, regardless of their financial means, has been upheld despite budget pressures. In 2010-11, the University provided \$61.5M in needs-based student aid, compared to \$58.3M in 2009-10 and \$56.3M in 2008-09. ‘Effective tuition’ – the tuition students actually pay - is an important notion and can be captured by the fact that 50% of our undergraduates receiving OSAP pay 50% of the posted tuition rate. The rest is covered by bursary and scholarship support.
- The University of Toronto has continued to hire new faculty and hire exceptionally well. As universities elsewhere freeze or slow down their recruiting, an opportunity to attract exceptional faculty members presents itself. These new recruits are the future of the University.
- Research, honours, and rankings are extremely strong. Although no ranking instrument is perfect, collectively they speak to something important. In 2011 the University of Toronto, as a whole, was ranked very highly worldwide by the various internationally respected bodies: 19th (Times Higher Ed), 26th (Shanghai), 9th (HEEACT), 23rd (QS), 3rd (ScImago). Times Higher Education’s *World University Ranking* grouped the University of Toronto with Stanford, UC Berkeley, UCLA, Cambridge, Oxford, and the University of Michigan as the only institutions in the top 25 in all 6 broad disciplinary areas.
- The University’s unique tri-campus structure is providing strong, broad, and distinct research groupings across the university, bound together by one identity and a set of genuinely tri- or bi- campus graduate programs and departments. The Mississauga and Scarborough campuses are transforming themselves into impressive mid-size comprehensive universities, putting forward bold and exciting plans that will make our three campuses an even more important part of the success of the University of Toronto.
- The collegiate structure on the St. George campus is evolving so as to provide students with small, distinctive academic and co-curricular homes.
- An unprecedented graduate expansion has been managed well, given the scale of the project, with the addition of 1848 masters and 680 PhD students to the University. This expansion is important, as the landscape of higher education is changing rapidly, with many students looking for high-quality professional masters programs in a wide array of disciplines with excellent and meaningful employment outcomes. The University of Toronto has been responsive to that societal need, with 83 professional masters programs in existence or in the planning process.

- The University's new transparent budget model has served it exceptionally well during these difficult times, making it possible for divisions both to find efficiencies and increase revenues. Indeed, the enormous positive progress summarized throughout the document is in large part due to the dynamism of the new budget model.
- Substantial progress has been made in innovation, with a spike in disclosures and start-up companies and huge growth of student entrepreneurship programming on the campuses and at MaRS.
- The University of Toronto is more global than ever and that globalization has accelerated in the last few years. Students have more opportunities for international experience, excellent international partnerships are being built both institutionally and individually and, and relationships with universities in Asia, Brazil, and India, and elsewhere have been ramped up.

New and Continuing Challenges

The view from 2012 is, on the whole, extraordinarily positive. That is not to say that the University does not face considerable challenges. It has been hit by a tidal wave of economic troubles and will continue to thrive only if these challenges are clearly understood and well-managed. The following are amongst the most serious.

- Per student funding for undergraduates from the Province of Ontario is the lowest in the country. Without some relief on this front, it is hard to know how the future can unfold well.
- There is likely to be continued volatility in the ebb and flow of economic circumstances over the next years. The University needs to be able to respond appropriately when these short cycles buffet it. The current challenge is the shoring up of the pension plan, which, like almost all public sector defined-benefit pension plans, is in serious deficit. This deficit is partly, if not largely, an artefact of low interest rates.
- The University of Toronto faces a major obstacle in recruiting international graduate students. The Province of Ontario, unlike some others, does not provide grant funding for international graduate students – it does not even provide coverage for health care. Extraordinarily strong applicants are being turned back, across the whole of the University, as divisional and departmental operating budgets cannot support significant numbers of international graduate students. Without these students, we lose the opportunity to enrich our student body, our research and reputation, our programs, the educational experiences of our domestic students, and the talent pool in the province and the nation. New ways to

secure funding for these students are urgently required. To this end, the University announced, in October 2011, a special matching fund of \$6M and then in January 2012 a further \$4M pool of departmental matching funds to enable faculties and departments to raise endowments to support international (and other) PhD students.

- The University of Toronto is a research powerhouse. But in Canada, federal contributions to the institutional costs of research are amongst the lowest in the world. The federal indirect costs program provides support to the University of Toronto at a rate of 17.8%, whereas the true institutional cost of research is estimated at 50%. Peers in the US, the UK, and the EU receive between 40-60%. The University of Toronto contributes \$35M of operating funds every year to close this gap as best it can. Vital equipment replacement and outdated labs threaten to constrain the recruitment and retention of the best researchers.
- UTM and UTSC are moving towards somewhat greater autonomy – as *Towards 2030* put it, towards comprehensive universities in their own right. Challenges will arise in finding the equilibrium between differentiation and growth on the one hand, and preserving the University's identity and coherence on the other.
- The University of Toronto community is large and complex. Communication between the administration, faculty, staff, and students is an area that requires sustained attention and improvement.
- The University of Toronto's expansion of graduate education must continue to reflect our academic strengths, the pool of talented applicants, the demand for our graduates, and our capacity to maximize the resources offered by the Provincial Government.
- The University of Toronto, along with other bodies of higher learning, faces challenges when it comes to making necessary internal structural change. Academic missions evolve over time and it is imperative to be able to achieve change, renewal and revision where necessary. Divisional attempts at restructuring can be difficult and have sometimes, but not always, sparked controversy. Processes must be put into place so that when academic and budgetary rationales coincide, divisions are enabled to change their shape through broad and deep consultative processes.
- Divisional and central mechanisms need to be strengthened so that excellent faculty members are encouraged to apply for tri-council funding, on which the distribution of many federal goods, such as Canada Research Chairs, depends.
- University of Toronto alumni express pride in their alma mater and they contribute much to its continued success. More attention, however, must be paid to strengthening this relationship and on creating additional and rich ways for alumni to play a role in shaping the University's future.

- The University needs to be resolute in untangling administrative responsibilities while ensuring that each of its three campuses and many divisions has a powerful identity and voice in the evolving structure. It needs to continue to employ the budget model so as to find further efficiencies and multi-divisional clusters for administrative functions such as human resources and IT support.
- Space challenges are omnipresent. The University's continued pursuit of excellence in research and teaching requires access to an increasing amount of outstanding space and it needs to be even more imaginative as to where and how it obtains it.
- The University of Toronto must continue to harness its innovative research in inventive ways to ensure it contributes to economic growth and social good.

Continuing on the Course of Excellence

It is a remarkable credit to the entire institution that, despite having to cope with annual special pension payments in the tens of millions, despite the nearly two decades of flat-lining of per-student undergraduate funding from the Province of Ontario, despite the grossly inadequate contribution of the Federal Government for the institutional costs of research, the University of Toronto has managed to stay on course to strengthen its position in research, attract even better students, and improve the educational and co-curricular experience for those students.

One thing is clear. If it is to meet its challenges - if the University of Toronto is to continue to be one of the world's best universities - it needs to have the autonomy to make choices. It needs to communicate with the public and with government about the value of higher education as well the extraordinary productivity of the University of Toronto.

No one should think that the next few years will not be difficult. The view from 2012 is, however, that the University of Toronto will continue to move forward in the right direction. The fact that extraordinary progress has made towards the goals articulated in *Towards 2030* during a time of pressing financial challenges speaks volumes about the depth and the excellence of the University's faculty, students, staff, alumni, friends, and programs. The view from 2012 is that, despite the pressures it will face in the coming years, the University remains well-positioned and committed to taking advantage of and, indeed, making its own opportunities.

It is important to note that universities will be around long after the current economic challenges subside. The University of Toronto has a responsibility to secure its long term strength by maintaining its commitment to its vision, and not being thrown off course by transient, if significant, fiscal realities. Against the economic odds, the University of Toronto has not only remained steadfast on the path set for it by *Towards 2030*, but in many ways has exceeded the particular expectations articulated there.

As the University of Toronto works through its current challenges, it is also important to be reminded of its deep accomplishments and record of success in both teaching and research. The value of the University to Canada and the world was demonstrated again with the recent release of the 2012 *World Reputation Ranking* from *Times Higher Education*. In a survey of 17,554 published scholars from 137 countries, conducted for the British publication by Ipsos Research, the UofT ranked first in Canada and 16th in the world. Clearly, colleagues in all parts of the globe recognize the importance of the work done at the University of Toronto. We must recognize and celebrate it ourselves.

Towards 2030: The View from 2012 - An Assessment of the University of Toronto's Progress Since Towards 2030

Preamble

Over a two-year period, from 2007-09, the University of Toronto community engaged in an intense and inspirational planning exercise. This process was initiated by President David Naylor's *Towards 2030: Planning for a Third Century of Excellence at the University of Toronto*. That document gave rise to an extraordinary series of over 100 Town Hall meetings, consultation sessions, submissions, and deliberations involving the University's faculty, students, staff, alumni, and governors. All this work culminated in five Task Force reports and then a *Synthesis Report*, in which the President brought together conclusions and recommendations from the Task Forces along with reflections and insights of his own.

(<http://www.towards2030.utoronto.ca/synth.html>)

The *Synthesis Report* was presented to the Governing Council in October 2008, where it received acclaim and stimulated fruitful discussion. The Council approved in principle *Towards 2030: A Long-term Planning Framework for the University of Toronto*.

(http://www.towards2030.utoronto.ca/files/Long-Term_Planning_Framework_Oct_2008.pdf)

This extensive process had a number of positive results, not least of which was a clear reaffirmation of the University of Toronto's vital mission. The Framework put it thus: 'The University of Toronto will continue to be distinguished by a research-intensive culture, the academic rigour of its educational offerings at all levels, and the excellence of its faculty, staff and students across three distinctive campuses and in many partner institutions'.

The *Synthesis* and *Framework* documents set out a plan for how we can build on our achievements and continue on our trajectory of excellence in research and teaching. They stand as the University of Toronto's vision and guide for the next two decades.

Four years on, much has happened, both at the University of Toronto and in the world. It is time to see what progress we have made and what new and ongoing challenges and opportunities lie before us. That is the task of *Towards 2030: The View from 2012*. It is the culmination of a process of engagement with the University of Toronto community, initiated by the Provost at the end of August 2011.

The *Synthesis Report* was designed to be a 'firm basis' for the stewardship of our University, but not 'a detailed blueprint'. It is a summary of, and elaboration on, a large number of strategic directions where a strong consensus emerged from the Task Force reports. Sometimes it sets the stage 'for further discussion of unresolved issues' and we shall see that some matters do indeed remain under active consideration. But on the whole, the view from 2012 is that, despite significant economic obstacles, the University of Toronto is steadily charting its path in the direction suggested by *Towards 2030* and it has already followed through on many of its recommendations. That we continue to do so well during such troubled times in higher education is remarkable and is a credit to our dedicated faculty and staff. That is not to say that we do not face major challenges. Those will be set out throughout this document.

Process

Towards 2030: The View from 2012 is a product of much deliberation. A call went out late August 2011 to the University of Toronto community, setting out a non-exhaustive set of topics and questions for discussion.

(http://www.provost.utoronto.ca/academic_planning/the_view_from_2012.htm) These questions were discussed in open fora: a Town Hall on each of the three campuses, and in over 40 meetings with groups of students, faculty, staff, alumni, governors, and academic administrators. The enthusiastic participation response was heartening. It is clear that our community cares deeply about the University and is committed to grappling with the issues that confront it.

The 2012 Context

We began thinking about *Towards 2030* in a unpromising fiscal context that had not changed much in 17 years, given that the per-student grant from the province of Ontario had not budged during that period. According to StatsCan, the funding per student in Ontario is dead last at \$10,300. We are now almost 50% below the average of the other nine provinces. Saskatchewan is at \$24,000 and Alberta is at \$25,000. As a result of this low provincial funding, reliance on tuition is greater and tuition fee policy and student aid have become very important intertwined policy issues.

Since our deliberations for *Towards 2030*, the economic situation has deteriorated. Many of the world's markets collapsed in 2008 and there has been only a shaky and partial recovery, with continued uncertainty and uneven economic growth, especially in Ontario. These global events had disastrous consequences for countless individuals and for the economies of most nations. They also had deleterious effects on publicly supported post-secondary institutions. Three damaging consequences flowed for the University of Toronto.

First our endowment fund suffered terrible market losses – more significant than at many other universities. We did not make an endowment payout in 2008. Rather than impose blunt measures such as an across-the-board budget cut or a University-wide freeze on hiring, the University of Toronto asked each of its divisions to make up the loss of their payout, on the principle that the fairest approach was to ask those who benefit from large endowments to bear the burden when those payouts fail to materialize. We made available a line of credit, but it turned out that most of our divisions could cover their loss through carry-forwards, unrestricted funds, and by painful but temporary restrictions of some activities.

Second, the market collapse put defined benefit pension plans, such as ours into a deep hole, a hole partly, if not largely, an artifact of low interest rates. This is a problem faced by many public sector organizations, including universities, causing the Ontario government to develop guidelines to deal both with current deficits as well as enhance the long terms sustainability of defined benefit plans. In order to meet the province's guidelines for addressing the deficit, we are making special pension payments of \$30M in 2010-11, \$50M in 2011-12, and \$60M in 2012-13, continuing until 2029. In terms of the guidelines regarding long-term sustainability, we have reached agreement on increases to employee contributions for two thirds of the members of our pension plan. We must still negotiate increases to employee contributions

for our faculty. If we are unable to do so, we will be required to pay down our pension deficit in a five-year, as opposed to a fifteen-year window. This would mean catastrophic special payments of at least \$200M annually, a sum that is, quite frankly, not possible to meet without damaging the very fabric of our great institution.

Finally, the economic aftershocks of the market collapse have put our governments in deficit. Hence, we have seen no additional per student funding going to universities and the signals are very strong that our primary funder, the Province of Ontario, intends to ‘reform’ what they see as an ‘inefficient’ higher education sector.

At the heart of our difficulties is a gap between our ambitions and our resources. The University of Toronto is a publicly-supported institution with highly constrained revenues, yet we rival both the great private universities of the United States and the ancient public universities of Britain. This is something of which we can be enormously proud. But of course, very careful stewardship is required if we are to continue to do as well as we do with so very little.

Our communities (local, provincial, national and international) help to shape our thinking about our future and we in turn help to shape our communities. At a local level, each of our three campuses is a vital contributor to the economic and cultural success of the cities of Toronto and Mississauga. We also play a major role in providing accessible and high-quality education to school leavers in the Greater Toronto Area, as well as inspired bridging programs for students from disadvantaged socio-economic backgrounds and successful facilitated access partnerships with local community colleges such as Seneca.

At the national level, given our size, excellence, and impact, we play an important role in influencing policy in Canadian higher education at U15 (the 15 most research-intensive universities in Canada), COU (Council of Ontario Universities), and AUCC (Association of Universities and Colleges of Canada).

Internationally, we in effect represent Canada as its strongest research university and have a significant role to play. For instance, we are one of two Canadian members of AAU (Association of American Universities). We are a major contributor to the growth of knowledge as leaders in research, in education, in innovation, and in public policy. University of Toronto graduates and faculty members are prominent in academic roles throughout the world and our academic administrators are frequently recruited to leadership roles in other institutions.

Our Research Excellence

It is impossible to pull apart research from education. Research appears before education in this document only to speak to its quality first, so that we can then see how that quality has an impact on education, the subject of the next section.

The University of Toronto is not only Canada's most important research institution, but one of the world's great research universities across a wide array of disciplines. Its rankings are strong and its Libraries System is bettered only by Harvard and Yale in North America, in terms of its print collections and in how it has positioned itself to provide access to digital resources and non-

traditional print collections (e.g. film, audio) which are foundational for many emerging scholarly endeavors. The University's Institutional Strategic Research Plan can be found here: <http://www.research.utoronto.ca/strategic-initiatives/strategic-research-plan/>

It is heartening to see that, despite the worsening fiscal conditions, our already excellent reputation has improved since the *Towards 2030* exercise. The most recent results are most impressive:

- **Rankings** – The Higher Education Evaluation and Accreditation Council of Taiwan placed U of T 9th among world universities, while the Times Higher Education World University Rankings put us at 19th. Among our Canadian peer institutions, our publication and citation numbers are at the top across all fields. Among our North American peer institutions, we are 2nd in publications and 3rd in citations across all fields. Times Higher Education's World University Ranking grouped us with Stanford, UC Berkeley, UCLA, Cambridge, Oxford, and the University of Michigan as the only institutions in the top 25 in all 6 broad disciplinary areas. Many of these rankings take not only research into account, but the whole of the mission of a university – education, innovation, for instance.
- **Awards and Honours** – University of Toronto faculty are the most distinguished in Canada, as reflected by the number of prestigious international and national awards received. For instance, of the American Academy of Arts & Sciences awards held by Canadian faculty members, University of Toronto faculty hold 64.3%; of Gairdner International Awards, they hold 47.8%; and of National Academies awards they hold 35.3%. They are close to 40% of all Royal Society Fellows (FRS) at Canadian universities and 20% of Royal Society of Canada Fellows (FRSC). University of Toronto scholars have been awarded two of the last three Holberg International Memorial Prizes for the Humanities (Ian Hacking and Natalie Zemon Davis), a Bower Award for Achievement in Science (Richard Peltier), and a Kyoto Prize (Anthony Pawson). U of T researchers have claimed the Steacie Prize three years running (Aaron Hertzmann, Ray Jayawardhana, and Shana Kelly), and last November we marked the unprecedented appointment of 18 new Royal Society of Canada Fellows and a McNeil Medal (Dwayne Miller). Last year's NSERC Herzberg Gold Medal for Science and Engineering was won by Geoff Hinton and this year's winner is Richard Peltier.
- **Innovation** – We are leaders in innovation and industry-sponsored research, ranking 10th in new invention disclosures and 9th in the creation of new spin-off companies among U.S. and Canadian universities. In 2010, we created 18 new spin-off companies and 25 in 2011. These metrics do not include our research hospital partners, who are vital to our performance in innovation.
- **Overall funding** – Our overall research funding has steadily increased over the last decade, and today we do nearly \$1 billion worth of research annually. U of T also consistently leads all other Canadian universities in investment from federal granting agencies, and we lead all Ontario universities in funding from provincial sources.

While one does not want to place more weight than is deserved on this or that ranking, the fact that so many ranking bodies consistently place the University of Toronto so high points to something real. In 2011, the University's overall performance on six major international rankings ranged from 3rd to 26th in the world.

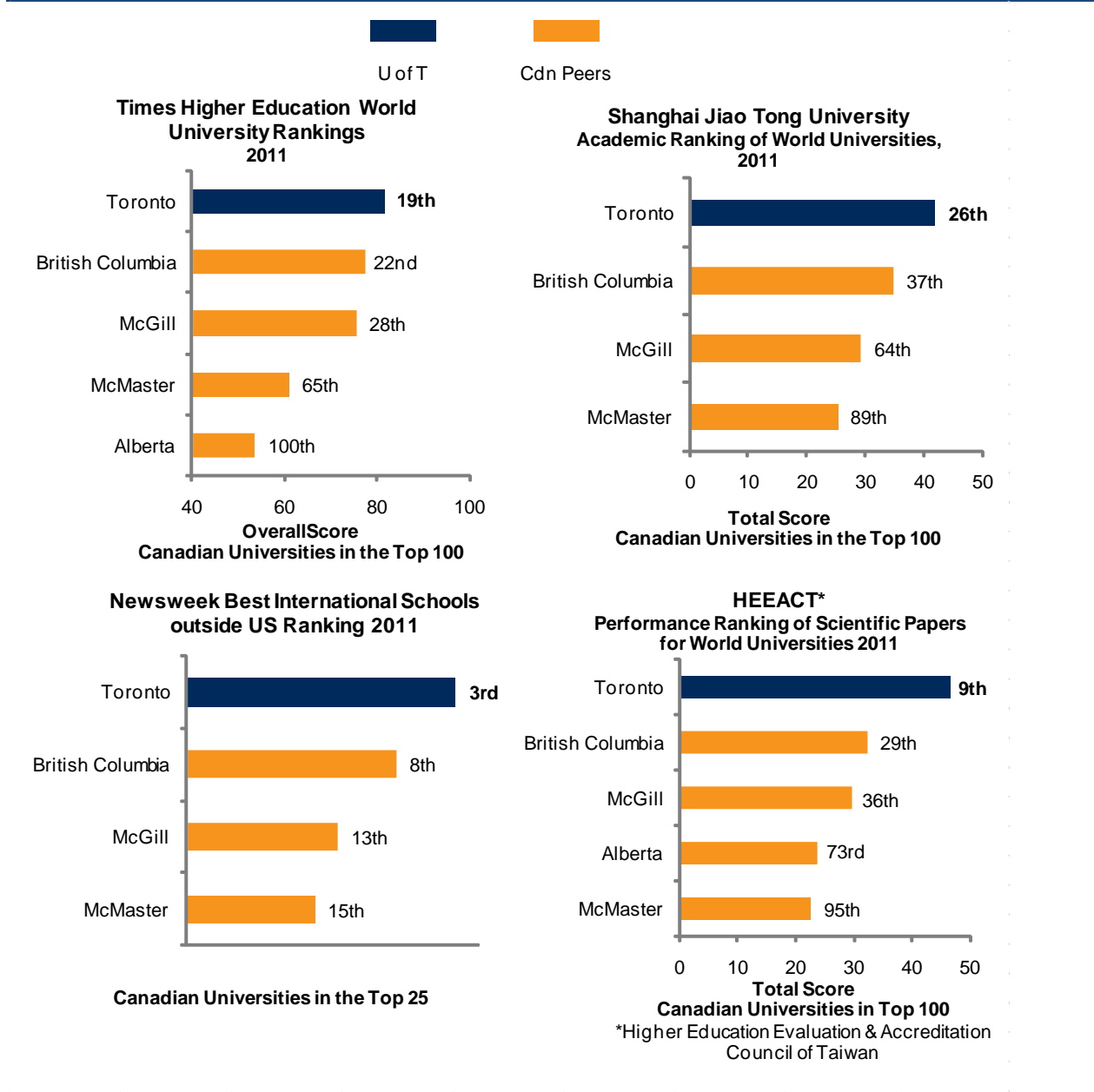
**Comparison of International Rankings,
University of Toronto and Canadian Peer Institutions
Overall Rankings, Selected Sources, 2011**

| | Times Higher Education 2011 | Shanghai Jiao Tong 2011 | Newsweek Top 25 outside U.S. 2011 | SCImago¹ 2011 | QS World University Rankings 2011 | HEEACT 2011 |
|------------------|--|--|--|-------------------------------------|--|------------------------|
| Toronto | 19 | 26 | 3 | 3 | 23 | 9 |
| British Columbia | 22 | 37 | 8 | 27 | 51 | 29 |
| McGill | 28 | 64 | 13 | 46 | 17 | 36 |
| McMaster | 65 | 89 | 15 | 118 | 159 | 95 |
| Alberta | 100 | 102-150 | ** | 47 | 100 | 73 |
| Montréal | 104 | 102-150 | ** | 102 | 137 | 101 |
| Queen's | 173 | 201-300 | ** | 237 | 144 | 272 |
| Ottawa | 185 | 201-300 | ** | 183 | 246= | 176 |
| Western | 201-225 | 201-300 | ** | 154 | 157 | 184 |
| Waterloo | 201-225 | 151-200 | ** | 164 | 160 | 283 |
| Calgary | 226-250 | 151-200 | ** | 107 | 218= | 125 |
| Dalhousie | 226-250 | 201-300 | ** | 267 | 234 | 279 |
| Laval | * | 201-300 | ** | 233 | 316 | 222 |
| Manitoba | 301-350 | 201-300 | ** | 266 | 397 | 326 |
| Saskatchewan | * | 201-300 | ** | 308 | * | 376 |

*Not ranked among the top 400 institutions. ** Not ranked among the top 25 outside of U.S. ¹SCImago rankings include Higher Education institutions only. Ordered by aggregating total/overall scores (Normalized Impact for SCImago) for each institution

Research Rankings, 2011

The charts below compare the University of Toronto's ranking relative to its Canadian peer institutions in four research-focused rankings.

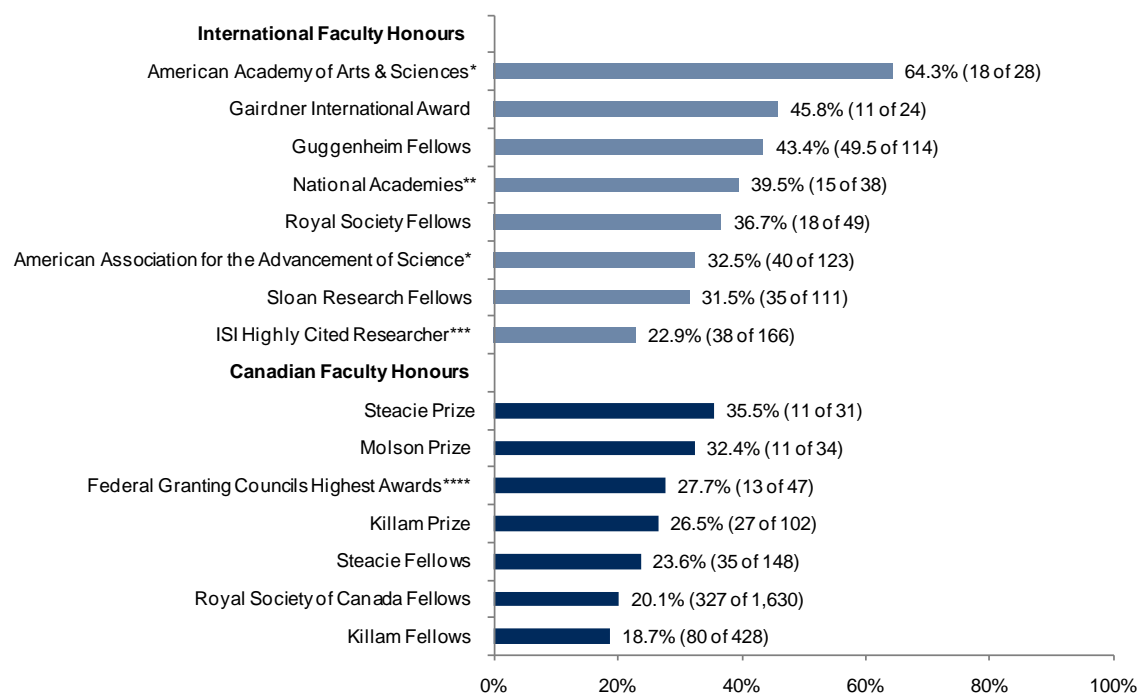


We also place weight on the external reviews of our departments and faculties, where we try to bring in eminent scholars from the finest institutions to assess our academic units and make recommendations. Here is a sample of the kinds of assertions made in reviews in 2011: ‘The Faculty of Law at the University of Toronto is an altogether outstanding law school. In the research excellence of its faculty members, and the academic excellence of its students, it is preeminent among Canadian law schools and is one of the best law schools in the world’; ‘Without a doubt the Faculty of Medicine ... is one of the preeminent Faculties of Medicine and

as a total entity, one of North America's and indeed the world's largest and most prestigious Academic Health Science Centres'; 'The University of Toronto Philosophy Department is one of the best in the world'; 'the [Factor-Inwentash Faculty of Social Work is] the 5th most productive faculty in terms of articles appearing during the past five years among six major social work journals.' Disciplinary ranking measures confirm reviewer's judgments. University of Toronto Medicine, for instance, is now ranked 5th globally for clinical medicine by HEEACT. In 2010-11, in partnership with its 9 fully-affiliated hospitals, it attracted research funding of \$792 million.

Faculty Honours by Award University of Toronto Compared to Other Canadian Universities, 1980-2011

The chart below indicates the percentage of International Faculty Honours and Canadian Faculty Honours held by University of Toronto faculty as a percentage of the total amount of these awards held by faculty in Canada since 1980.



* Current members only

** The National Academies consists of: Institute of Medicine, National Academy of Engineering, National Academy of Sciences

*** As of Sept 2011

**** Federal Granting Councils Highest Awards: NSERC: Gerhard Hertzberg Canada Gold Medal for Science and Engineering (n=21); CIHR: Michael Smith Prize in Health Research (n=19); SSHRC: Gold Medal for Achievement in Research (n=8)

Due to timing of announcements, the following honours are updated until 2010 only:

Federal Granting Councils

American Association for the Advancement of Science

Stearns Prize

Our research excellence is also marked by the kinds of partnerships and opportunities we have. One bold example of this is the fact that, with NYU, CUNY, and Carnegie Mellon, we are the founding partners in a bid in New York City's Applied Sciences Campus competition. Whatever the results of the competition, we will go forward with this partnership and will begin by

offering, in collaboration with our partners, a professional masters program in Engineering. Our project, the Center for Urban Science and Progress (CUSP) builds on the University of Toronto's distinguished Faculty of Applied Science and Engineering. Here, as everywhere, research and education are inextricably intertwined.

Reputation and rankings matter. They help attract top-flight faculty, students, and staff to the University, making what is already a great institution even better. The University of Toronto is fortunate to be situated in one of the world's most multicultural, safe, and democratically open urban areas. That, combined with the strength of our research, puts us in an enviable position with respect to recruitment.

It is important to note that in the midst of the economic crisis of 2008, when many universities were instituting hiring freezes, the University of Toronto continued to hire where it could. Last year, for instance, over 10,000 applications were received for 100 tenure stream positions. The quality of appointments was, as to be expected in such a job market, exceptionally high.

On the heels of our successes in recruitment comes a challenge. Universities across the world are making frequent forays to hire away some of our finest faculty members. One might think that this is a good problem to have – it is an indicator of faculty strength. But, while we win most of these battles, each loss is painful. We need to keep our excellent faculty members recognized. While some faculties and departments have ideal practices in place for awards nominations, others do not. The Vice President, Research has in the last few years ensured that more nominations are made and the situation has been vastly improved. But there must be continued efforts to make sure that all divisions are equally assiduous in promoting recognition for and retaining their best and brightest.

A similar problem occurs with respect to support for faculty members to apply for funding and contract research. Some divisions have mechanisms for helping faculty members with grant applications and the University has recently put in place financial help for putting together complex tri-council grants with numerous partners. This last issue is one of critical importance. Many goods (such as Canada Research Chairs) are distributed by the federal government on the basis of a university's share of tri-council funding. While our funding continues to increase, it has not kept pace with the rate of increase seen at some other Canadian universities. As a result of these changes in distribution of tri-council funding across Canada, we have lost Canada Research Chairs over the last decade. Fortunately, the mechanisms that we have put in place to regain this ground are already proving effective.

Our Educational Mission

Sometimes the obvious needs asserting, lest it be taken for granted. Hence *Towards 2030* made it clear that students are the university's *raison d'être*.

The Undergraduate Experience

Towards 2030 was very vocal about the need to improve the undergraduate experience.

One obstacle that needs to be cleared away is the misinterpretation of a section of *Towards 2030*, in which different ‘enrolment scenarios’ were modeled for the St. George campus. While it is clear if you read the whole section that these scenarios were ‘developed largely for illustrative purposes’ (p. 29) and were rejected as being unfeasible, it appears that an urban myth has developed that the plan in *Towards 2030* is to have virtually no undergraduates on the St. George campus. It will pay to be very clear here. Undergraduate education is at the centre of the mission of the downtown campus, both physically and institutionally, from the St. George colleges, such as the iconic University College, as well as in the faculties such as Arts and Science, Applied Science and Engineering, and Kinesiology and Physical Education. *Towards 2030* concludes that, for the sake of our undergraduates on the St. George campus, ‘in a better world, there would be moderate reductions in first-entry undergraduate enrolment and meaningful increases in the number of graduate students’ (p.29). We have worked to make that better world become a reality. The Faculty of Arts and Science on the St. George campus is now enrolling approximately 5,800 first-year students, down from a historical high of 6400.

The instruction to improve undergraduate experience seems to have been heard not just by those charged with the task in the divisions and in the office of the Vice Provost, Students, but also by countless individual faculty members. Despite severe budgetary constraints in the divisions and despite the flat per student funding from the province, we have made significant improvements in the undergraduate experience over the last few years.

Towards 2030 noted that *National Survey of Student Experience* (NSSE) survey data for students in first-entry programs demonstrated, on average, lower levels of student satisfaction and engagement than for students in graduate and professional programs. It called for measures to be taken to improve undergraduate student engagement both in class and outside of it.

We have, across all divisions at the University of Toronto, some exceptionally fine small learning communities, programs and opportunities. *Towards 2030* drew attention to the fact that these opportunities were available to only a small minority of first-year students. Since then, we have made significant, indeed, transformative, additions to the list of small learning communities highlighted by *Towards 2030*. Just a few examples are:

- The expansion of our First Year Foundational Year Programs in the Faculty of Arts and Science and at Mississauga and Scarborough. With central funding from the University, we are engaged in a systematic and university-wide expansion of our enormously successful foundational year programs. Victoria College was the front-runner, putting in place in 2003 Vic One, which gives first year students an intense small-class learning environment. A student in Vic One stays with a disciplinary cohort of 20 in four creative seminar courses. All the cohorts are brought together at least once a week for plenary speakers, fireside chats, and out-of-classroom events. All of this, in addition to a Vic One residence house, contributes to a magnificent first year university experience. Trin One followed in 2005 and now we shall see an expansion to each of the other St. George Arts and Science colleges and UTM and UTSC. All of these first year programs will be up and running in 2012. They will change the face of undergraduate education in Canada.

- The Undergraduate Course Development Fund, put in place in 2010-11, provides funding to graduate divisions (or divisions with graduate-only departments) for the development and delivery of undergraduate courses. The Fund is meant to encourage the establishment of ongoing inter-divisional teaching arrangements. Examples of new undergraduate courses include: Introduction to Islamic Law, taught by the Faculty of Law; Ethics, Genetics and Reproduction, taught by the Faculty of Medicine; and Social Technology and Networks, taught by the I-School. Such arrangements connect our undergraduate students with even more of our excellent researchers and with methods of thought and inquiry in disciplines other than their own. The undergraduate division benefits from additional teaching capacity, while the graduate division benefits from exposing their discipline to a broad undergraduate population and by sharing in the revenue generated by course enrolment.
- Research opportunities in every sector of the Faculty are now being provided for a record number of our students beginning in their second year. A new emphasis on building critical thinking, quantitative reasoning, problem solving and ethical awareness into all programs ensures that our students graduate with these core competencies as part of a broadly based, liberal education. A multi-year effort to stimulate curricular innovation within individual departments has produced creative initiatives such as the Socrates Project, a recent recipient of the Northrop Frye Award.
- Engineering Strategies and Practice is an award-winning first year program in the Faculty of Applied Science and Engineering. It includes large lectures and design projects working in small teams of 4-5 students with a client and faculty adviser.
- UTM has a systematic program of writing intensive courses. For instance, in the Department of Historical Studies, students read samples of highly effective writing and learn how to improve their own work by engaging in the creative process of pre-writing and preliminary research and by implementing editorial strategies (i.e., proofreading, editing and polished production). Upper level undergraduates can then publish their work in the department's undergraduate journal.

This is not to say that excellence cannot be had in large classes. We have some of our best faculty members teaching courses in Convocation Hall, to resounding applause. Indeed, we have seen some improved student evaluation ratings when small classes have been merged into one large, excellent class. Our commitment is to excellence over the whole range of class sizes and shapes. strategy of large and small more explicitly. There is an explicit strategy in place to put the best big-class performers in front of big classes and to ensure that there are lots of small classes as a counter-point. We have done this with clear foresight, based on the view that the marginal disutility of going from 300 to 1000 students is small as regards student engagement, and it may go the other way if we have a great teacher and excellent audio-visual support for the class. Large classes juxtaposed with very small seminars is better than a uniform, say, 250 to 400 section size.

Another way departments have enhanced teaching strength and efficacy is through the creative use of the teaching stream. The increase in number of these dedicated and excellent teachers

mitigate the challenges associated with the systematic use of sessional instructors and bring additional, sustained, and committed teaching to our undergraduate programs. As the 2007 Chemistry Department Self-Study describes its experience: 'The results of this bold initiative have been nothing short of spectacular in every area of departmental operation, including dramatic improvements in student experience, enhanced budgetary control on costs, optimization of research faculty teaching, and an overall increase in chemical education involvement by all faculty'.

The University of Toronto has a largely commuter student population, with demands on their time of getting to and from campus. Nevertheless, our NSSE results in 2008 and 2011 have shown that we are making progress on student engagement in a number of key areas. All U of T benchmark results have improved from 2008 to 2011. Indeed, our 2011 benchmark results are the highest they have ever been, with truly significant improvement in two areas – Level of Academic Challenge and Student-Faculty Interaction. In no areas are we below our past results and there are only two areas (first year) where we remain at the 2004 levels.

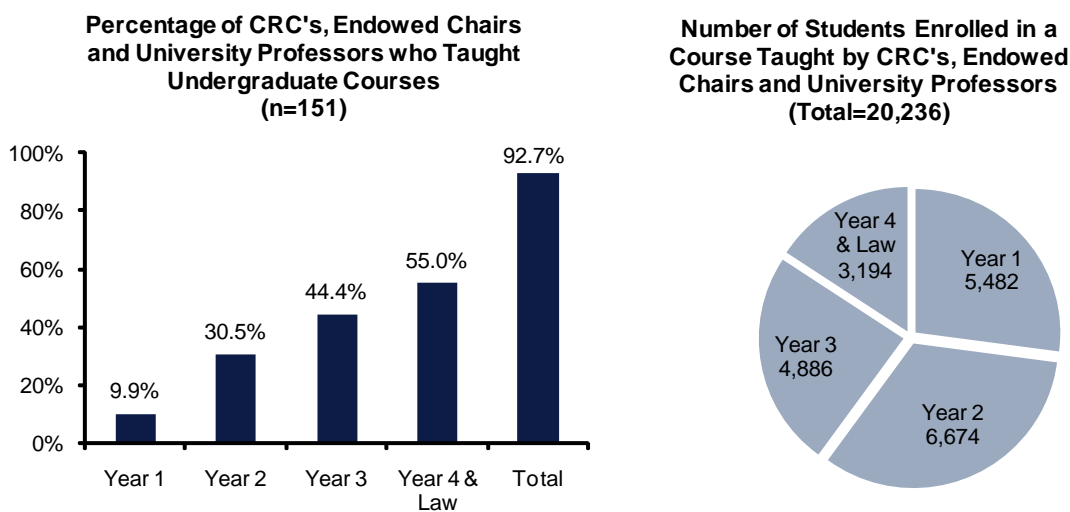
A few highlights: more senior year students reporting that they work on class projects; more first year students participating in community-based projects; more students reporting that they have worked with faculty members on activities other than coursework; and more students planning to work on a research project. We are now showing results above the mean for the Canadian peer set of institutions in the following areas: discussing ideas from readings or classes with faculty members outside of class; having serious conversations with students of a different race or ethnicity than your own trying to better understand someone else's views by imagining how an issue looks from his or her perspective; receiving prompt written or oral feedback from faculty on academic performance; working with faculty members on activities other than coursework; making judgments about the value of information, arguments, or methods, such as examining how others gathered and interpreted data and assessed the soundness of their conclusions; working on a research project with a faculty member outside of course or program requirements.

Our NSSE results show that students appreciate the academic excellence of the University and are challenged by their programs. NSSE also tells us that students perceive that they work harder than peers at other universities and receive lower grades. As is often the case, mythology amplifies whatever problem might exist. *Towards 2030* made a clarion call for 'fair grading practices that avoid demoralizing students, and the value of ongoing efforts to provide support to students that will maximize their chances of academic success.' We have taken concrete steps to address this issue. In 2009, the deans of tri-campus undergraduate arts and sciences divisions undertook a review of grading practices. They commissioned the Centre for Teaching Support and Innovation to examine and compare grading practices across 24 institutions. This study led the deans to change the marks distribution guidelines and the marks review processes in their divisions so that grading practices fit with the high calibre of the students we admit. Discussions with departments during frequent provostial visits suggested that there is broad support, especially among Arts and Sciences faculty, for these changes. We are already seeing an improvement in the grading culture. But the efforts are very much still in progress and will continue.

The University of Toronto has been, for many years, a leader in rejecting the notion that research-intensive faculty members should be partially ‘released’ from teaching, especially undergraduate teaching. Our finest researchers are deeply engaged with undergraduate students. For the last three years, we have been tracking, in our annual *Performance Indicators Report*, the number of University Professors, Canada Research Chairs, and Endowed Chair holders who teach undergraduates. The results are extremely heartening. In 2009-10, the vast majority (92.7%) of our faculty who have received these distinctions for their research (in the sampled faculties of Arts and Science, UTM, UTSC, Engineering, and Law) taught undergraduate courses. As a result, over 20,000 students in these faculties alone were enrolled in courses taught by these distinguished professors - and of course, those who hold a special title are by no means the sum total of our stellar faculty members. As *Towards 2030* asserted, no other Canadian university offers undergraduates exposure in the classroom to so many top-flight researchers who are defining their disciplines.

Undergraduate Instructional Engagement
Applied Science & Engineering, Arts & Science, Law, UTM, UTSC
2009-10

The chart on the left shows the percentage of CRCs, Endowed Chairs and University Professors who taught at least one undergraduate course in the 2009-10 academic year. The chart on the right shows the number of students who were enrolled in these courses.

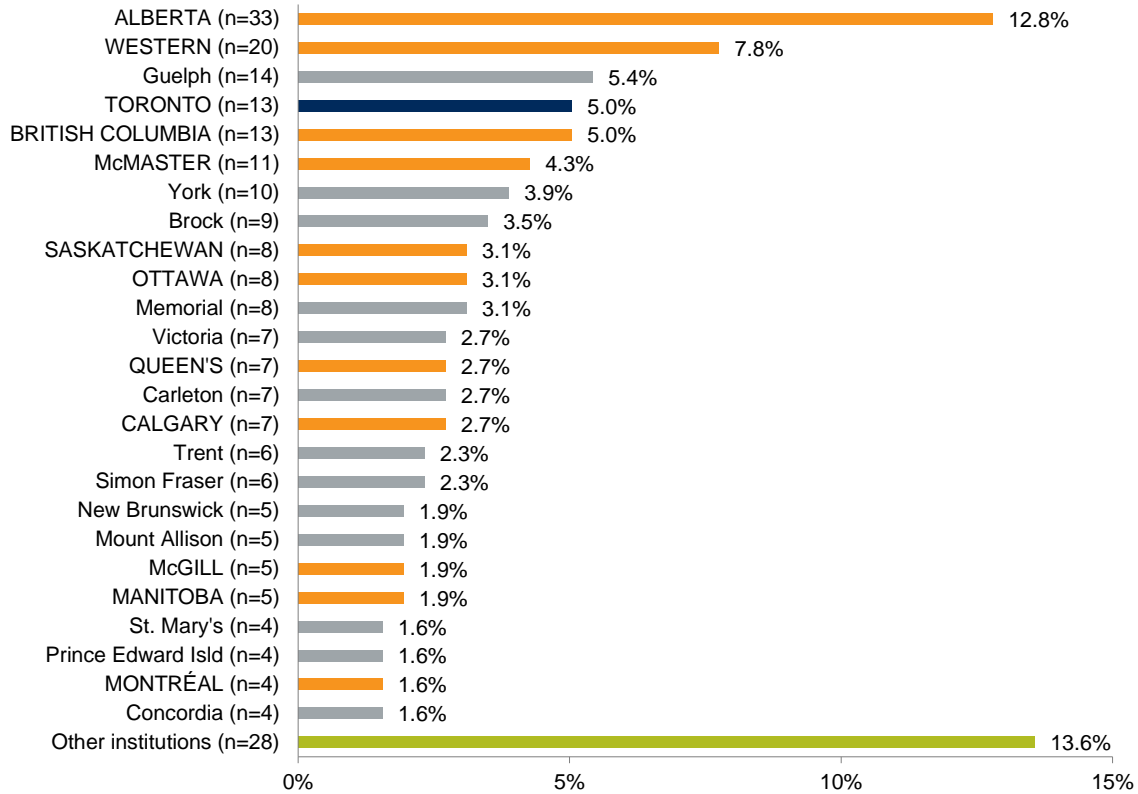


Source: Government, Institutional & Community Relations. Of the 191 CRCs, Endowed Chairs, and University Professors identified, 11 were excluded given their roles held as senior administrators (Chair or Dean), 29 were excluded as they were on leave (sabbatical/maternity/parental/unpaid/other). Courses include full credit, as well as half credit courses (unweighted).

The excellence of our instructors is marked also by recent announcements of highly prestigious external teaching awards, such as 3M’s National Teaching Fellows, Ontario Confederation of University Faculty Associations (OCUFA) honours, as well as our own President's Teaching Awards. Recipients of a President's Teaching Award, founded in 2006, are designated by the University as members of the Teaching Academy and they have become heavily engaged in matters relevant to teaching in the University, offering advice to the Provost, assisting in the

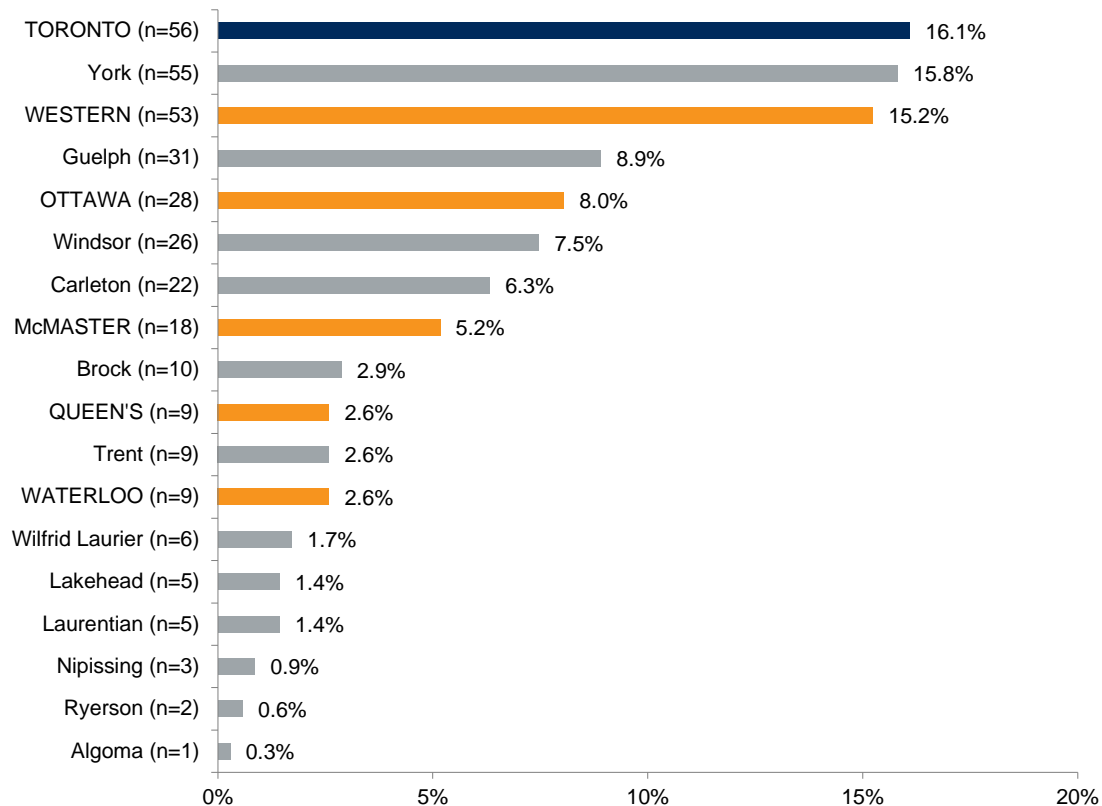
assessment of teaching, and functioning as advocates for excellence in teaching within and outside of the University.

3M Teaching Fellowship Awards Percent Share Top 25 Institutions 1986-2011



Source: 3M Teaching Fellowships (n=258).

Ontario Teaching Awards OCUFA 1973-2010



OCUFA Teaching Awards (n=348) as of October 2011. Canadian peer Institutions are shown in capital letters

Teaching excellence at University of Toronto is enhanced by the new Centre for Teaching Support & Innovation (its predecessor was the Office of Teaching Advancement), which provides leadership and support for pedagogy and pedagogy-driven instructional technology for all teaching staff and teaching assistants across the University's campuses and divisions.

Towards 2030 urged us to think hard about digital education and e-learning technologies, both technology-supported course offerings intended to enhance student learning (such as use of Blackboard and lecture capture) and full online courses. Students now live in a digital world and we hear from them that they would like the flexibility that the new technologies offer. In addition to added convenience for some of our students, online courses could deliver a real benefit to highly specialized programs at University of Toronto. We could give the world access to some of our courses online and bring a new revenue stream into these programs. The desirability of online course offerings was underlined in the *2010 Throne Speech* and the *2010 Ontario Budget* which indicated that one of the priorities for the Government of Ontario regarding Post-Secondary Education is the development of a 'new Ontario Online Institute, which will give students access to the best professors in top university programs from their home computers'.

An Online Education Working Group was established in 2010 to consider how the University of Toronto could both participate in the province-wide initiative and enhance online opportunities

within the university. The Working Group examined current strengths and challenges in delivering online education at the University of Toronto and it will establish a set of recommendations for developing, creating and supporting new online courses and enhancing technology-supported courses including: a model for course development; technological infrastructure and support; faculty development; administrative resources; and institutional coordination of online course delivery.

The conclusions of the Working Group are shaping up as follows. While we will significantly increase and enhance our online offerings to the benefit of both our students and our programs, we will not abandon the essential educational value of face-to-face student-professor interaction. The development of a number of online options can enhance student experience through increasing student access to courses on other campuses and other universities, allowing students to take courses when away from campus on work terms or over the summer, and allowing students from across the province, country and world to benefit from University of Toronto courses. We must ensure however that online courses are carefully planned, employ methods that encourage interaction between students and with the faculty, and in short meet the high standards of quality expected of a University of Toronto course.

A significant part of the student experience, of course, occurs outside of the classroom and *Towards 2030* spoke at some length to ways we might improve that. With respect to undergraduate student space, progress is being made. For instance: there is soon to be a new Student Commons on the St. George Campus at 230 College St and St. George colleges are focusing on enhancing commuter student lounges and other facilities. Indeed, the colleges on the St. George campus ensure that students living both on and off campus can feel a sense of home and community at the University.

Towards 2030 spoke to a need to increase green space and athletics/recreational facilities and we have moved fast on this recommendation. New and ambitious athletic facilities are planned in the Pan American Aquatics Centre on the UTSC Campus, a partnership with UTSC students, the University, the high performance sport community and government. In addition, the next phase of the Goldring Centre for High Performance Sport will significantly increase athletic space on the St. George campus. The experimental closure of Willcocks Street and Devonshire Place, in close collaboration with the City of Toronto has been a success and has provided additional campus sports and civic space.

It has also been noted that we need to improve our communication with the student body. Our more imaginative uses of new technologies are enabling us to use a richer array of approaches to enhance how we communicate with our students. On the undergraduate side we now have e-newsletters in most divisions and, while our student information system currently is antiquated, as the Next Generation Student Information Services (NGSIS) project gathers steam, a range of new technologies for communicating with and soliciting feedback from students will be developed. Pilot projects include a “Wayfinding” or mapping project which now allow St George campus students to download multifunctional maps providing not only standard information on the location of lecture halls and classrooms, but also where to find study spaces and food outlets.

In 2010 the tri-campus Council for Student Experience undertook a series of 40 focus groups involving nearly 400 students in order to analyse service gaps and delve into areas flagged by the

2008 NSSE survey as needing further attention. The resulting report, *“In Their Own Words: Understanding the Undergraduate Student Experience at the University of Toronto”* has given rise to several working groups addressing key areas identified by students: supportive campus environment; quality of services (such as food services); peer mentorship; transition and orientation; student-faculty interaction; and communications. Specific recommendations were developed by the working groups, and pilot projects in many areas have been initiated as a result. These include departmental open-houses for students choosing their majors; “just in time” slides at the beginning of lectures, which inform students of services relevant to their academic success; and the development of a co-curricular record to enhance what appears on the transcript.

Towards 2030 noted that "Student life leaders ... are working to transform 'extracurricular' into 'co-curricular' activities with an explicit educational focus, learning objectives, and measurable outcomes. As it links activities outside the classroom back to academic objectives, the University is creating an enriched learning experience for students." Since 2008 a wide range of additional tri-campus co-curricular opportunities for both graduate and undergraduate students have been initiated. The Graduate Professional Skills program (GPS) was launched to offer co-curricular courses, workshops, seminars, and placements. Units across the three campuses contribute to its curriculum. We have also introduced capacity building initiatives such as Leadership Educators and Resources Network (LEARN), designed to “Train the Trainers” and prepare students and staff to facilitate experiential learning opportunities that develop leadership. The reach of the Centre for Community Partnerships has expanded over the last few years with service to over 3,800 students annually placed in community settings that connect students with relevant experiential learning opportunities. We now engage hundreds of senior students as peer health educators or health dons, as well as mentors who provide support to first year students who are the first generation to attend post-secondary studies, students with a disability, First Nations students, and international students. Another recent initiative is the "Religious Diversity Youth Leadership Project" which will allow 1000 students to participate in training modules and then be placed with community partners fostering initiatives that develop understanding of the importance of civic responsibility. We are also in the early stages of developing a co-curricular record (CCR) which will provide a standardized institutional record of the co-curricular learning experiences of our students and reflect the skills gained through co-curricular experiences.

Pressing challenges remain. Most crucial is higher-than-optimal ratios of students to faculty and staff. During and since the financial crisis of 2008, the University of Toronto has hired new faculty in large numbers and we will continue to do so. In the most recent budget, the Provost has made significant, ongoing University Fund allocations to enable those divisions with the least best faculty-student ratios to increase their hiring in the coming years, starting immediately. This will add over 50 new faculty positions to those already being planned.

Towards 2030 spoke to the need for additional residences to accommodate the proposed increased number of international students. We will soon be pressed to provide sufficient residence accommodation to meet our first year residence guarantee. On the St. George campus, the University provides housing for over 6,200 students. We can no longer afford to build residences on our operating budget and new public-private arrangements are being considered. The demand for off-campus housing is surging, and the greater the variety of options, the better for all students.

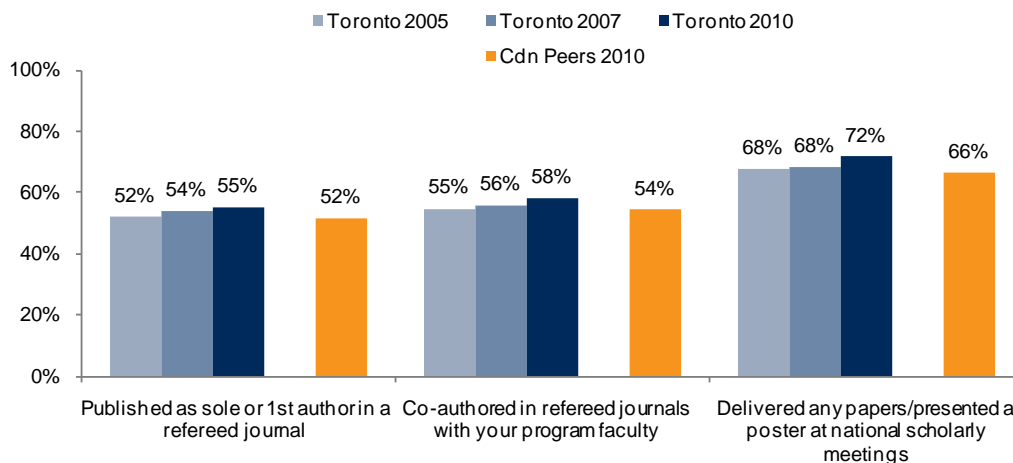
The Graduate Experience

We are in the midst of an unprecedented expansion of our graduate programs, which will be discussed in the section on enrolment below.

We get a snapshot of how our students perceive their student experience from the *Canadian Graduate and Professional Student Survey (CGPSS)*. In the most recent (2010) survey, respondents told us again that they value the intellectual quality of our faculty and students. Respondents expressed their appreciation for the increased opportunities to develop professional skills and they indicated increased levels of publication and conference participation. Overall, despite graduate expansion and a less favourable economic climate, there was little change in responses since the last survey (2007). In those areas selected for benchmarking by the U15 group of universities ('quality of teaching,' 'research training and career orientation,' 'opportunities to present and publish,' and 'supportive dissertation advisor), we continue to outperform U15 averages.

CGPSS 2005, 2007 and 2010 Results Graduate Publications and Presentations Respondents who answered 'Yes'

The chart below compares the responses of the University of Toronto's graduate students to questions regarding their research, publications and presentations in the 2005, 2007 and 2010 CGPSS surveys, compared with the responses from graduate students at Canadian peer institutions in 2010.



Source: 2005, 2007 and 2010 CGPSS survey results.

Notes: The responses are from graduate students who answered positively to a prior question asking if they were preparing a thesis.

Towards 2030 recommended that we put in place initiatives for graduate students such as more social and community spaces, access to child and family care supports, and the availability of quiet space. Since then, the School of Graduate Studies has partnered with the Centre for International Experience to embed an international student advisor in the Grad Room; put in place new Grad Room Mixers and Orientation events; added quiet study space to the Grad

Room; established a floor of the Chestnut Residence for graduate students; put a policy in place to permit graduate students to remain in Chestnut over the holiday break; developed a new SGS e-Newsletter; and put in place many Family Care events.

Funding issues are pressing for many graduate students. Our faculty members are also deeply concerned about graduate funding, for a department's strength and long-term reputation is heavily dependent on the quality of graduate students it is able to attract, educate, and place in jobs around the world.

In 2000, a funding commitment was put in place for our PhD-stream students. Funding packages are arranged by graduate units to cover the cost of tuition plus an amount currently set at a minimum of \$15,000 for a period of 4-5 years, depending on the program. It must be noted that in some faculties the minimums are as high as \$26,000 and most of our graduate students are well above the \$15,000 mark.

In addition to the funding packages, \$1.2 million had been set aside to be dispersed through Doctoral Completion Grants to those who took longer than five years to complete their PhD. Over the years, the amount of money to support doctoral completion has increased to \$4 million which was taken directly from operating budgets. After much discussion in 2010-11, those completion monies were transitioned from a large number of thinly-spread grants to a smaller number of more meaningful awards. This sparked another round of feedback and, in response, individual departments can now decide how best to structure these monies. In addition to providing greater disciplinary autonomy, a positive outcome is that departments can use their allocations for fundraising matches, bringing the total available for doctoral completion grants and awards to an anticipated \$8 million.

Indeed, fundraising for graduate student support is one of the major priorities in the current University-wide Campaign. In November 2011, the University made available a \$6 million pool of matching funds for PhD funding enhancement. Departments have risen to the challenge with much of the fundraising well underway. Added to the Doctoral Completion fundraising, this *Provost's PhD Enhancement* Fund will bring the total of completely new funding coming into PhD student support to \$16 million.

| | Regular PhD | | | Direct Entry PhD/Transfer from Master's | | |
|---------------------|-------------|---------|---------|---|---------|---------|
| Faculty | Average TTD | Min TTD | Max TTD | Average TTD | Min TTD | Max TTD |
| Applied Sci. & Eng. | 5.15 | 3 | 8.67 | 6.58 | 4.67 | 8.67 |
| Arts & Science | 5.68 | 1 | 9 | 5.74 | 2.33 | 9 |
| Dentistry | 4.00 | 4 | 4 | | | |
| Information | 6.17 | 5 | 8 | | | |
| Forestry | 5.11 | 4.67 | 6.67 | 5.33 | 5.33 | 5.33 |
| Kines. & Phys. Ed. | 4.75 | 3.33 | 6 | | | |
| Medicine | 5.61 | 3.67 | 8.67 | 6.09 | 2.67 | 9.33 |
| Management | 5.91 | 4 | 7.33 | | | |
| Music | 4.34 | 3.67 | 5 | | | |
| Nursing | 5.91 | 4 | 7.33 | | | |
| OISE | 5.83 | 3.33 | 9.33 | | | |
| Pharmacy | 7.17 | 6.67 | 7.67 | 6.04 | 3.67 | 9 |
| Social Work | 5.77 | 4.33 | 8 | | | |
| All Faculties | 5.61 | 1 | 9.33 | 6.06 | 2.33 | 9.33 |

It should be noted that the time to doctoral completion in some faculties is well within the funded five years and in most of the other faculties, while the average is over 5 years, many, even most, students finish while they are within the funding window.

Our most serious problem with respect to graduate education is that our hands are tied with respect to bringing in an appropriate number of international graduate students. This is not because they do not want to come. We could have a great many more graduate students from abroad, enriching our student body, our research and reputation, our programs, the educational experiences of our domestic students, and the talent pool in the province and the nation. The problem is that the Ontario government, unlike some others, does not contribute to the cost of education of international graduate students. There are a very small number of national, provincial, and University of Toronto fellowships that international students are eligible for: Vanier, Trillium, and Connaught Fellowships, for instance. The Ontario Graduate Scholarships currently allocate a mere 3% for international students. We have proposed to the Ministry of Training, Colleges and Universities (MTCU) that they raise that to 10%. Discussions are ongoing.

Department and faculty leaders, faculty members, graduate students, and governors consistently, passionately, and rightly declare this to be an untenable situation. We are turning back stunning applicants, across the whole of the University, due to an inability to fund them, and without these students, we cannot fully succeed in our aim of being one of the best publicly-supported universities in the world. We need to find ways to secure more graduate funding for international

graduate students. The *Provost's PhD Enhancement Fund* will start to do just that. It will enable faculties and departments to put in place more funding packages for international graduate students, but this will need to remain a fundraising priority into the future. This is only the first step in the right direction.

As we increase our numbers of international graduate students, we will also need to ensure that we provide relevant information to incoming students (e.g., information about permanent residency status) and that we have adequate services in place to support these students.

Recruitment and Admissions

Towards 2030 made absolutely clear its views on student recruitment: 'Enhanced student recruitment is ... an area for attention not by 2030 but immediately' (p.41). It recommended that more undergraduate students be recruited from outside Ontario; that an international recruitment strategy be developed for targeted recruitment of more students from abroad; and that the University should develop 'a coherent, better-resourced, carefully targeted and integrated approach to student recruitment across divisions, including the St. George Colleges, and the central administration'. Recruitment communications, it asserted 'must be a particular priority'.

Towards 2030 made six recommendations for the 'meticulous coordination of recruitment activities as the University seeks to build strong applicant pools for a large array of programs and redirect some of its recruitment efforts' (p.39).

1. We should make clear just how excellent the research opportunities are at the University of Toronto so that students interested in research are more likely to choose U of T.
2. Prospective students should have a clear sense of both the University's scale and the extent to which that scale is disaggregated into a set of smaller learning communities.
3. We should make clear just how distinguished our teaching is.
4. The University's 'Great Minds' campaign highlighted this institution's extraordinary alumni and our alumni's contributions and we need to renew publicity of our alumni for student recruitment and for the general advancement of the University's reputation.
5. Prospective students must be made aware of the opportunities for growth that the University offers outside the classroom.
6. The University's environment – on each campus and regionally – is a huge asset and must not be underplayed.

Recruitment and admission has been an area of rapid and extremely positive progress since *Towards 2030*. Here are some highlights from a very long list of initiatives, presented to Academic Board and Governing Council in 2011 to enthusiastic response:

- The establishment of a Strategic Recruitment Advisory Committee and, in 2010, the

appointment of an Executive Director of Enrolment Services to oversee and integrate the recruitment and admissions offices.

- A complete overhaul of recruitment website materials, adding the *Discover UofT* website, an online portal, *Join UofT*, which enables applicants and accepted students to interact with each other, creating community and connection before students even arrive on campus. This year, as of mid-March, there have been 100,000 discrete visits.
- The viewbook, a publication for prospective students, was reconceptualised and re-designed to emphasize the special strengths of the University of Toronto: unparalleled choices and customized options in academic programs; prestigious legacy; richness of 'Ulife'; opportunities for student engagement; and the location of our three campuses in vibrant yet safe urban environments.
- A range of print materials, websites and videos have been developed to arouse prospective students' curiosity with stories about celebrated alumni, research opportunities, and the research and teaching of our illustrious professoriate. In 2010 for example, we enlisted alumnus Malcolm Gladwell to help create an Augmented Reality experience emphasizing the University's role in nurturing innovative and integrated thinking.
- We have made better and more amplified use of our standing in various rankings. We treat rankings as only one element in our recruitment efforts, as we have accepted the reality that these are indicators that are helpful to students, particularly those from abroad who may not have access to word of mouth reports on the university's various programs and three campuses.
- We have expanded our foundational first year programs. Each college on the St. George campus, as well as UTM and UTSC, will have a version of the groundbreaking programs started by Victoria and Trinity (Vic One and Trin One). This initiative has attracted much press both from within our community and outside it. It will make a clear mark in establishing the University of Toronto as the leader in undergraduate education in Canada.
- We have introduced wonderful, new, and moving videos featuring our students, faculty, and alumni.
- There is a new and improved booth at the Ontario Universities Fair. A survey of students attending the U of T booth at the Ontario Universities' Fair reinforced prospective students' positive impression of recent changes. 46% said they preferred the U of T booth to others, compared to 11% who indicated a preference for other booths. 95% were satisfied or very satisfied with the U of T informational presentation at the Fair.
- President's Entrance Scholarships
- Improvements to the U of T Open House Day in the autumn, with faculty members

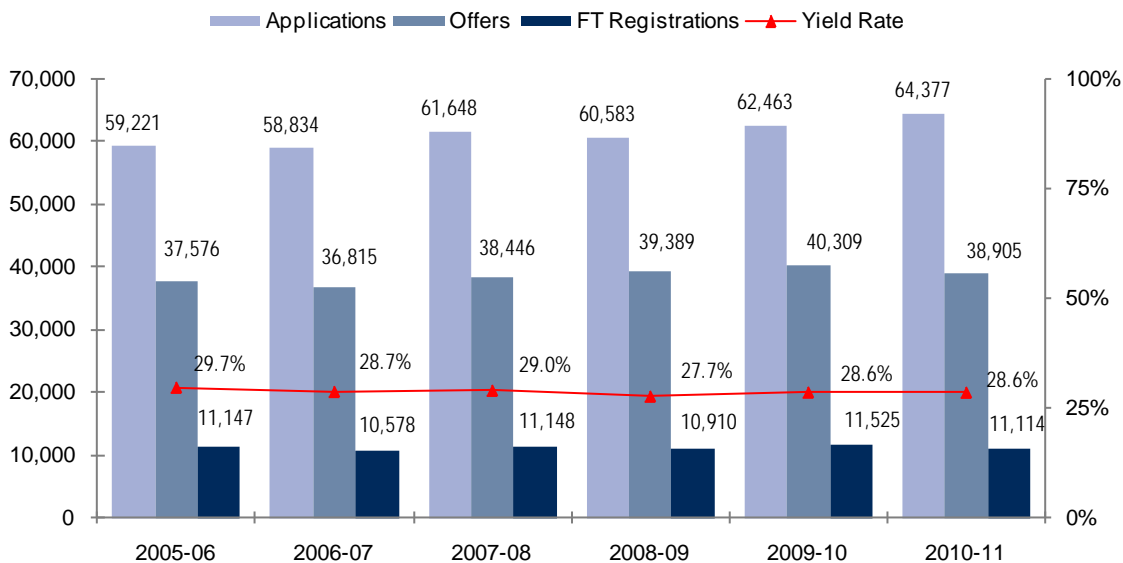
writing in to say things such as: ‘Wow - it was just fantastic. I had to write and convey congratulations.’

That is not to say that we cannot do better. For instance, there are many first year small course opportunities, over and above our foundational year programs, such as the 199 courses in the Faculty of Arts and Science, which offer seminars of 24 or fewer students in the first year and First Year Learning Communities. We need to expand and highlight all of these opportunities and turn the dial on how the University of Toronto undergraduate experience is perceived by high school students, their parents, and the general public.

Demand for our programs is very strong. Indeed, our application numbers have risen steadily, in quantity and quality over the last few years and our year-over-year increases in first choice applications are very heartening. First choice applications (from Ontario high school students) across all U of T first entry undergrad divisions rose by 5% in 2009, 6.3% in 2010, and 2.2% in 2011. As of March 2012, first choice applications to the U of T were up 3.8% compared to 1.8% across the Ontario university system. During the same time period, first choice applications from students not currently in an Ontario high school increased by 11.1% vs. 6.3% for all Ontario universities. In 2008, before recruitment strategies and materials were revised, first choice Ontario high school applications were down 3.1% over the previous year and our share of Ontario applicants had been in decline for a six-year period. A tremendous effort has been made to turn things around and we have seen quick and impressive results.

Total Applications, Offers, Registrations and Yield Rates Undergraduate First-Entry Programs 2005-06 to 2010-11

The line below indicates the change over time in the number of students who registered in undergraduate first-entry programs as a percentage of the number of offers that were made each year.

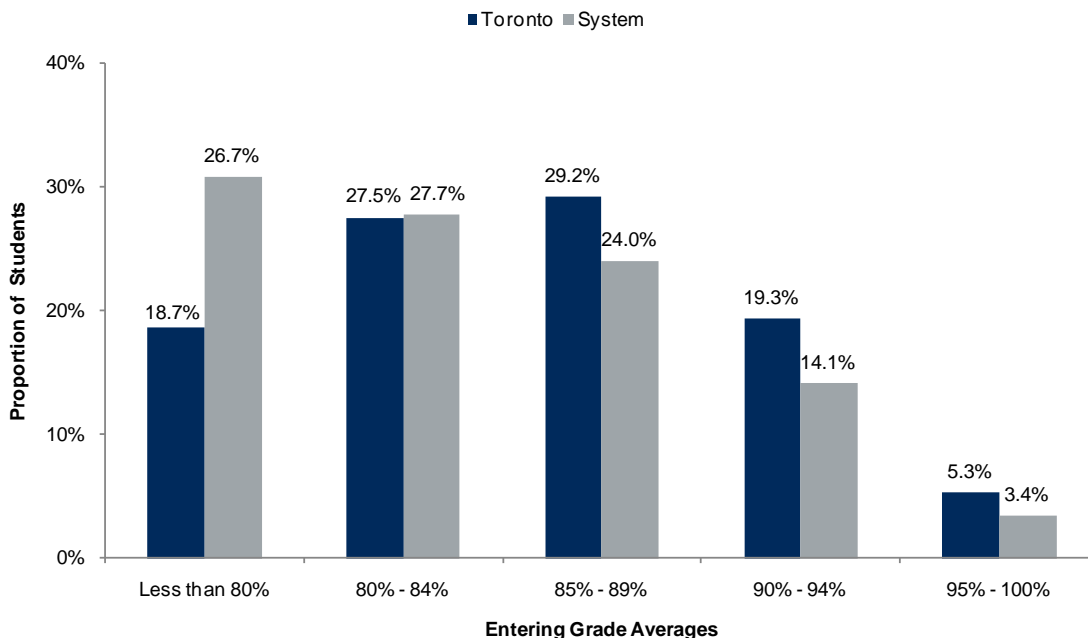


Source: Ontario Universities' Application Centre (OUAC). Undergraduate first-entry programs include: Arts & Science St. George campus, UTM, UTSC, Applied Science and Engineering, Music, Physical Education and Health. Yield rate is the number of registrations divided by number of offers.

Linked to student recruitment is the question of admission criteria and the further strengthening of our student body. As our recruitment efforts are refined and as demand increases, we should be able to bring even stronger students into the University of Toronto, thus improving the educational experience for all. Indeed, the University of Toronto now outperforms its Ontario competitors in admissions averages. For example, while U of T has 14.7% of all Ontario students, it has 21.8% of those with averages above 95%.

**Distribution of Entering Grade Averages of Ontario Secondary School Students
Registered at the University of Toronto
Compared to Students Registered at other Ontario Universities
First-Entry Programs Fall 2010**

The bars below indicate the distribution of entering grade averages of Ontario Secondary School Students registered at the University of Toronto compared to those students registered at other Ontario universities.

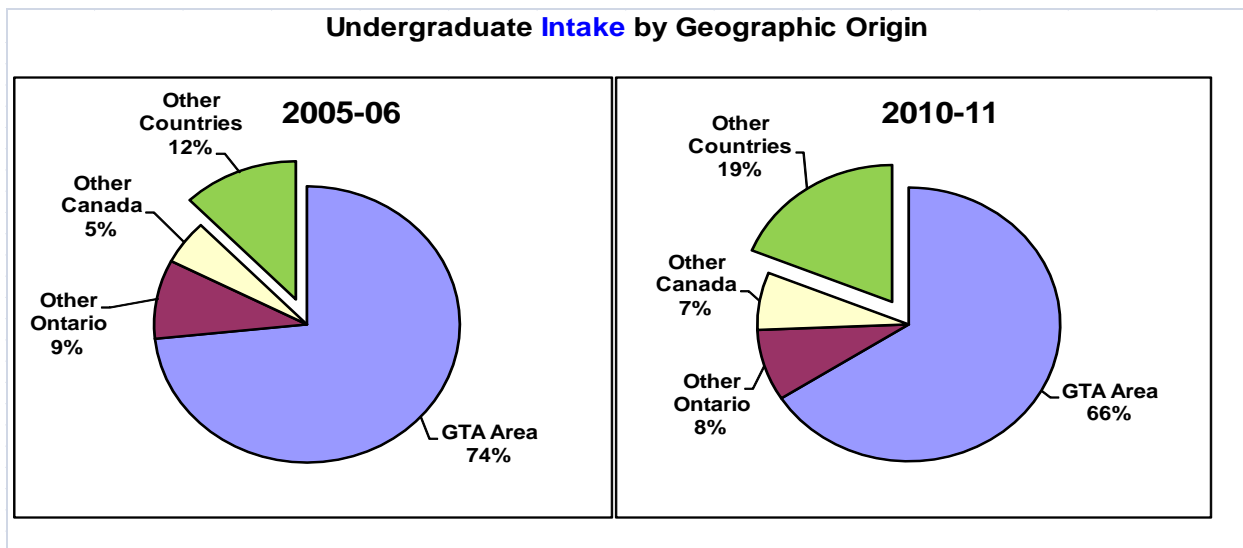


Source: Data provided by COU, based on OUAC final average marks.
System excludes University of Toronto

Towards 2030 noted that the proportion of Canadian students drawn from outside Toronto was relatively low. The *Task Force on Enrolment* recommended that 'U of T should expand its presence as 'Canada's national University' at the undergraduate level and actively recruit more top students from outside the province' (p. 17). It also argued that it was in the University's and the country's interest to recruit more excellent students from the global talent pool. Not only would this enhance the quality of the student body, but international students offer the University

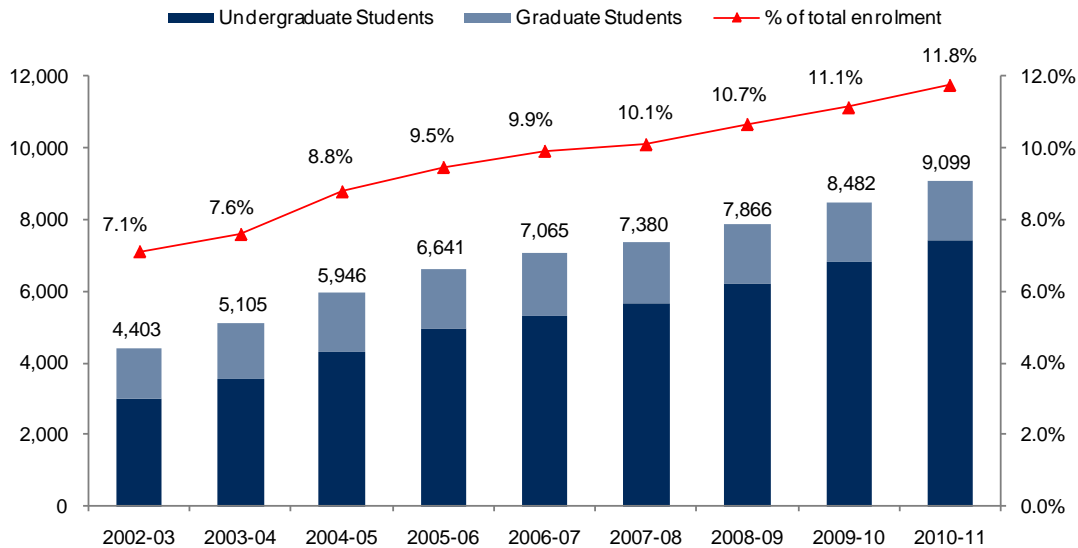
– and Canada – network of ambassadors and champions across the world and create a virtuous circle for ongoing recruitment of outstanding international students. The 2011 Ontario Budget stated a goal of increasing international enrolment in the province’s colleges and universities by 50%

Towards 2030 recommended that the University of Toronto increase the number of nations and regions from which we draw students and that it develop clear strategies for international student recruitment. Due to new recruitment strategies and to the improvements in recruitment described above, that is exactly what is happening. As the charts below indicate, the shape of our student body is changing.



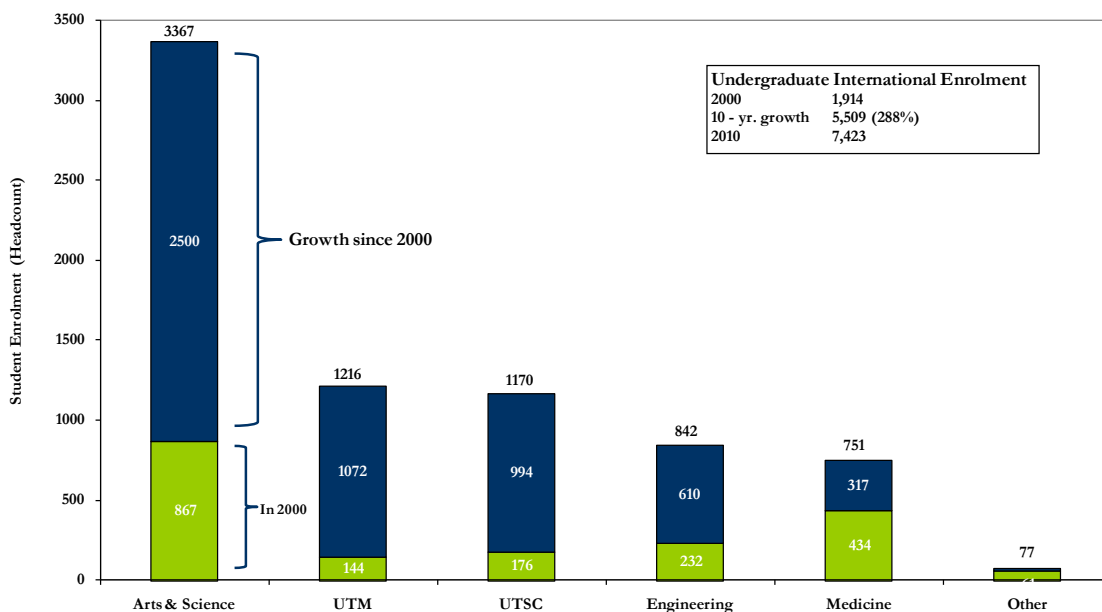
Enrolment of International Students, 2002-03 to 2010-11

The bars in the chart below indicate the total enrolment of international students in each academic year. The line represents the proportion of international students as compared to the University's total enrolment in each academic year.



Note: Both degree and non-degree seeking students are included. Non-degree students are certificate/diploma students, special students, and residents/post-graduate medical students.
Excludes Toronto School of Theology (TST)

University of Toronto Undergraduate International Enrolment Growth 2000-01 to 2010-11



We of course need to ensure that our international students are successful once they arrive. Hence we have invested in increased student services for our international students. Our Centre for International Experience is a new unit created in 2010. It has developed several counselling initiatives to serve international students, in particular launching an ‘embedded advisor’ pilot program, which enhances international student counselling within the colleges on the St George campus. Supports for international students have also been enhanced at UTSC and UTM in the form of counselling and academic success strategies, as well as the creation of an International Student Centre to serve the UTSC community.

We have also put in place excellent bridging programs, building on the example of Greenpath at UTSC, which brings in some of the best high school students from China, has them live in residence for 12 weeks over the summer taking language classes, attending field trips and pursuing activities that prepare them for life in Canada and undergraduate life at UTSC in the fall. New international bridging programs are in place at New College (International Foundation Program) and at UTM (ACE). We are now looking to expand our bridging programs so that successful students might move seamlessly into certain professional masters programs.

The *2030 Task Force on Enrolment* (p17) urged that more first-entry admissions processes pay closer attention to things other than grades (given their variance across schools, provinces, countries). It encouraged us to look to ‘positive attributes of a well-rounded student’ and to ‘leadership ability, special skills in music, drama or athletics, community service and engagement, or other relevant activities.’ We have indeed made progress on this recommendation, with our foundational first year programs looking at the whole applicant, and with other divisions and programs, such as Rotman Commerce and Engineering, requiring supplemental material for admissions.

Student Access and Student Aid

It is a core principle (and an official policy) of the University that it must be open to the best and brightest, regardless of economic circumstances. Although the recession has not hit Canada as hard as it has hit the US or the UK, it has had an impact on many of our students and their families. We are proud to say that our access guarantee is being met. In 2010-11 the University provided a total of \$147.3M in student assistance. Of that amount, \$57.7M was distributed through the University of Toronto Advanced Planning for Students (UTAPS) program and other needs-based grants. Another \$40.1 million took the form of fellowships for graduate students. Overall, in 2010-11 the University provided \$61.5M in needs-based student aid, as compared to \$58.3M the prior year

The result to the average student is that the ‘effective tuition’ is much lower than the posted tuition schedules. Considering the non-repayable financial support provided by the University of Toronto and the province through OSAP, the average full-time domestic student effectively paid 73% of the posted tuition. If we consider only those full-time domestic students receiving OSAP assistance, the effective tuition is 50% of the posted rate. To illustrate: while the posted tuition for an arts and science undergraduate student in 2009-10 was \$5,463, when you subtract the average grant support from the University and the Province, an OSAP-supported arts and science student was paying a tuition of \$2,660 (49%). These calculations do not take into account the

province's new \$1600 tuition rebate, which will further reduce the effective tuition for most Ontario students (those with parental incomes under \$160,000).

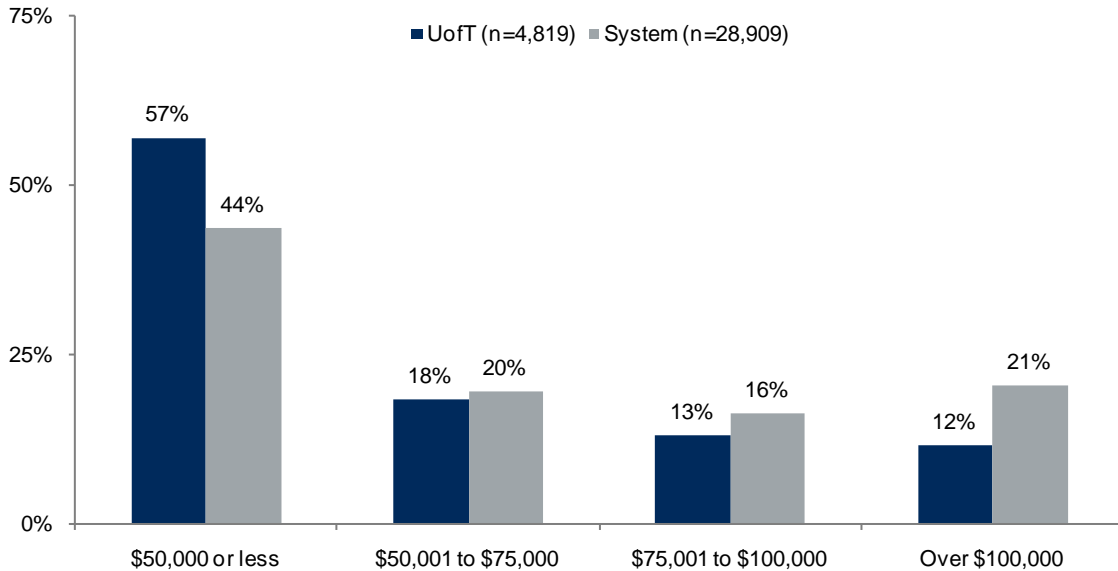
One measure of our success on this important matter is that approximately 30% of the students entering the University indicate that they are the first members of their family to attend post-secondary education. A new mentoring program offered at the university entitled *First in the Family* provides structured support to these students.

Another measure of how we are doing on access is that 71% of first-year undergraduate students at the University of Toronto self-identified as members of a visible minority group in 2009, compared with 40% in other Canadian universities. Of course, one cannot make many inferences from this fact, as many of these students will come from families that have been in Canada for generations. But one thing we can say is that just as Toronto is Canada's most important magnet for talented immigrants, so too has the University of Toronto benefited from, and responded to, the educational ambitions of new Canadians and their children.

Towards 2030 noted that approximately 40% of University of Toronto undergraduates receiving OSAP report a household income of less than \$50,000 per annum. In our most recent report, that number has risen to 57%. It is clear that we are providing an education to many students who come from low-income households. Given that 46% of direct-entry students graduate with OSAP debt, it is estimated that at least 25% of first-year undergraduate students at the University of Toronto have a family income of less than \$50,000.

Parental Income of First-year Students Receiving OSAP in Direct Entry Programs at the University of Toronto Compared to All Ontario Universities, 2008-09

The chart below indicates the distribution of parental income of first year U of T students in direct-entry programs who received OSAP compared to first-year students in all other Ontario universities.



Source: Ministry of Training, Colleges and Universities (MTCU).
System numbers exclude the University of Toronto.

We have reason to believe that our accessibility programs are working very well. Internal analyses show no appreciable difference in retention rates between students who do and do not draw on the Ontario Student Assistance Program. A study of retention rates among second year students found students on OSAP were retained at the same rate (92%) as those students not on OSAP. Furthermore, while the percentage of (second year) students on OSAP has risen (from 36.2% in 2003 to 48.4% in 2008), retention rates have remained relatively steady over that five year period: 93.8% in 2003 and 91.8% in 2008.

Despite these measures, an additional question has rightly been asked over the last few years, most notably in Governing Council. How much debt – both OSAP and other—are our students accumulating? This is very hard to measure, as the University has no access to our student’s financial information. We endeavored to find out about such debt the best we could. 7,434 graduates of first entry divisions who received undergraduate degrees in June 2011 were sent an invitation to complete a web survey, asking them about their debt load and 19.6% (or 1,454 students) responded to this portion of the survey. The results are heartening. Approximately 46% of respondents reported having OSAP debt post-graduation, which is consistent with internal data. The survey revealed that in relation to private (non OSAP) debt:

- 86% of the total respondents had no debt in the form of bank loans or lines of credit.
- 76.3% of the total respondents had no debt owing to family.
- 71.5% of the total respondents had no credit card debt.
- 56% of the total respondents had no private debt in any form.
- 24.5% of the total respondents carried OSAP debt in addition to private debt.

We have special duties to First Nations students. We have developed new Aboriginal initiatives to complement our existing programs. Over the past three years, the University of Toronto has been granted approximately \$1.8 million in MTCU funding to support Aboriginal initiatives across the University's three campuses - a high watermark for us. To make the case for our allocation, we put forward a three-year plan outlining our strategic priorities for the access, retention and success of Aboriginal students. This plan was developed with the input of students, staff, and faculty. The funds have supported a range of activities in faculties such as Law, Engineering, Kinesiology and Physical Education, Arts and Science, OISE, Social Work, Medicine, as well as in student recruitment, First Nations House, the Centre for Community Partnerships, and the Transitional Year Programme. Examples of projects are SAGE (Supporting Aboriginal Graduate Enhancement); enhancements to writing supports at First Nations House; bursaries for Aboriginal youth to participate in March Break and summer camps and mentorship programs at U of T; the hiring of an Aboriginal Recruitment and Retention Officer in the Faculty of Arts and Science and in the Transitional Year Program; and UTM student participation in cultural teachings and experiential learning at Curve Lake First Nation Community located north of Peterborough. Students and faculty developed an Aboriginal Health Promotion program that combines a unique curriculum, student recruitment activities and community outreach initiatives that will be adapted for use in the Northwest Territories. The Faculty of Law has spearheaded Canada's first and only journal on indigenous legal issues, which is presently used by professionals and associations in Canada, the United States, Australia, New Zealand and beyond.

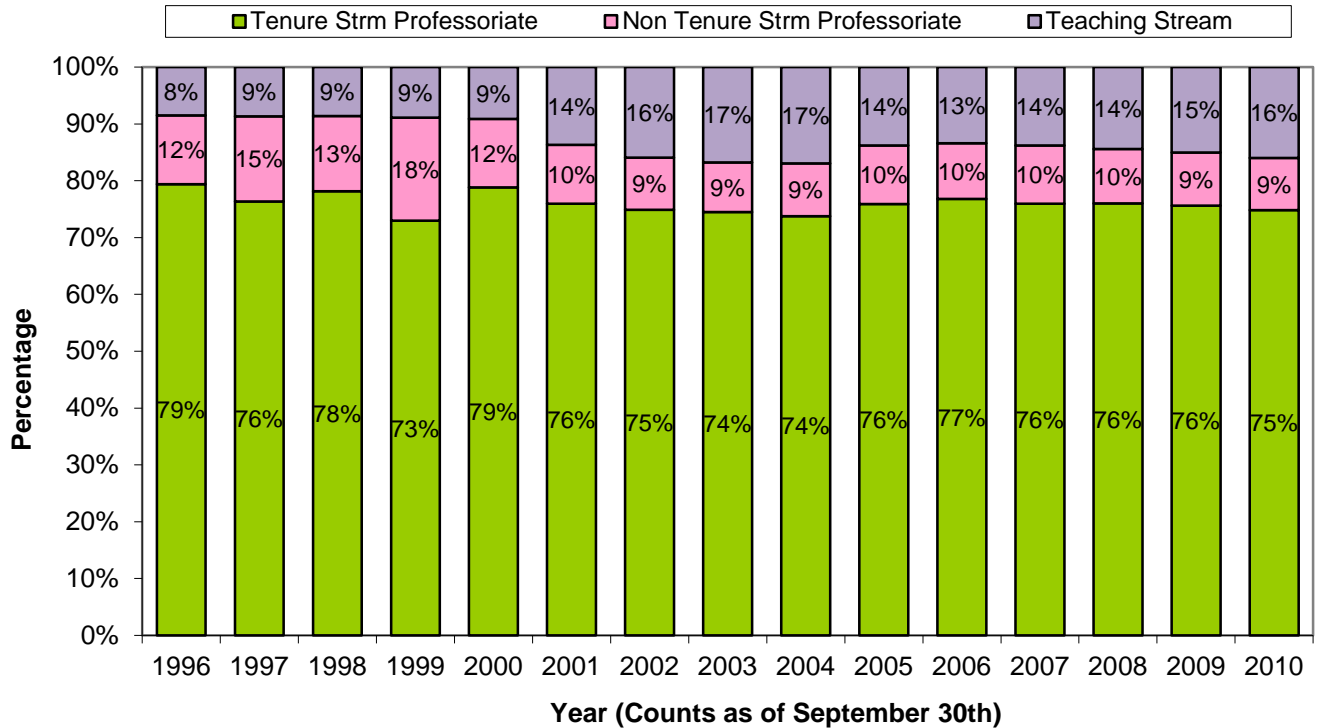
We also have excellent bridging programs for students from non-standard backgrounds. TYP (the Transitional Year Programme) offers access to under-represented groups, enrolling around 60 students a year and preparing them for entry into the Faculty of Arts and Science. Academic Bridging at Woodsworth College is designed for individuals who have been away from formal education for some time and do not meet the University's established requirements for direct entry admission. Students who successfully complete the program are admitted to the Faculty of Arts and Science with one full credit towards their degree. The program has recently introduced an early spring option for its courses that allows students to be considered for admission to A&S by mid-July in time for the start of the fall semester and is also exploring the introduction of a full-time (3.0 FCE) option for students that wish to carry a higher course load and who wish to obtain student financial aid.

Our People: Faculty, Staff, Alumni, Friends and Benefactors

The people who constitute our community contribute to our mission in countless ways – through the work they do in class, in the lab, and in the library; through volunteer efforts; and through materially enabling this great University to thrive. Indeed, their contributions are woven through the whole of this document in ways that cannot be prised apart from the substantive matters under discussion. But some *sui generis* issues require special attention.

A common concern voiced by faculty, staff and students was that this university ought to have more faculty members on continuing appointments. The addition of over 50 new positions from the University Fund this year should have a real impact on the proportion of instructors who hold continuing appointments. Unlike many US universities, our proportion of tenure stream faculty has remained steady and we have an excellent group of teaching stream faculty members on continuing appointments.

University of Toronto - Academic Complement Mix 1996 to 2010



Notes: Excludes clinical faculty in the health sciences and instructors in athletics and the Institute of Child Studies. Includes full-time and part-time appointed faculty. Source of data - Annual Employment Equity Reports.

We must remain vigilant, however, in ensuring that we have as many of our students as possible taught by those who are on continuing appointments. The employment of stipendiary instructors is not an issue in those divisions in which highly qualified and otherwise fully employed members of the profession teach courses on stipends - for instance, in the Faculty of Law or Architecture and Landscape Design. Indeed, for the last two years, the University has been working with the Faculty Association on developing a new appointment category, tentatively titled the Teaching and Professional Stream, which would include faculty in the current teaching stream and also faculty engaged in professional practice. Extensive consultation have taken place and substantial progress made in developing a common understanding of the principles that would underlie the new policy. Both the University and UTFA are working hard to reach agreement to make this new appointment category a reality in the near future.

One major reason we continue to do so well despite our grim per-student funding situation, is that we have tremendously dedicated and hard-working staff members. We will see below that administrative costs are demonstrably lower at the University of Toronto than at our sister institutions. The implication of this is that while staff members are thin on the ground, they are thick with loyalty and dedication and deserve much credit for the University's success.

Unfortunately some of those dedicated staff members, (our PMs and Confidentials, as well as Research Associates) were unfairly impacted by Bill 16, which restrains salary increases for those who do not engage in collective bargaining. The legislation will expire as of March 31st and so we have taken proposals for modest increases and benefit improvements through the governance process for an April 1 implementation, assuming, of course, that the Government does not impose further restraint as part of the March 27 Provincial Budget. Notwithstanding the reality that many of our staff have seen their workloads rise over the past three years, their satisfaction at being members of the University of Toronto community has not decreased during that time period.

The *Faculty and Staff Experience Survey* conducted in the fall of 2010 indicated that our staff continue to rate their work experience very positively - exceeding external benchmark data in almost all areas. Feelings of motivation (82%), pride to work for the University (87%), likelihood to recommend the University of Toronto as a good workplace (79%), as well as many other measures indicate that employees are engaged and feel that the University is a very good place to work (71%). Remarkably, the survey indicated no areas of severe dissatisfaction.

The second University of Toronto Faculty and *Staff Experience Survey* (Speaking UP) was conducted in 2012, with an overall response rate of 52%. Of the faculty respondents, 75% were satisfied to work at the University of Toronto and 87% felt proud to work here. 92% of faculty felt motivated in their job and 74% would recommend the University as a good place to work.

The results have been disseminated to all academic and administrative divisions and many have established internal committees to identify opportunities for improvements. One of the most satisfying findings was that overall employee satisfaction was higher in those divisions that have created their own recognition and reward programs. We are encouraging more divisions to develop such programs. We also noted that a strong culture of participation by staff in improving their work experiences is a key factor in enhancing staff satisfaction. The new Excellence in Innovation Awards program enables us to identify and celebrate improved practice within every area of our work – from registrarial services, to greening the campus, to enhancing the Convocation experience.

Many excellent practical suggestions were made over the course of the consultations about how we could improve the experiences for members of our community. For instance, we could strengthen staff mentoring programs and we could better engage our post-doctoral fellows in the mission of the University.

One area where we need to make more sustained progress is in alumni engagement. While our alumni often express pride in being part of such a strong university, nurturing that pride of place must start with our students from year one and then become a lifetime commitment. 'The

University should not be afraid to ask its alumni to do things and to become engaged in a productive way’, said one alumni member. The alumni who came to talk to us – a self-selected group of course – emphasized that annual giving needs attention and felt strongly that they had ‘an obligation to give back’.

Our focus is not on merely on our post-graduation services, which are expanding, but rather on how we engage alumni in the academic life of the institution and in mentoring recent graduates as well. This is still under-developed and we heard very clearly from our alumni that we need to do more of the sort of thing that the Bloomberg Faculty of Nursing is doing. Through focus group research with their alumni, they discovered one of the most frequently requested engagement opportunities was mentorship. The *Nursing Alumni Mentorship Lunch* was created in 2009, inviting BScN students to a lunch and opportunity to sit with at least two Nursing Alumni, meeting on specific topics, such as Acute Care Nursing, Gerontology, Pediatric Oncology, Administration, and 'How to survive your first year as a nurse'. Mentors remain available via email for 2 weeks after the event for any follow-up questions or advice.

Another way of engaging our alumni is through our re-invigorated School of Continuing Studies. It offers adult students expertly-designed non-degree programs and courses delivered, in the classroom and online, by instructors who are leaders in their fields. Every University of Toronto graduate now receives a \$600 credit towards the course of his or her choice.

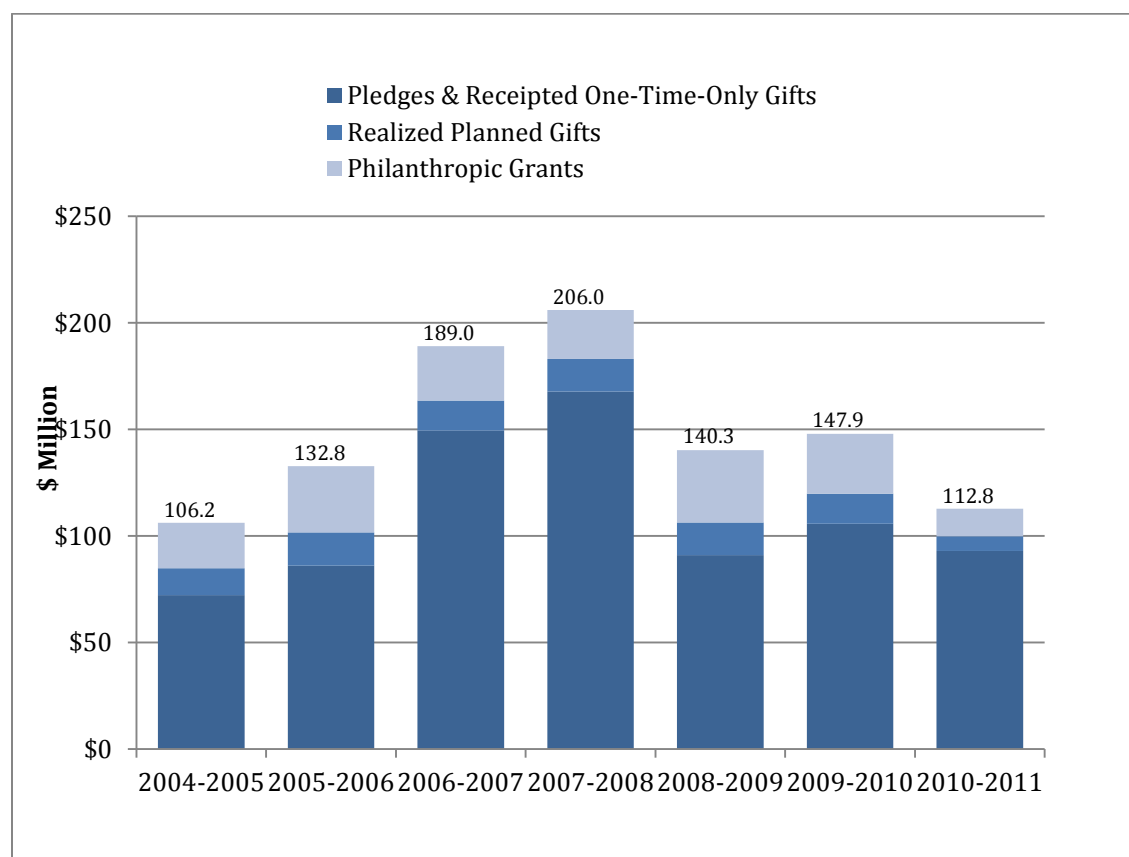
Indeed, the demand within the community for continuing education alternatives has grown steadily since the publication of *Towards 2030*. In a time of dramatic global change, when the advancement of knowledge and innovative thinking is as vital to economic prosperity – and when Canadians have become increasingly mobile, socially and technologically – there is an urgent need for learning opportunities that are accessible and flexible enough to complement busy lives and careers. The School has responded with a series of exciting initiatives - reinventing the program mix; making the learning experience more accessible and supportive; strengthening partnerships within the University; and forging important partnerships in the community. All of this is essential to building our friendships with others.

Building those friendships, while intrinsically valuable, is also important to the University-wide \$2 Billion Campaign, launched in November 2011. Our friends and benefactors have always been central to the success of this great and venerable university and their importance only grows in significance.

We are fortunate to have truly excellent supporters of our academic mission, as is illustrated by the figure below.

Annual Fund-Raising Achievement: Gift and Pledge Total by Donation Type and Fiscal Year, 2005-06 to 2010-11

The bars below show the annual pledges and gifts, realized planned gifts and gifts-in-kind (in millions of dollars) received by U of T within a seven-year period.



Source: Division of University Advancement

Notes: Pledge totals are based on pledges and gifts, realized planned gifts and gifts-in-kind (in millions of dollars) to the University of Toronto, including those received by the University of St. Michael's College, the University of Trinity College and Victoria University.

The Shape of our University

The Three Campuses

The University of Toronto has a unique tri-campus structure, bound together by one identity and a set of genuinely tri- or bi-campus graduate programs and departments. It is the product of a 40 year evolution, with the Mississauga and Scarborough campuses transforming themselves from small undergraduate branch colleges to impressive mid-size comprehensive universities in their own right. As noted in *Towards 2030*, 'the regional nature of the University of Toronto and the interlocking appointments to graduate departments across the three campuses' is a model not found at any other university system (p. 12). It is one that has served us very well, enabling research breadth and depth across those disciplines that have made good use of the fact that we have three unified campuses and enabling the recruitment of first-rate faculty and students. UTM

and UTSC are putting forward bold and exciting plans that will only make our unique structure an even more important part of the evolution of the University of Toronto.

Towards 2030 outlines the history and the likely future path of the Mississauga and Scarborough campuses. The guiding principle is to complete their growth as comprehensive universities with stronger identities, yet build on the enormous advantages our tri-campus system confers upon them in recruitment of top flight faculty and students. It recommended enhancements to communications technology to reduce commuting requirements and promote inter-campus collaboration, the movement of programs between campuses, and the creation of new bi- and tri-campus program initiatives.

The *Towards 2030 Planning* document asked, 'Is our long-term intent to create a regional 'University of Toronto system' with three campuses and a stronger identity and greater autonomy for each of them?' It would be simplistic to think that in the last three years we have answered this important and complex question. But we have made some progress towards clarity of thinking.

Towards 2030 had the Mississauga and Scarborough campuses moving towards greater autonomy, with four provisos. We must exercise diligence to ensure that collaboration remains the norm wherever it makes academic sense; we must ensure that campus-level autonomy does not translate into wasteful duplication of effort with diseconomies of scale and administrative layers; we must sustain and enhance the quality of the education and research undertaken on each campus; and we must work tirelessly to ensure that the broad identity of the University is strengthened, not diffused. The perspective from 2012 is that we have indeed met these four provisos, albeit not always easily.

It is important to note that the differentiation of the campuses is not an 'all or nothing' matter. Many of the undergraduate programs are not unique to each campus: there are three English departments, for instance, and their programming is similar. Then again, many of the undergraduate programs are distinct: University of Toronto Scarborough, for instance, has a program in International Development Studies that includes a year-long international placement and is not replicated elsewhere on campus; UTSC also has enormously strong co-op programs; University of Toronto Mississauga has a joint program in Theatre and Drama Studies with Sheridan College and a new program in Interactive Digital Media in cooperation with the Faculty of Information; the Faculty of Arts and Science on St. George campus offers unique programs in Actuarial Science and Cognitive Science; and so on. Programs move between campuses where appropriate or are shared across campuses - for instance, BioMedical Communications moved from St. George to UTM; undergraduate programs in information are in various stages of progress at UTM in a cooperative venture with the St. George I-School. The Faculty of Engineering and Applied Sciences has exciting plans to extend the presence of Engineering to the east and west.

Graduate program development at UTM and UTSC continues to evolve. Many in the east and west academic communities are keen to see more graduate students from a range of disciplines on site, and express concern that some students are essentially situated on the St. George campus, notwithstanding a supervisor's appointment at UTM or UTSC. Others cautioned that the

academic interests of the graduate students (and faculty) must be paramount, and that they and their students must continue to take full advantage of the range of seminar programs, visiting speakers, and other resources on the downtown campus. Others again noted that, over time, as graduate programs led from UTSC or UTM became the magnets for visiting faculty and larger concentrations of graduate students, traffic might flow in the other direction for similar reasons.

From the Administration's standpoint, there are no easy answers here, except to ask that three basic principles be respected, and where they may be perceived to conflict, that the good sense of all involved be marshaled to find positive resolutions.

The first principle is that academic excellence must be paramount.

The second is that our research-stream graduate programs are organized on a tri-campus basis, which means that some inter-campus movement and collaboration is both inevitable and desirable.

And the third is that faculty members and students are both part of a broader University and affiliated with a specific campus. As such, they should make efforts to strengthen that community even as they pursue their individual academic interests.

One enormously successful area of differentiation has been in professional masters programming. For instance, UTM continues to expand and enhance its suite of masters programs in biotechnology, and management and professional accounting; UTSC has a professional masters program in environmental science; and St. George has an impressive set of professional masters programs in such areas as Clinical Engineering, Global Affairs, Global Law, Museum Studies, Public Health, and Public Policy.

UTM has partnered with the Faculty of Medicine to build the new Donnelly Health Science Complex, home to the newest undergraduate medical education Academy. This branch of the Medical School hosts a comprehensive 4 year program for 54 entering medical students who connect with the St. George campus Medical Sciences Building using state-of-the art high performance video conferencing. Over the next three years the number of MD trainees completing residency programs in Mississauga will reach over 300. This endeavour is in part a response to the City of Mississauga's need for more physicians. The Faculty of Medicine now provides close to 40% of family physicians in Ontario and 25% of all specialty physicians in Canada.

PhD departments and programs on the other hand are resolutely tri-campus. They offer students access to outstanding supervisors across the whole of the campus and enable departments to present a unified face to the world for purposes of peer-review and international ranking/rating. Additional models are being explored in which a unitary doctoral level program may have areas of specialization that are located on different campuses and/or within different divisions, allowing students access to a wide range of resources from across the University but capitalizing on specific strengths and expertise in the various divisions. The PhD program in Environmental Science, headquartered at UTSC but drawing on resources from all three campuses is our first

non-St. George based doctoral program and, although still in early days, has all the marks of a success story.

Where it does not make sense to have PhD programs located at Scarborough or Mississauga, new innovations are sprouting up regarding how to increase the graduate and research presence there – empowering undergraduate student societies to bring in speakers, having graduate student seminars and practice job talks on the east and west campuses; innovative labs; and specialized workshops on specific topics of interest and importance for graduate students such as advanced techniques in geographic analysis.

Throughout the consultation process for *The View from 2012*, we heard colleagues on the Mississauga and Scarborough campuses express, with real passion, their commitment to the ‘One University’ model. The overall identity, we heard again and again, must be preserved and kept strong, for the good of the whole and also for the good of each of the parts. When it comes to tri-campus matters we heard that ‘We are on the right course’; ‘There isn't a burning need to garner more autonomy’; ‘It seems to be working’; ‘Let's put the issue of re-structuring to bed and let it evolve.’

We also heard tremendous enthusiasm for the idea that one of the key ways that the University of Toronto will strengthen itself and secure its leading position in the years to come will be by continuing to develop a strong and differentiated tri-campus system.

Towards 2030 noted that UTM and UTSC have modest endowments compared to a number of the St. George divisions and asserted that these newer campuses would clearly benefit from a major expansion of advancement/fund-raising activity. Again, we have very positive developments on this front, with major gifts coming in especially at UTM.

That is not to say that there are not things that need work. The *Towards 2030 Task Force on Institutional Organization* raised detailed administrative questions that require consultation, discussion, and measured action. Much of that has gone on, in large part through the thorough review of the budget model undertaken in 2011. That review confirmed that for the most part the central services provided and charged on a tri-campus basis are appropriate. Minor adjustments continue to be made. For instance, we heard in the Town Halls on the Mississauga and Scarborough campuses that there was a need for dedicated equity officers/student support staff on those campuses. As a direct result, there has been a University Fund allocation this year, in base, to begin to fill these needs. But this points to a more general problem of disentangling central functions that are genuinely tri-campus from those that are campus-based. We have untangled some of the responsibilities between the central administration and those of the administrations east and west. Through collaborative development of university-wide standards we are establishing common IT initiatives - for example, wireless network access on all campuses; high-quality, standardized videoconferencing service in support of the Mississauga Medical Academy; pilot courses in online education across campuses; and Next Generation Student Information Services. We have strengthened other tri-campus mandates, such as our unitary School for Continuing Studies, and the expansion of our health sector from St. George to Mississauga with a tri-campus mandate for relations with healthcare institutions. We continue to build strong centralized services that provide consistency of service delivery for students and

faculty across the University, such as the new initiative to develop a centrally supported course evaluation system.

We also heard that, although we have seen many positive things come from graduate expansion at UTM and UTSC, some faculty members on those campuses feel under pressure to conduct their graduate activity at UTM and UTSC. Here we encounter real disciplinary variability, with those in the humanities and some of the social sciences usually finding it appropriate to do their graduate teaching on the St. George campus, where their graduate students are located. It is clear that a balance must be struck, both on the part of individual faculty members and the administrations at UTM and UTSC.

A frequent note of concern was struck around transportation issues, especially to and from the Scarborough campus. No shuttle bus service exists and efforts to have the subway line extend to UTSC are ongoing.

The University of Toronto is a highly complicated institution. Its evolution has not followed a predetermined grid-like plan. It is more like a medieval maze and we at times trip over each other on our way to determining what is a tri-campus issue and what is a local issue. As with any attempt to get a difficult matter right, we constantly modify where required and try to adjust where we can in ways that have positive benefits for constituent parts of our institution and the institution as a whole. The balance between growing autonomy of our campuses and coherence of the University demands constant cooperation and attention. It is something well worth striving for.

It was recognized in *Towards 2030* that the east and west campuses faced severe budget constraints partially due to the fact that they were contributing a substantial percentage of their net revenues to the University's 'bottom line'. This imbalance has been addressed by incremental base University Fund allocations to UTM (\$7.3M) and UTSC (\$8.4M).

We need to continue the conversation about how to keep the University of Toronto identity strong while allowing each of its three campuses to forge strong identities. While the most important thing is to support academic excellence everywhere, there are a number of more administrative mechanisms also under discussion. For instance, one way of disaggregating the campuses might be to have separate, but aligned, viewbooks for recruitment, so that all three campuses are able to highlight their special characteristics.

Enrolment

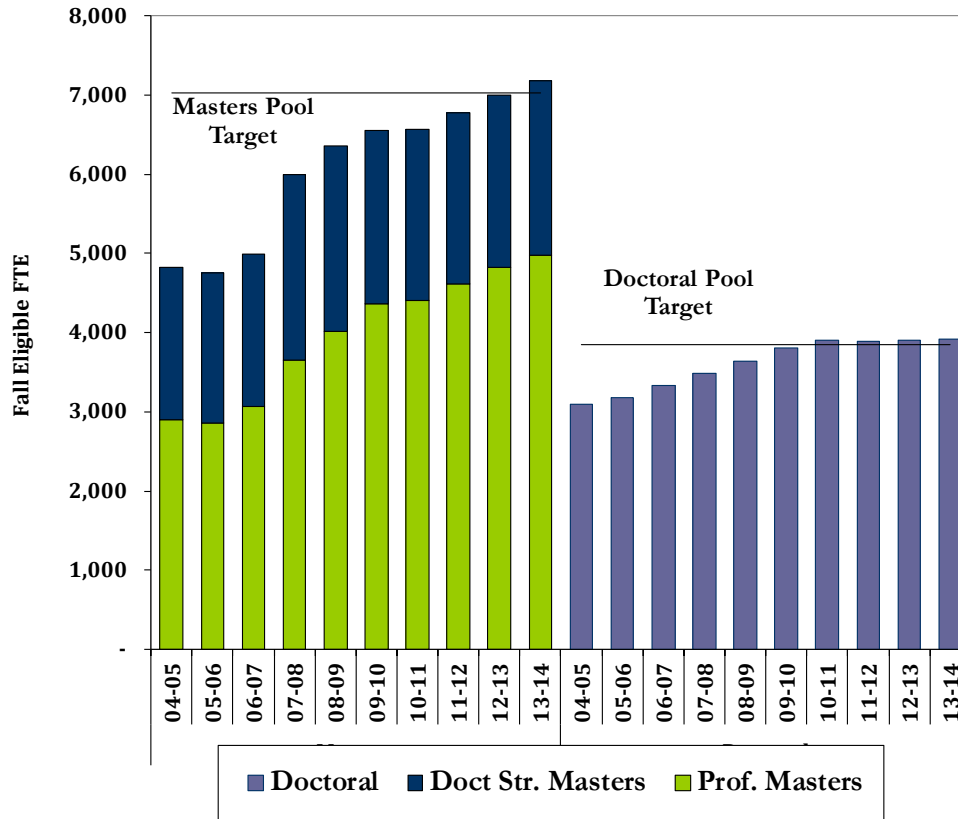
In thinking about how to structure our enrolment, *Towards 2030* was very clear that the University of Toronto must remain true to its distinguishing feature - research and scholarly excellence at a world-class level. At the time of deliberation for *Towards 2030*, it was noted that, compared to other jurisdictions with strong innovation-based economies, Ontario in particular and Canada in general lack sufficient numbers of masters and doctoral graduates. In 2005, the Ontario Government, recognizing this shortfall, committed to fund more than 14,000 additional graduate students - 4,400 were allocated to the University of Toronto.

Towards 2030 tentatively set some targets for graduate enrolment as a proportion of all the student body: 10% on-site graduate enrolment for UTM and UTSC and at least 35% for St. George. These are targets for 2030. In 2012 the situation is as follows. UTM and UTSC are carefully putting together graduate programs. UTM is developing innovative professional masters programs that attract both international and domestic graduate students to a rapidly evolving campus. UTSC has launched a new tri-campus PhD program that builds on its professional master's program. Future plans at UTSC call for an extension of this approach in which new professional masters programs emerge from existing pockets of uniqueness, strength and demand, together with selective PhD programs that grow from these areas of focus.

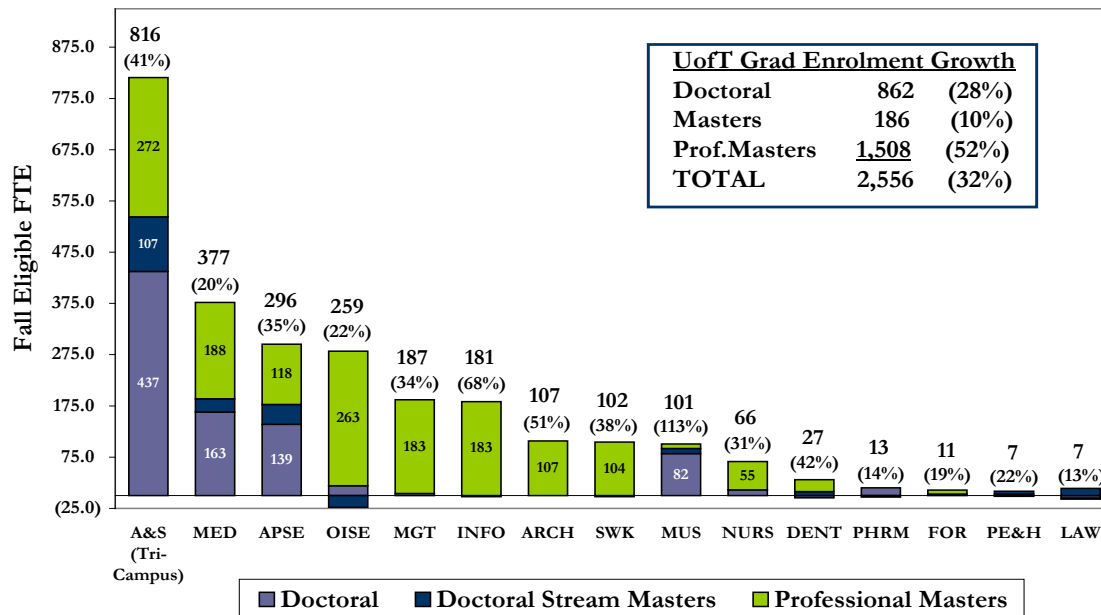
We have been actively engaged in graduate expansion and have on the whole met our targets. Our divisions must be thanked for stepping up to the plate in a way that has allowed us to grow in ways that other universities in the Province have not found so easy. This is not to say that the process has been perfect. We tend to hear very late in the graduate admissions cycle just what our allocations are for the year and graduate admissions are made program by program with yield rates dependent on a number of sometimes unpredictable factors. In addition, the needs of the various departments and faculties differ: some are in urgent need of more PhD spaces and some are in urgent need of more professional master's spaces. The enrolment management issues have been complex, but thus far successful. The challenge ahead, as we take advantage of the next wave of graduate expansion, will be to be careful and principled in the distribution of graduate spaces so that we expand where there is both quality of programming and demand from excellent students.

In the past the University of Toronto had a suite of excellent baccalaureate programs and PhD stream graduate programs, with a few professional masters programs (such as the MBA and LL.M). The landscape of higher education is changing rapidly, with many students looking for high-quality professional masters programs in a wider array of disciplines, programs which place their students in exciting and meaningful employment. We have been responsive to that societal need, with 83 professional masters programs in existence or in the planning process. Indeed, the growth and development of important new masters programs is one of the great successes of the past few years, and deserves to be celebrated. This does not mean that we intend to pull back in any way on our commitment to our doctoral programs and students. But much of our future graduate expansion will be in professional masters programs. We look to the Provincial Government to be more nimble in approving these programs so that their benefits can be more quickly put in place.

Graduate Expansion



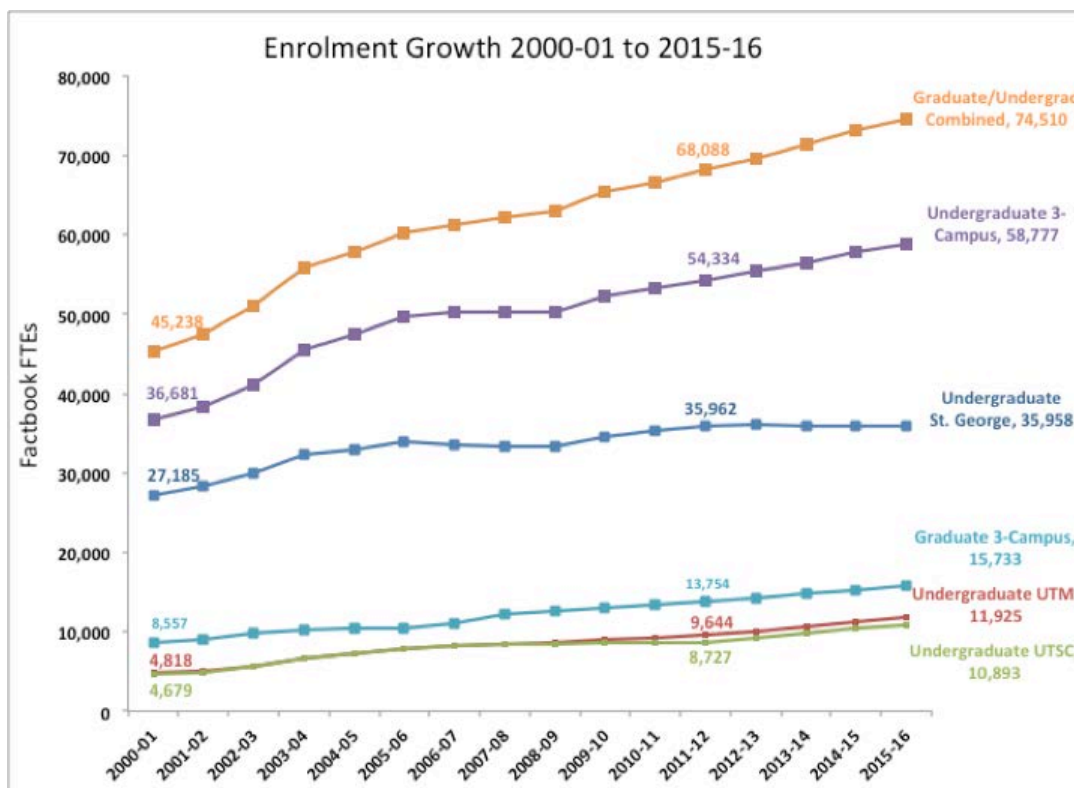
Graduate Enrolment Growth, 2004-05 to 2010-11



It is important also to state very clearly that graduate expansion is not to be taken in any way as a dimming of our commitment to undergraduate education. In the most recent 2011 Ontario Budget, the government announced the addition of another 60,000 spaces to be funded across the higher education sector over the next five years and the University of Toronto will be a participant in this expansion.

Towards 2030 suggested that the Scarborough and Mississauga campuses, in contrast to the St. George campus, have capacity for sustained undergraduate growth, provided appropriate capital investments are made. It called for new buildings to enable expansion and indeed, that is what has started to happen. New instructional centres, funded under the Knowledge Infrastructure Program, just completed at UTM and UTSC have provided much needed space. Some of these buildings are examples of the best technology-enabled classrooms in North America and they also offer outstanding student spaces and faculty offices that now provide a platform for growth at UTM and UTSC. With these and other recently completed and recently announced facilities, space on the east and west campuses has increased to approximately 85 percent of COU space standards for universities. More is needed, but we are moving in the right direction.

At the time of writing *Towards 2030*, UTSC was prepared to consider more undergraduate growth than UTM, but over the near term UTM has committed to grow more rapidly than UTSC. UTSC plans to narrow this gap following the construction of much needed buildings. The following chart illustrates the growth projections.



As we expand undergraduate enrolment, we will have to be vigilant about continuing to improve our entering grade-averages. For hardly anything makes more of a difference to our students' educational experience than the academic strength of their peers. We will also have to be vigilant about not just maintaining, but improving, the student-faculty ratio, ideally with continuing (tenure and teaching stream) appointments.

Space

Challenges with respect to space have occurred throughout this document in terms of increased need for residences as we increase up international enrolment, increased need for space as we increase enrolment at UTM and UTSC, etc. We have very serious space shortages on all three campuses and major deferred maintenance problems.

UTM and UTSC need more space, not just to keep pace with enrolment, but to build capacity in the sciences. They require dedicated science buildings, despite the significant provincial support for capital expansion over the last decade.

We also have significant shortfalls on St. George, especially in terms advanced technology space. We do not, for instance, have adequate space for the department of Cell and Systems Biology, for the Faculty of Engineering and Applied Science, and for the Faculty of Dentistry. The list goes on. Multi-platform buildings for APSE and A&S were part of the planning exercise undertaken for the provincial government in 2009 and we need to find ways of turning these plans into realities.

In 2011 a set of impressive campus master plans was taken through governance. They provide for expansion aligned with 85 % of the COU space standards in order to meet enrolment targets on all three campuses. The plans provide opportunities for growth on each campus that are flexible to align with changing priorities as they are developed and divisional funding opportunities as they are realized. Both the Scarborough and St. George plans allow for mixed use development in support of planned academic initiatives. Funding for major capital projects is a challenge and will have to come via a mix of fundraising and divisional sources.

Branching Out

There was considerable discussion on whether the University of Toronto wanted to expand into a branch campus in another country, as have many other universities. The answer to that question remains a cautious 'wait and see if there is a perfect opportunity', as it is not clear that the investment that other universities have made in these endeavours has paid off. Our budgetary situation is too tight to undertake expensive experiments in overseas campuses, unless they are distinctive and unusually promising.

Where we do see a clear need for international partnerships is in joint programming with peer institutions. The CUSP initiative described above is one example of an excellent international partnership. Another is a new, for credit, graduate student exchange between the Normative Orders program in Goethe University in Frankfurt and the University of Toronto's Department of Political Science, Department of Philosophy, Faculty of Law, and Munk School of Global Affairs. There has been a major shift in the way the University approaches its international role, since *Towards 2030* spoke to the need to internationalize. We have ramped up our relationships

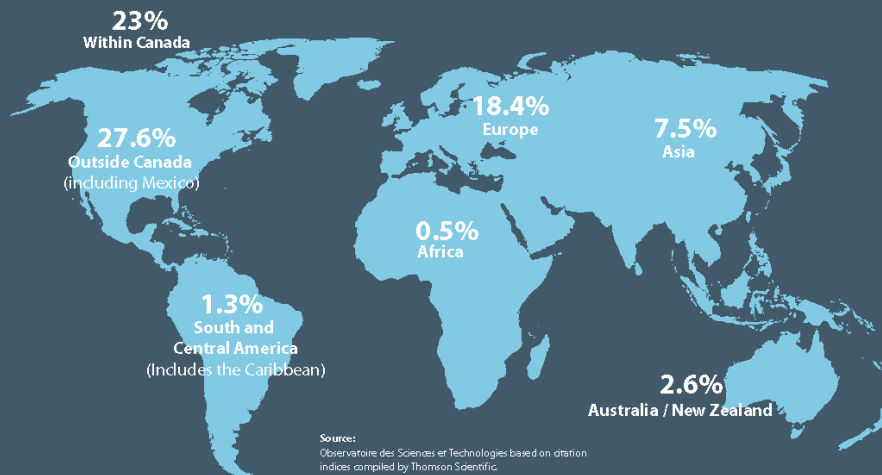
with universities in Asia, Brazil, and India, and have a new India Institute of Innovation in the Munk School of Global Affairs, which has been a positive catalyst in these endeavours. We are more global than ever before and that globalization has accelerated in the last few years. The following is an excellent snapshot of our global reach with respect to research:

Global Reach

43% of U of T research involves collaboration with researchers outside of Canada – a number that has increased steadily and has kept well ahead of other Canadian universities.

Global Reach of Research

Proportion of Research Paper Co-Authorship by Continent, University of Toronto and Partner Hospitals



Productivity

U of T researchers publish more than all but two other universities in the world.

Publication Score



We are committed to international experiences for our students, despite the financial barriers. Some of our new initiatives are as follows.

- The School of Graduate Studies has created a new Joint Educational Placement Agreement for Doctoral Students which allows students to earn their degree along with an international collaborative institution. Through this mechanism the university is utilizing an individual agreement model (co-tutelle) for establishing joint graduate placements.
- The number of University of Toronto students pursuing international opportunities has steadily increased over the last 5 years (66% from 2007-2008 to 2011-2012). In particular, the Centre for International Experience responded to the interest from science and engineering students to pursue international opportunities by enhancing innovative, discipline-specific placements. In addition to over 160 bi-lateral exchange agreements, CIE offers unique international mobility programming including summer research opportunities with partner universities, the joint minor program with the National University of Singapore, and structured exchange programs for engineering students.
- The Faculty of Arts and Science has a new International Course Module program which enables undergraduates to travel with their professor on a grant from the Faculty to countries such as Belize, Kosovo, Ethiopia, Bosnia, Chile and Turkey for intensive, first-hand experiences with the natural systems and social changes they are studying in their courses.
- The Faculty of Applied Science and Engineering's Structured Exchange Pathways allows students to easily make selections that best meet their U of T and engineering accreditation requirements while taking courses at universities abroad. A recently signed Memorandum of Understanding for Student Exchange with King Mongkut's University of Technology Thonburi allows students to conduct research in Thailand; two students from Engineering Science will work in Thailand this summer applying their knowledge to the earthquake impacted area. A number of students also choose to go abroad for their Professional Experience Year (PEY).

Academic Planning and Structural Change

Academic planning is always important, but it is especially important during perilous economic times.

Academic planning is an evolving process at the University of Toronto. The University has worked to align the academic planning process with the *Quality Assurance Framework for Ontario Universities*, a provincially mandated framework put in place in 2010. Under the *Framework*, universities are expected to use their *Cyclical Program Review Protocol* to monitor the academic standards of their existing undergraduate and graduate programs and to assure ongoing improvement. We have aligned this process with the divisional academic planning process so that divisional plans are informed by preceding reviews and provide the basis for subsequent reviews. The idea is to form a coherent whole between the review process and the

planning process. Each autumn, divisional leaders have an Academic Review meeting with the Provost's Office, with key participation from the offices of University Relations, Advancement, and Planning and Budget. The positive progress summarized throughout this document speaks to the reality that, partly due to the new budget model, we are now engaged in a much more continuous and dynamic process of academic planning.

In 2011, a large and representative *Provostial Advisory Group on Academic Planning* was established with the mandate to examine models of academic planning; identify best practices for planning at the divisional level; and advise on the development of University-wide guidelines for academic planning. This committee is providing advice to the Office of the Vice-President and Provost, which will develop guidelines for academic planning in the divisions. These guidelines will eventually be part of the Administrative Manual and may well evolve over time. They will allow for flexibility and variation across and within divisions in order to best develop and reflect local as well as institutional goals and resources.

As suggested by *Towards 2030*, the *Advisory Group* and the ensuing guidelines take into account factors such as 'broad societal needs, immediate student demand, teaching and scholarly capacity, relationship to other programs (e.g. unique, synergistic, or overlapping) within Toronto or within the University of Toronto system, and, not least, some qualitative judgment as to whether the program has serious prospects of competing with the best such programs in Canada after a reasonable number of years' (p. 19). *Towards 2030* called it 'essential to delineate such criteria, even informally, if we are to sustain and, by 2030, augment the lustre of degrees from the University of Toronto' and the *Advisory Group* will set those out. The principles of academic planning recommended by the *Advisory Group* will include an iterative and consultative process involving all members of the university community, grounded in principles of accountability, transparency and fiscal responsibility.

The next step in the evolution of our processes will be for Academic Board to review the broad strategic directions and principles of each faculty, as they engage in their planning processes with *Towards 2030* and *The View from 2012* in mind. These plans will come to the Academic Board for information and endorsement to add a layer of governance oversight to our divisional academic planning processes.

Towards 2030 made 'a critically important recommendation': the University must 'assess its programs, departments, and faculties on a regular basis to determine whether they are competing on an international level, whether other institutions in Ontario or the Toronto region are covering the same ground effectively, and whether these academic initiatives are essential to the core mission of the University. If they are not, and if they do not generate sufficient revenues to cover their costs, consideration should be given to discontinuing them.' Intellectual landscapes shift, and it is only to be expected that our academic units will sometimes shift as well.

When academic planning involves restructuring, it can be controversial and we have seen some controversy unfold over the last few years. We have also seen uncontentious structural change. For instance, OISE-UT in 2012 disestablished one department and re-structured their remaining departments in a laudable process. We heard very clearly from a wide group of faculty members

that, as we continue to work through our processes around academic planning, we will need to ensure that restructuring, where justified, is made possible in genuinely consultative ways.

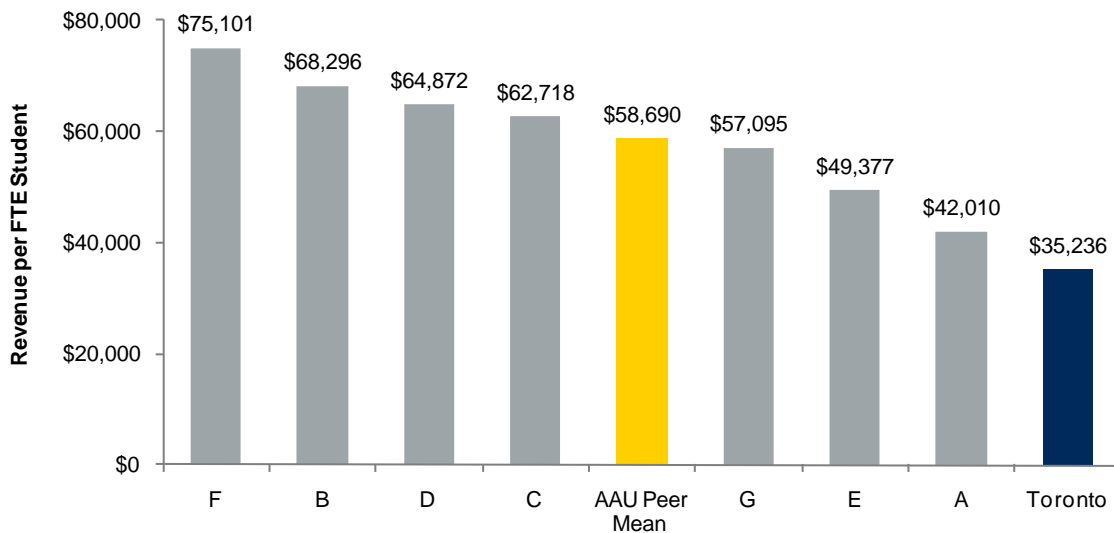
Resources and Funding

Towards 2030 used the word ‘sobering’ with respect to the state of funding faced by the University of Toronto. We are even more sober today.

The following chart is an indicator of our relative financial position. It is not a happy story.

Total Revenue per FTE Student University of Toronto vs. AAU Public Peers (US Funds), Fiscal Year 2009-10

The bars below depict U of T’s total revenue per FTE student in U.S. dollars relative to seven of our ten AAU peers and the AAU mean.



Source: AAUDE

Note: All Revenues exclude Hospital/Medical Centre Revenues. Data for Texas at Austin, Minnesota Twin Cities & U of Washington were not available.

AAU Peer Mean excludes UofT.

Toronto converted to US funds using 0.9941 April 30/10.

Not only is our funding per student far below the Canadian average and that of our AAU peers, but the University of Toronto faces a perverse and debilitating disadvantage with respect to our international comparators. Our enormous success as a research powerhouse, combined with the fact that in Canada, federal contributions to the costs of research are amongst the lowest in the world, results in a budgetary nightmare. The funds received from the federal granting councils must be used exclusively to cover the direct costs of research, such as personnel and supplies. The less direct but equally necessary expenses incurred as a result of research activity are very significant and are borne by the universities’ operating budgets. The federal indirect costs program provides support at a rate of 17%, whereas the true indirect cost is estimated at 50%. Our peers in the US, the UK (and in Europe for EU-funded research) receive between 40-60%.

Our shortfall requires the University to contribute over \$30M of operating funds every year to close this gap and it results in an inability to replace essential equipment, refurbish outdated labs, and in some quarters provide the research environment necessary to recruit and retain the best researchers. Some of our finest researchers correctly describe this as a crisis.

Towards 2030 gestured at ‘rapid changes in the landscape of higher education and advanced research, locally, provincially, nationally, and globally’. Recent history has rendered this an understatement. The global market crisis of 2008 has resulted in a series of alarming and dramatic changes for the funding of higher education. In the U.S., state appropriations for publicly funded higher education have plummeted, with corresponding tuition fee increases and cuts to programming. In England, the government’s contribution to teaching in universities has been slashed by 80% and most domestic tuition is rising to £9000 pounds per year (approx. \$14,200 Canadian). But our funding levels are far below our peers in the US and in England, partly because they have moved tuitions up aggressively for international (and out of state) students, and get all institutional costs of research covered.

The current Government of the Province of Ontario, which is our primary public funder, has seen the value of higher education as a private good for those who receive it and as a public good for the economic health of the province and the country. They have supported access to university through funding additional spaces and student aid. We thus have not had to bear the devastating cuts seen by some jurisdictions south of the border and across the Atlantic. But the story is still very much unfolding and it would be foolish to rest easy in our assumptions.

The Task Force on Resources outlined four possible scenarios and their implications for the University of Toronto. The scenario that has thus far become our reality is the ‘Status Quo Scenario’, with an unhappy twist. That scenario presumed that per-student grants do not increase, that tuition fees remain regulated under the current regime, salary and benefits costs increase at 2.5% above inflation, and the endowment grows at a rate 2% above the inflation rate. Under these conditions, by 2030 the *Task Force* projected a one-third reduction in staff, with student-faculty ratios rising to 48 on the St George campus and 61 and 58 at UTM and UTSC respectively. The unhappy twist is that as a result of the economic downturn, the endowment not grow as this scenario envisioned.

The *Task Force* made a number of recommendations. It urged that we continue to advocate for responsible self-regulation of tuition, with a continuing focus on access across the socio-economic spectrum. We will also continue to advocate (and here we make common cause with our student leaders) that the government increase its per-student funding so that we can contain the growth in tuition fees. However, if the government is not going to do that, it needs to give us flexibility in tuition fees and focus their resources on student aid.

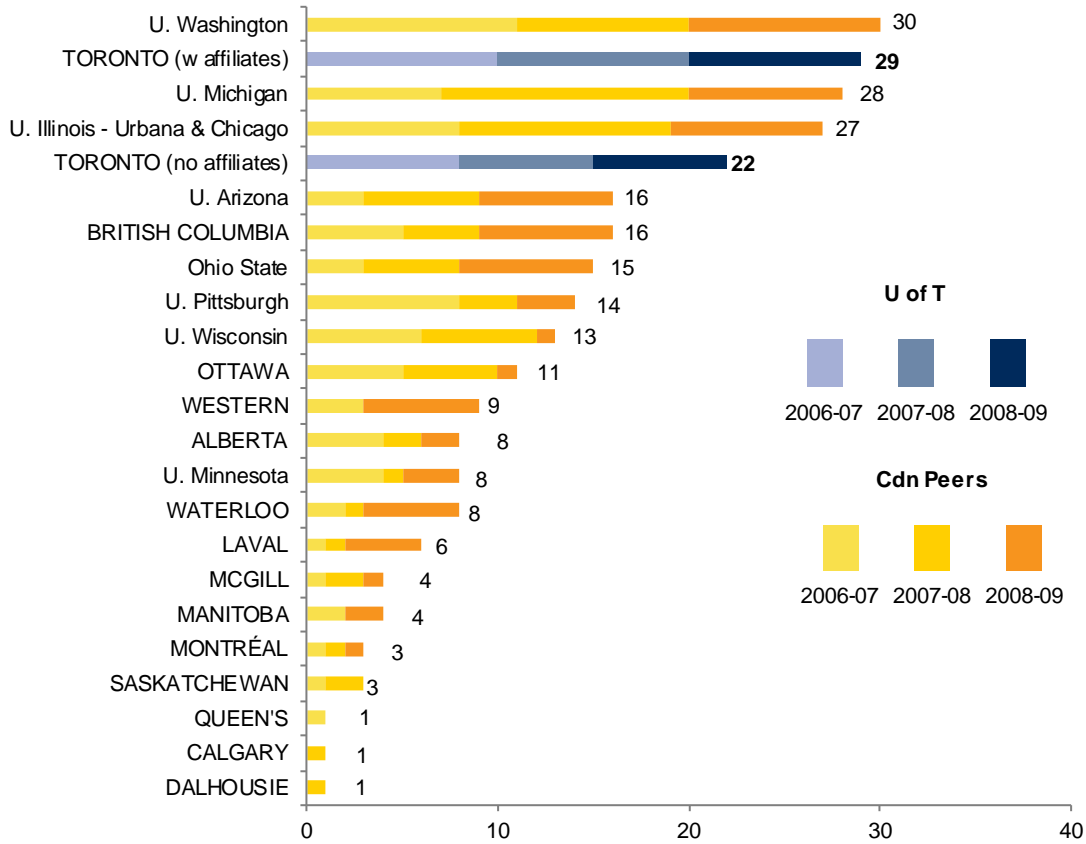
The *Task Force* also recommended that more programs consider a program fee structure rather than a per-course fee structure. The Faculty of Arts and Science followed this recommendation and implemented a program fee in 2010. Despite opposition from some student groups, this way of collecting tuition is bearing fruit in terms of increased levels of support for vital activities and better student-to-faculty ratios. The Faculty’s report on the implementation of the program fee shows that fulltime students are taking advantage of the opportunity to take 5.5 or 6 courses at no

additional cost and with no evidence of adverse impact on extra-curricular activities. Students now have increased flexibility around course selection and the opportunity to finish their degrees more quickly. Additional revenues raised from the introduction of the program fee have made it possible for the Faculty to re-invest in the areas important to students: hiring more tenure and teaching stream faculty; enhancing access to courses; and expanding opportunities to engage in supervised research and undertake international experiences. At the same time, the Faculty has been able to increase substantially its financial aid to students.

The *Task Force* also considered how partnerships with external private and public enterprises could be helpful in financing the University's operations. It recommended more creative use of real estate holdings to generate revenues for academic purposes. In the intervening years, we have explored some possibilities and we have acted on a select few. For instance, in partnership with IBM, as part of their [Smarter Planet](#) initiative, we have led the development of a \$27M research consortium with six other Ontario universities to use next generation computing to tackle critical issues facing our society. Another example is the Aquatics Centre and Fieldhouse for the PanAm Games to be constructed at UTSC. This is a partnership between all three levels of government as well as with the high performance sports community. It will see one of Canada's premier sports complexes built on campus, while costing the University only 22 cents on the dollar. In addition, the partnership allows the University of Toronto to address longstanding issues related to the remediation of a landfill site which would have been difficult to resolve in the absence of multi-government interest in this project.

It also recommended that we place more attention on industry-sponsored research and commercialization, properly safeguarded, to increase revenues. We have made substantial progress. Compared to 2009, the number of disclosures increased 32% and the number of new spin-off companies more than tripled from 7 to 25 in 2011. We have also seen huge growth of student entrepreneurship programming on the campuses and at MaRS, through programs such as [MITACS](#), the Institute for Optical Science's [Techno](#) course, and [Entrepreneurship 101](#). Although still in its infancy, [MaRS Innovation](#) (MI) is already proving to be an effective commercialization engine for the wealth of intellectual property being generated by researchers at the University of Toronto, our partner institutions (i.e. our nine fully-affiliated research hospitals), and our sister institutions within the Toronto area. Six of the eight assets currently under development by MI have a U of T component, with our faculty being either sole-inventors or co-inventors with collaborators from our affiliated research hospitals. In addition, our commercialization experts in IPO continue to work closely with their colleagues from MI to find financial backing for the many important and innovative inventions developed by U of T faculty each year.

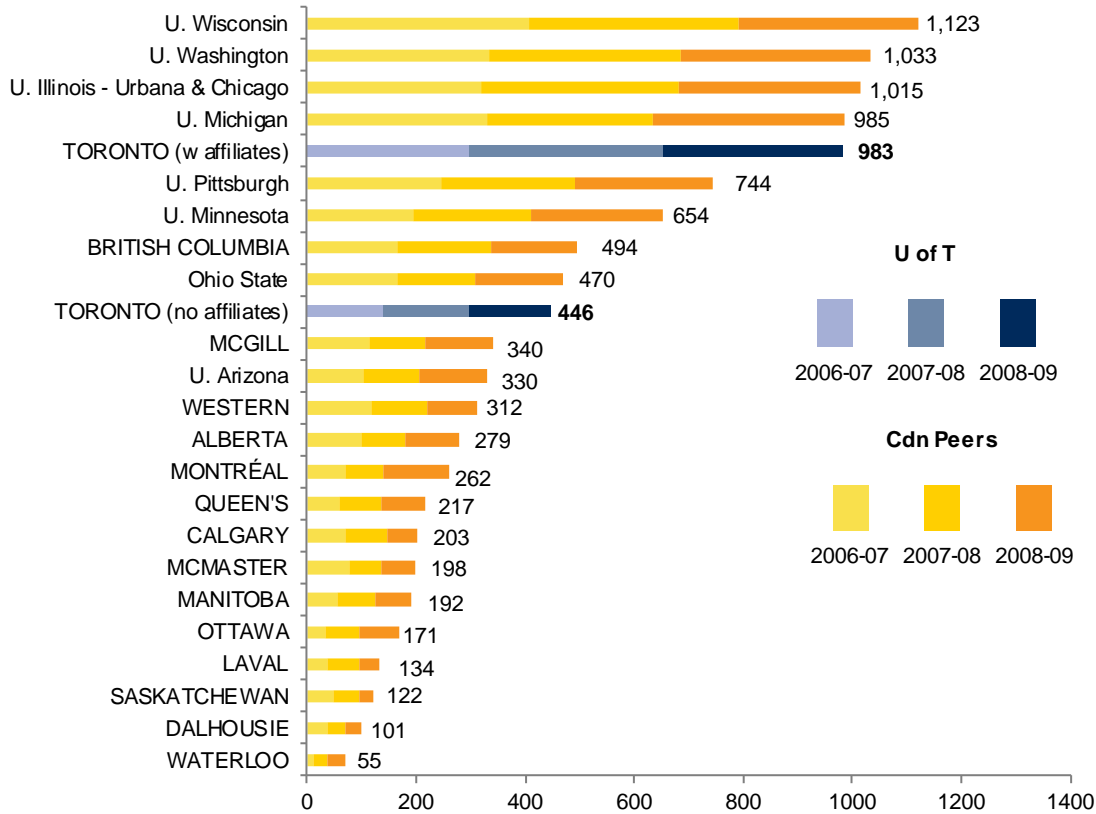
New Spin-off Companies Canadian and US Peers, 2006-07 to 2008-09



Data Source: Published AUTM Survey FY 2007, 2008, and AUTM STATT 3.0 FY2009. MaRS Innovation 2011 Summary Report on 'AUTM Compatible' Indicators FY2009.

Note: Canadian peer institutions are shown in capital letters. Where available, University of Toronto (w affiliates) includes affiliate hospitals: Bloorview Kids Rehab, Centre for Addiction and Mental Health, Hospital for Sick Children, Sunnybrook Health Sciences Centre, and University Health Network. British Columbia, Dalhousie, McGill, McMaster, Montreal, Ottawa, Waterloo and Western include affiliate institutions. Washington includes Washington Research Foundation in all years. Wisconsin reported as W.A.R.F./Univ. of Wisconsin Madison. Data for University of California at Berkeley only available as part of University of California system (not shown). Data for University of Texas at Austin only available as part of University of Texas System (not shown). Data for University of Illinois-Urbana Champaign, University of Michigan - Ann Arbor, and University of Minnesota-Twin Cities are only available at system level. System level data for these three peers are shown.

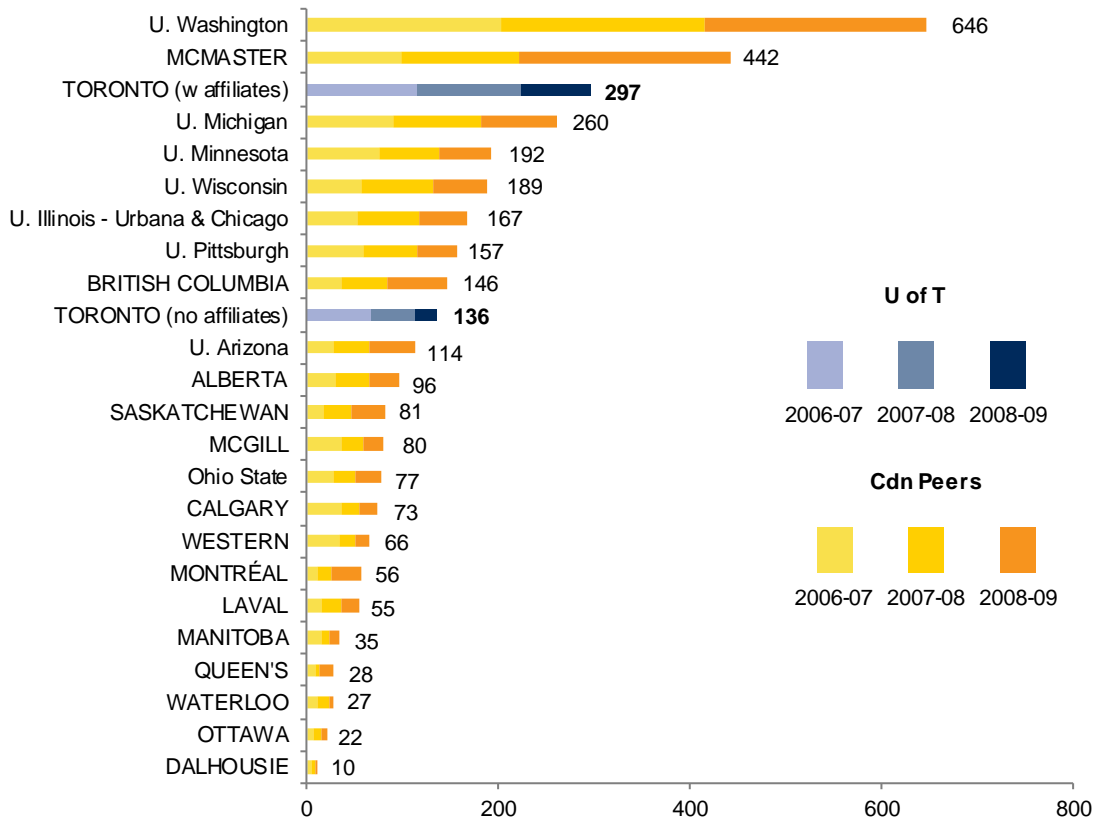
New Invention Disclosures Canadian and US Peers, 2006-07 to 2008-09



Data Source: Published AUTM Survey FY 2007, 2008, and AUTM STATT 3.0 FY2009. MaRS Innovation 2011 Summary Report on 'AUTM Compatible' Indicators FY2009.

Note: Canadian peer institutions are shown in capital letters. Where available, University of Toronto (w affiliates) includes affiliate hospitals: Bloorview Kids Rehab, Centre for Addiction and Mental Health, Hospital for Sick Children, Sunnybrook Health Sciences Centre, and University Health Network. British Columbia, Dalhousie, McGill, McMaster, Montreal, Ottawa, Waterloo and Western include affiliate institutions. Washington includes Washington Research Foundation in all years. Wisconsin reported as W.A.R.F./Univ. of Wisconsin Madison. Data for University of California at Berkeley only available as part of University of California system (not shown). Data for University of Texas at Austin only available as part of University of Texas System (not shown). Data for University of Illinois-Urbana Champaign, University of Michigan - Ann Arbor, and University of Minnesota-Twin Cities are only available at system level. System level data for these three peers are shown.

New Licenses Canadian and US Peers, 2006-07 to 2008-09



Data Source: Published AUTM Survey FY 2007, 2008, and AUTM STATT 3.0 FY2009. MaRS Innovation 2011 Summary Report on 'AUTM Compatible' Indicators FY2009.

Note: Canadian peer institutions are shown in capital letters. Where available, University of Toronto (w affiliates) includes affiliate hospitals: Bloorview Kids Rehab, Centre for Addiction and Mental Health, Hospital for Sick Children, Sunnybrook Health Sciences Centre, and University Health Network. British Columbia, Dalhousie, McGill, McMaster, Montreal, Ottawa, Waterloo and Western include affiliate institutions. Washington includes Washington Research Foundation in all years. Wisconsin reported as W.A.R.F./Univ. of Wisconsin Madison. Data for University of California at Berkeley only available as part of University of California system (not shown). Data for University of Texas at Austin only available as part of University of Texas System (not shown). Data for University of Illinois-Urbana Champaign, University of Michigan - Ann Arbor, and University of Minnesota-Twin Cities are only available at system level. System level data for these three peers are shown.

Finally, the *Task Force* highlighted the fact that our per-student endowment is small compared to those of our US peers and recommended both a major push to expand our endowment, and a change in our fund-raising campaign strategy to include more annual gifts and expendable donations. As we move into our \$2 billion *Boundless* campaign, in a better economic climate, we very much intend to make good on that recommendation. Our divisions have set their academic and advancement priorities and we have rolled those local ambitions into a Campaign Framework. We are excited about the possibility of funding some of the items and activities that will make the University an even better place for research and the education of the next generation. The Campaign gives us a chance to restart our fund-raising in a serious way now that economic conditions look better. We have a brilliant and supportive Campaign Cabinet in place and we have raised \$1B on President Naylor's watch thus far.

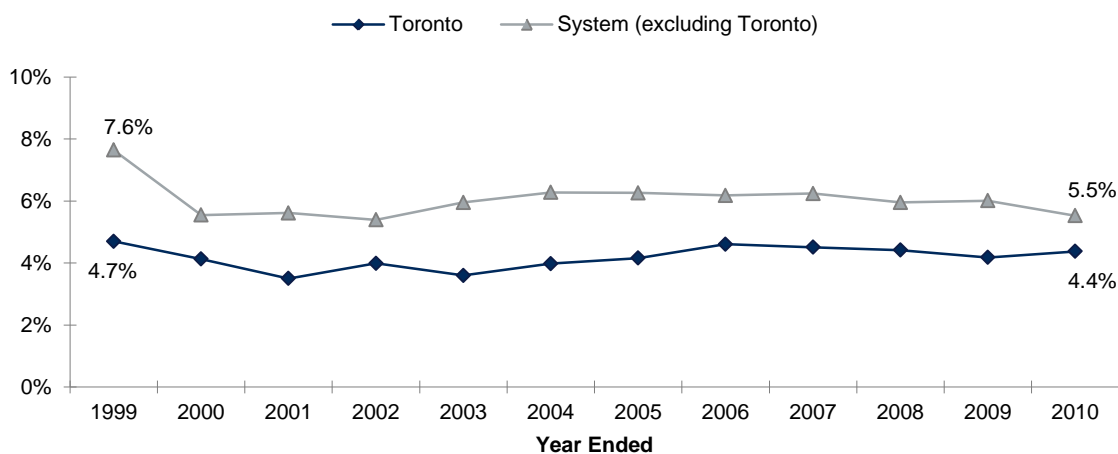
The launch of the Campaign in November 2011 will help to accelerate gift decisions within our community of friends and alumni, stimulate involvement of volunteers across the campuses, and with its Boundless theme, provide an engaging context for communications and discourse on the University's global role and impact.

The priorities of the Campaign have arisen directly from each division's academic plans. A number of common elements, reflecting the priorities of *Towards 2030*, emerge in three broad areas:

- Improvements to student life, learning, experience, including funding for additional and expanded first year programs and smaller learning communities; student aid and access funding; graduate scholarships and fellowships, including those for international students; supports for student success; connecting our students at all levels to our research mandate; faculty, alumni and student mentoring programs that support the development of critical thinking and research skills, as well as professional and entrepreneurial skills; and a host of international experiences and learning opportunities that further develop our students' global exposure and fluency.
- Faculty and institutional needs that reinforce our position among the world's leading research-intensive universities, including an emphasis on supporting the recruitment of the next generation of faculty (a "rising stars" fund); endowments to support new faculty appointments, such as chairs, directorships, and deanships; new interdisciplinary/collaborative initiatives that build on disciplinary strengths of multiple divisions to address important issues; and supports for incubation of new ideas.

The *Task Force* also called on the University to ensure that its operations are optimally efficient. The graph below highlights our relatively low central administrative costs, as a % of total expenditures, in comparison to other Ontario universities - universities that are already lean, given Ontario's low per-student funding.

Central Administrative Costs as a Percentage of Total Operating Expenditures 1998-99 to 2009-10



Source: COU Financial Report of Ontario Universities, 1998-99, 1999-00, 2000-01, 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08, 2008-09 & 2009-10 Volume I, Table 6 - Expense Operating (excl internal and external cost recoveries).

Administration and General Expenses include: administration; planning and information costs and activities associated with the offices of the president and vice-presidents (excludes administration which is included in Academic Support and External Relations); internal audit; investment management; space planning; Governing Council Secretariat; finance and accounting (including research accounting); human resources; central purchasing, receiving and stores; institutional research; general university memberships; the administration of the occupational health and safety program, including the disposal of hazardous wastes; professional fees (legal and audit); convocations and ceremonies; insurance (except fire, boiler and pressure vessel, property and liability insurance which are reported under the physical plant function); activities in the registrar's office not included in Academic Support.

The overarching message from the *Task Force on University Resources* was that the University's current standing can be sustained or enhanced only with the optimization of multiple revenue streams, along with the continuation of advocacy for the provincial government to bring the grants per-student to levels equal with the average of the other nine Canadian provinces. Our advocacy on this point has thus far been unsuccessful, for reasons not of our making. At present, the provincial government is in a very serious deficit and is unlikely, in the short term, to improve its per-student funding. We will have to take matters into our own hands, improving revenues and reducing expenses where we can. Ensuring adequate resources to meet and sustain our commitment to excellence remains our greatest challenge.

Thriving Under the New Budget Model

The *Towards 2030 Task Force on Resources* of course could not peer into the future and anticipate all the novel or enhanced sources of revenue that would come the University's way. The new budget model has given us clarity, transparency, and the wherewithal to capitalize on opportunities. Academic divisions have used that clarity and transparency to be smart and creative about increasing revenues in unanticipated ways. As a recent external reviewer of one of our faculties put it: 'the institutional budget model rewards entrepreneurial Faculties that agree to strategically improve and grow.' We punch above our weight, given our woeful funding, in large part because of this fact.

In 2006-07, the University converted to a budget model that was designed to better allocate resources to divisions in support of academic priorities. This budget model relies on the transparent delineation of revenues and expenses and it places decision-making authority in the hands of divisional leaders closest to the activities of teaching and research. The idea is that clarity and understanding are necessary before problems can be comprehended and solved. The model made allowance for both past academic decisions. That is, it protected earlier allocations. It also made allowances for the differential revenue-generating and expense-containment capacity of faculties. That is, per-student grant allocations from the Province (BIUs) are not always rational, disciplines may be transformed by technology in unexpected ways that increase or decrease costs, and so on.

The establishment of a University Fund (10% of new revenues) provides a means of redistribution. While the first few years of the new budget model saw UF allocations driven by the need to redress some historical inequities, allocations are now being made in a more strategic fashion. For instance, in 2010-11, those divisions that had vastly increased their tri-council funding received a UF allocation, to help with the costs of research. In 2011-12, the faculty-student ratio is being addressed. There is a selective allocation to divisions with high and strong demand on their graduate programs, but low faculty numbers, so that they can fund positions that will enable them to expand, as well as 44 new entry-level faculty positions to those divisions that are net contributors into the UF and that have less than ideal student-faculty ratios.

Explicit in the principles of the budget model is the engagement of all academic leaders; clear incentives for increasing revenues and managing expenses and for operating the budget with a minimum of administrative overhead; and encouragement of interdivisional activity and cooperation. This budget model has enabled the University to manage the financial impact of impinging external circumstances, while continuing to grow stronger in both teaching and research. From the viewpoint of 2012, we can see that our new budget model is working better than our old budget model in managing our fiscal challenges.

Some examples of how divisions are working with the budget model to increase revenues and decrease expenses are as follows. It is remarkable how mechanisms that improve the operating budget of a division often have accompanying benefits to our students and to our research mission.

1. We have seen an expansion in summer enrolment, resulting in better utilization of both physical and human resources. UTSC, for instance, will double revenue from their summer program, over ten years by increasing summer enrolment by only a third. This also has a positive spill-over for our students, who value the flexibility that a robust summer offering allows them.
2. Many divisions have been working hard to recruit more international undergraduate students and this, along with the academic value of contributing to a geographically diverse and excellent student body, has impacts on revenues. For example, the Faculty of Arts and Science will derive about half its tuition revenue from international students in 2015 – 49.2%, with the international student body projected to be 17.9% of total

enrolment. Further internationalization will require enhanced student support systems and recent strategic investments have been initiated by the University.

3. Divisions pay close attention to retention rates. While improving retention clearly signals success in improving student experience and fulfilling students' ambitions, it also enhances divisional budgets. In raising the Applied Science and Engineering rate of those who successfully proceed from first year to second year from 83% to 92%, the division saw an immediate increase in revenues (\$4M), which will compound year over year.
4. The attribution of space costs (annually ~\$20/sq ft) to divisions has had a dramatic impact on how building space is allocated, planned, and built. Some divisions have freed up space for re-allocation while others have pursued specific projects to lower energy costs and enhance sustainability. The Faculty of Medicine, for example has, over the past five years, carefully optimized the overall space required, saving approximately \$1M per year in space costs, which it can now direct towards teaching and research.

The budget model also supports improved efficiency and service from University-wide support divisions. There has always been some creative tension in where the pendulum swings between a given service, offered by 'the Centre' or replicated division by division. The budget model rationalizes the decision-making. If 'the Centre' can offer the service better and cheaper, then divisions will shed or avoid that responsibility. Alternatively, if divisions are forced to fund redundant systems then tension will be focused on 'the Centre' to improve or get out of the way. The budget model is helping to find the right balance for each service and this phenomenon is playing out in a multitude of areas. An illustration of this potential for better service at significantly less cost is university email. Currently, there are over 160 separate University-based email systems, of variable quality and performance, operating at considerable expense. Following extensive consultation and risk analysis, the University has recently signed an agreement with an external cloud provider (Microsoft) to outsource student email. The student email service, at no charge to the University, will be substantially better than what the University has or will ever be able to offer students directly; the service is also far superior to any other email system currently used by faculty and staff. If delivery of this new service to students is successful, it is expected that divisions (and units within them) will be less inclined to fund redundant systems, especially when faculty and staff demand an email service as 'good as our students have'.

Over the past year a committee was formed, with representation from divisions across all three campuses, to formally review the strengths and weaknesses of the budget model, its adherence to the principles outlined by the original *Budget Review Task Force*, the incentives and disincentives that have emerged, and the effectiveness of the model as a tool for informed resource allocation. It was found that the budget model has enabled the University to manage its resources with greater resilience and creativity through the recent challenging fiscal circumstances.

The committee did note some challenges within the new budget environment, which will be addressed over the next few years. These include ensuring

- that, despite the heightened attention to revenues and costs, university leaders remain vigilant in ensuring that academic planning remains the primary factor driving decisions;
- that, with increased decision-making responsibility transferred to divisions, risk management remains appropriately and fully managed;
- that staff are provided with suitable tools and training to enable them to lever the budget model to its full potential.

Governance

Governance, of course, is the business of governors, not the administration. *Towards 2030* assumed that the task force on governance was a creature of governance, connected to, but somewhat parallel to, the primary process of administration-related task forces. That said, enhancing governance and its ability to give voice to different constituencies in our community is a matter of extreme importance and must be a topic of discussion for us all.

The *Towards 2030 Task Force on Governance* has a two-phase mandate. It is to ‘...define gaps or deficiencies, as well as strengths, in our current system relative to enhancing our existing governance practices and taking into account the University's future directions, and to recommend possible steps that could close those gaps, build on current strengths, and specify how that can be accomplished’. Its mandate is to make the voices in governance more effective and meaningful.

In February 2008 the Governing Council approved the *Phase 1 Report of the Task Force on Governance*. The *Report* concluded that there was nothing compelling to point us to change from our unicameral system; if necessary, the *University of Toronto Act* would be revisited; representation of the five key estates would be preserved; and the University's governance must address the complexity of decision-making and improve governance oversight of all three campuses. In addition, there was agreement that much of governance could be strengthened without amendments to current legislation: with changes to by-laws and Board and Committee terms of reference; through changes to procedure; and through changes to the manner in which items are prepared and presented by the Administration.

In Phase 2 the *Task Force* focused on the impact and effectiveness of the University's governance in strategic matters; the issues that comprise governance agendas; overlap and duplication among governance bodies; levels of delegation within governance and administration; and appropriate governance structures and delegations of authority in a tri-campus system. The *Phase 2 Report* made recommendations for building on established strengths within the unicameral system and for addressing particular concerns. Many of the recommendations were identified for immediate implementation while others that require further consideration would be implemented at a later date.

On October 28, 2010 the Governing Council approved the establishment of an *Implementation Committee* to oversee and coordinate the implementation of the 32 recommendations contained in the *Task Force's* report. The goal was that most recommendations would be completed or substantially underway by June 2012.

We have had a call from our Faculty Association to include it in more decision-making, especially about academic policy and process. Our faculty members themselves, of course, are already heavily involved in decision-making, as departmental autonomy is something prized at the University of Toronto. Significant responsibility and authority rests in departments with their discipline-sensitive deliberative structures. Thus, a balance must be struck between individual-level participation and departmental autonomy, and matters determined with the Faculty Association as a collective. A similar balance is required between those items that belong at the bargaining table, and those that are in the domain of governance - and this last point raises in turn questions of how best to ensure strong faculty representation in governance processes. The Administration is happy to work with the Faculty Association to improve some matters that we all agree need improving, such as the setting of the tenure clock, and to continue to work at strengthening faculty participation in decision-making.

Conclusion

Towards 2030 noted that the University of Toronto occupies a special place amongst Canadian institutions of higher education. The prologue to the University's *Statement of Institutional Purpose* asserts:

The University is Canada's most important research institution and has gained an international reputation for its research... The University's insistence on the importance of research in all disciplines has made it the major centre for graduate education in Canada. In many fields it produces a majority of the nation's doctoral candidates.

The mission statement goes on to say that 'The University of Toronto is committed to being an internationally significant research university, with undergraduate, graduate and professional programs of excellent quality'.

The preceding pages make clear the University of Toronto's commitment to our research-intensive orientation as the most distinctive aspect of our culture. As the University charts its path toward 2030, it must not retreat from its defining characteristic: the outstanding scholarship and research of its faculty and students.

The preceding pages also make clear that this focus on research-intensiveness does not in the slightest detract from the University of Toronto's commitment to undergraduate students. Indeed, it enriches and enlivens learning opportunities for students at every level. As the *Undergraduate Course Development Fund* and other initiatives outlined in this document show, when we build on the strengths of our graduate and professional programs and sustain the University's research performance, we ensure that undergraduates receive tangible benefits from working directly with those who are shaping the state of knowledge across a vast range of disciplines.

Our research-intensive orientation also prepares us to meet the rapidly increasing demand for high quality and innovative graduate programs. Fuelled in part by Province of Ontario expansion funding, the strides we have made in the past decade have helped build on and reinforce our

disciplinary excellence, while providing new opportunities for professional masters programs that address the need for a highly educated citizenry and work force in Ontario, Canada and the world. The international reputation of the University of Toronto acts a magnet for talent and an engine for fundamental and applied discovery.

Recognition of this fact has prompted our participation in a national debate about differentiation. *Towards 2030* asserted that the small number of Canadian universities who enjoy global reputations for their research in a wide range of disciplines are fundamentally important to our national welfare. It is vital that our governments understand and appreciate the special place of such universities and, importantly, put in place the levels of funding that are required to maintain them.

As we assess our progress with respect to *Towards 2030*, we draw confidence and encouragement from the substantial gains we have made. Against the economic odds, the University of Toronto has not only remained steadfast on the path set for it by *Towards 2030*, but in many ways has exceeded the particular expectations articulated there. It is a striking testament to the outstanding ability and commitment of our faculty, staff, students, alumni, and benefactors that we are able to report that we are meeting the enormous challenges we face and that we are very much on the trajectory set out for us by *Towards 2030*.

There is, of course, much still to do and anyone who would rest comfortably during these difficult times would be imprudent, to say the least. But as we progress along our path, we need to remind ourselves of our accomplishments and record of success in both teaching and research. Those accomplishments were recently illustrated again with the release of the 2012 *World Reputation Ranking* from *Times Higher Education*. In a survey of 17,554 published scholars from 137 countries, conducted for the British publication by Ipsos Research, the University of Toronto ranked first in Canada and 16th in the world. Clearly, our colleagues in all parts of the world recognize the importance of our work. We must recognize and celebrate it ourselves.

5. Report of the Senior Assessor

Professor Misak informed the Committee that the administration wanted to explore what progress had been made in the directions set in *Towards 2030* initiative and it wanted to identify the new and ongoing challenges and opportunities that faced the University. Over the next six months, the University would engage governance bodies and the University community in providing an update to *Towards 2030*.

Professor Misak's PowerPoint presentation entitled "*Towards 2030 – The View from 2012*" is appended to these minutes.

Discussion

(i) *Members' Comments and Questions*

In the course of the discussion, members raised the following points.

- The challenge of per student funding received by the University from the provincial government needed to be clearly placed within the context of student experience.
- Along with the economic pressures, the end of mandatory retirement had placed an additional challenge to academic divisions that sought to renew their teaching ranks. It was hoped that early retirement packages offered by the University would mitigate some of these challenges.
- A member asked for the rationale that had led to include the balance between discovery-based and applied research, as a challenge faced by the University.
- Finally, a member commented that the major political parties had made little comment on matters related to post secondary education in the ongoing provincial election campaign. Was there a sense of the importance of this issue within political parties?

(ii) *Administrative Response*

Professor Misak's responses included the following:

- With respect to the per-student funding, Professor Misak said that this was indeed a problem. The provincial government's nearly 17-year freeze on the basic income unit (BIU) weights assigned to each program (through which universities are funded) did have an impact on student experience. The University would continue to lobby the provincial government on the need to increase per-student funding
- Professor Misak said that faculty renewal was indeed important. Citing a recently released study¹, she said that though there was a steady student-driven demand for on-line courses, students continued to stress on the importance of face to face contact with professors, irrespective of class size. As an unintended consequence of the economic downturn, the University had been able to recruit teaching instructors of the highest quality.
- The inclusion of the question related to challenge on the balance between discovery-based and applied-based research had emerged from discussions within the University community. In the Provost's opinion this issue had been identified as a challenge as a result of pressure from granting agencies towards applied research, while others had posed the question because they had wanted more applied research conducted at the University.
- The University would encourage all members of its community to become familiar with the platforms of each political party and then exercise their franchise.

¹ Kaznowska, E., Rogers, J., and Usher, A. (2011). *The State of E-Learning in Canadian Universities, 2011: If Students Are Digital Natives, Why Don't They Like E-Learning?* Toronto: Higher Education Strategy Associates
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