



President Rhonda Lenton's Remarks to Senate
September 28th, 2023

Good afternoon. Bonjour. Boozhoo.

First of all, I would like to welcome senators back to campus for the start of the Fall term and our first in-person Senate of the term. A warm welcome to you all. As always, September is an exciting time of year, not just for our new and returning students, but also for our faculty members, course instructors and staff. I hope you have all had a positive start.

As is typical for the first Senate meeting of an academic year, I want to focus on priorities in the context of our progress last year and the evolving PSE context.

Before doing so however, let me start by saying that I am sorry not to be joining you in-person. You may recall that we had a unique opportunity for a delegation involving several faculties to promote York throughout India and the conflict with Senate could not be avoided.

We managed to visit six major cities in India in about the same number of days – Delhi, Chennai, Kolkata, Hyderabad, Bangalore and Mumbai.

Travelling with one of our strategic partners, O.P. Jindal Global University (JGU), we met with high priority university partners, presented to students; attended HE Conclaves with influencers in higher education (from high school counsellors to government officials, CEOs and others); held meetings with media to talk about York and the importance of global partnerships, and why India is a priority for us. We also held several alumni events and individual meetings about funding opportunities and signed a new MOU with Jindal.

This was a rare opportunity to raise our profile in India and I think it was helpful for us to be on the ground given the diplomatic tensions that arose. I am now in Australia, participating in the Times Higher Education World Academic Summit on the role of higher education in promoting EDI,



collaboration in research and pedagogical innovation, and meeting with strategic university partners, signing several MOUs and meeting with alumni.

This international engagement is central to the realization of our University Academic Plan (UAP), and the Global Engagement and Internationalization (GEI) Strategy, enhancing York's international profile, expanding our reach, while also establishing critical linkages with partners regarding academic programs, student and faculty exchanges and experiential partnerships and research connections. It also dovetails with York's enrolment objectives to attract highly qualified students from priority countries such as India. I will have more to say about the UAP in a moment but first I want to share with you a few updates about the AGO Audit and Convocation.

Auditor General's Report

Between mid-August and now, we received three documents as part of the fact-checking process. These documents primarily pertained to background information on university operations, student enrolment, and various policies.

During our review, our team carefully reviewed the facts as presented, as well as the underlying assumptions and/or interpretation of those facts, which necessitated further meetings with the AGO team, and subsequent clarifications including, for example, how programs and disciplines were categorized for the purposes of enrolment groupings leading to erroneous conclusions about low-enrolment programs.

We are expecting to receive the draft report from the AG's office by late October where they will share with us their recommendations affording us an opportunity to respond. It is expected that the AG will table their report to the Ontario Legislature in late November or early December.

Convocation

Before turning to priorities, I would like to highlight for Senate that it is that time of year again for Convocation. Our staff and faculty at York have been busy preparing for thousands of students who



will cross the stage at the Fall Convocation. This year, Convocation will take place over six ceremonies at Glendon and Keele campuses beginning October 11.

While I appreciate that everyone has much on their hands, we have been hearing with increasing frequency from our graduands about the significance they place on seeing their instructors on stage with them as they graduate. It makes all the difference and I very much hope that as many of you as possible might attend one convocation.

I am pleased to share the list of Honorary Doctorate recipients who will have their degrees conferred at the October 2023 Convocation ceremonies:

- **Mr. Wes Hall** is an award-winning philanthropist, teacher, author, entrepreneur, and advocate for social justice. He is the chairman and founder of WeShall Investments, a private equity firm that supports BIPOC entrepreneurs and is well known for sharing his business insights on the hit CBC series *Dragons' Den*.
- **Ms. Itah Sadu** is an award-winning storyteller, author and managing director of Blackhurst Cultural Centre. She is the co-owner of A Different Booklist, which specializes in African and Caribbean literature.
- **Madame Justice Andromache Karakatsanis** was appointed to the Supreme Court of Canada in 2011. She is a distinguished jurist and public servant and longstanding advocate of human rights, justice, respect and accountability. She is a York alum and received her LLB from Osgoode in 1980.
- **Mr. Nnimmo Bassey** is an architect, poet and environmental activist. He is the director of the ecological think tank, Health of Mother Earth Foundation in Nigeria.

I look forward to congratulating each of our honorary doctorate recipients in October.



The UAP Looking Ahead to 2023-2024

- Some of you may recall that at each September Senate, I provide an overview of the key objectives and actions that are of strategic importance for the University in the upcoming academic year if we are to continue to advance the vision and priorities of the UAP, considering the progress report that I give in the previous June Senate. The annual progress report also gets posted in the fall of each year.

Our vision which will be familiar to you by now is to provide a broad demographic of students with access to a high-quality education at a research-intensive university committed to the well-being of the communities we serve.

The identification of the key objectives and actions derive from iterative discussions with the divisions and faculties through the University Executive Committee, and shaped by the broader community consultations, and the evolving external and internal context.

Each Division and Faculty articulates how they will operationalize those strategic objectives and actions as well as specific local level goals in what we refer to as the Integrated Resource Plans. Those Plans, rolled up, continue to ensure that we are realizing our vision and the priorities of the UAP. This planning framework has been particularly important in helping us leverage emerging opportunities while addressing shorter-term challenges. [It is important to acknowledge that even post-pandemic, the planning context remains relatively volatile, complex, uncertain and ambiguous -- referred to a VUCA environment].

I am happy to report that York has moved into the 300s category on the Times Higher Education World University Ranking after being somewhat stuck in the 400s for a number of years. We also moved up over 100 spots in the Quacquarelli Symonds (QS) ranking and are ranked 40th in the world on the THE Impact Ranking. Rankings, of course, have their limitations but they are a reflection – like it or not – of our global reputation and a major source of information for international students.



So, in terms of our planning, let me start with ***what we know about our internal context***:

During the two worst years of the pandemic (2020-21 and 2021-22), our budget performance was strong even though our *intake* of new students and especially international students was below target in both fall 2020 and fall 2021. This performance was due to several factors including higher summer enrolments, stronger retention of continuing students, and higher than normal course loads — all likely related to the decline in the number of hours that students were participating in paid work during this period. We also had lower expenses during the pandemic.

As a consequence, in both of those years we did better than budget creating surpluses that increased our cash reserves — these reserves are important for:

- addressing much needed infrastructure for research and new programs such as the Sherman Health Sciences Research Centre,
- pedagogical innovation and classroom upgrades,
- deferred maintenance including bathroom renovations, upgrades to residences, repairs
- student housing,
- digital transformation including replacing outdated systems like our Student Information System,
- expected inflationary pressures on salaries and other costs, and
- the realization of strategic plans like Decolonizing, Equity, Diversity & Inclusion (DEDI) and Sustainability.

Unfortunately, in 2022-23 (last year) we experienced a more serious shortfall in our enrolments due to a perfect storm of factors: low intakes from Fall '20 and Fall '21 flowing through into smaller upper-year cohorts; a drop in retention of continuing students; a drop in course loads; and a third year of decline in new international students exacerbated by visa delays and stronger competition from other GTA universities.



This combination of factors caused us to miss our overall UG domestic targets by 2.6%, and our international UG targets by 20.5% in 2022-23.

Despite the shortfall, we were able to mitigate much (although not all) of the negative impact on our budget in 2022-23, due to having anticipated, and built in, some budget contingency in combination with an exceptionally strong year in the School of Continuing Studies and higher than expected investment returns. We finished with an in-year deficit of approximately \$6 million so we were able to keep our reserves largely intact despite not meeting the enrolment targets that underpinned our budgets.

Nevertheless, the weak enrolment year of 2022-23 then flows through into 2023-24 adding to the enrolment pressures of the previous two years. The cumulative enrolment pressures of those three years are now being fully felt on our bottom line significantly worsening the fiscal situation for 2023-2024.

The decline in international undergraduate students has by far the biggest impact as they are not included in the domestic enrolment corridor where we have some modest protection in the grant portion of enrolment funding.

We lose 100% of the revenue when we miss international targets. So while we entered 2023-2024 with a carryforward of about \$250 million, we had to seek Board approval for significant in-year deficits in each of 2023-24 and 2024-25 (i.e., reflecting the lower revenue in each of those years).

With our on-going plans to advance the priorities of the UAP, including program development that is responsive to emerging needs, strengthening research and innovation, enhanced student supports, Strategic Enrolment Management (SEM), our global engagement and internationalization (GEI) efforts, and so on, we expect to return to a small surplus in 2025-26.



But the impact of the deficits in 2023-2024 and 2024-2025 means that our carryforward will drop by a minimum of \$100 million bringing it down to about \$150 million, and currently we are again short of target for our *2023-24 intake*.

If we are not successful in improving our intakes for winter, and strengthening retention, the budget situation will worsen further over the next several years. From a Ministry of Colleges and Universities (MCU) financial risk lens, we need to maintain a minimum of \$300 million in cash in order to meet the threshold introduced in the new MCU metrics for low risk liquidity. We are not on track to do that if we continue deficit budgeting.

A related challenge is cost containment – when our revenues from enrolment are down, the expectation is that we will reduce costs in order to balance our budgets – failing to do so triggers a second set of the MCU metrics.

I've raised the MCU metrics a couple of times. As a reminder, 2022-2023 was the first year that the new financial metrics defined by the government were introduced to assess a university's financial sustainability – as I said earlier, York was fine at the end of the 2022-23 year – marginally in some metrics, but over-all in low risk categories.

That is changing in 2023-24. The implications of missing low risk thresholds on those MCU metrics run from providing a report to MCU at the lower end up to having an external advisor appointed to develop a recovery plan in the case of high risk. It is therefore essential that we meet our approved budgets for 2023-24 and 2024-25 from the lens of both MCU lens and the Board of Governors.

I want to take a moment to thank all senators for the various actions that you and other members of the York community have taken – whether in academic planning, teaching, research, the energetic recruitment and conversion efforts over the past few months, as well as efforts to support all of our students, whether domestic or international, to succeed and persist in their programs, which also affects our enrolment outlook.

Overall, York University continues to be an innovator and leader in the PSE sector and that is reflected in our year over year improvements in our reputational rankings.



On a positive note, we also experienced strong summer enrolment. When comparing Summer 2023 to Summer 2022, undergraduate enrolment increased by 1.9%, and graduate enrolment grew by 2.1%. Notably this was led by higher-than-expected domestic enrolment, which offset a continued shortfall in international students (visa shortfall = 10%).

But the Fall 2023 term is posing significant challenges. According to data from September 20th:

- York experienced growth *only* in domestic enrolments coming from Ontario high schools (101s), up by 270 compared to enrolment contract intake targets.

Otherwise, we experienced shortfalls over that period, specifically:

- Domestic enrolments coming from mature students and Canadian high schools outside of Ontario (105s) were down by 134 compared to enrolment contract intake targets,
- International enrolments currently attending an Ontario high school (visa 101s) were down by 160 compared to enrolment contract intake targets, and
- International enrolments (105s) are down by 334 compared to enrolment contract intake targets.

There is therefore considerable work to be done in order to meet the approved operating deficit of no more than \$68 million in 2023-2024 — including focused efforts to maximize our winter term intakes and support our admitted students to succeed and persist in their programs.

Provincial context

- In terms of the broader external context, we met all but two of our Strategic Mandate Agreement (SMA) 3 performance metrics in 2022-23, falling short on the extent to which our student body contributes to population growth and attracting research revenue from the private and non-profit sectors. This year is the first time that grant funding from the province will be exposed to potential reductions based on the performance metrics.
- We are facing a 5th year with no tuition fee framework.



- Grants have been frozen under SMA3 with no adjustment for inflation.
- The budget going forward assumes the assumption of a 3% tuition increase. Should that not materialize, York will face additional financial pressure in 2024-2025 and thereafter.
- We continue to grapple with challenges related to geopolitical disruptions, rising global competition for top international students, and the need to ensure all of our students have access to housing and food they can afford.
- We know that future investments from government will likely target areas of growing need such as Health and STEM-related programs, and that they are assessing the post-graduation employment results for all post-secondary institutions.

What we Do Not Yet Know

We do not yet know what recommendations will be made by the Auditor General so we will need to consider how best to integrate the report with our own priorities, objectives and actions.

We continue to be impacted by shifting financial metrics from the province that create new uncertainties for budget planning.

And most recently, the University has started to meet with a number of union leaders to discuss wage reopeners for the moderation period under Bill 124. [Note: Bill 124 is effectively null and void pending the appeal of the Province]. We anticipate further discussions in the weeks to come including an opportunity to discuss the budget. I will not say more than that in this forum as it is appropriately a matter to be discussed between the University as Employer and its unions.

Planning for Ambiguity: Implications for York

So, what does this all mean for 2023-2024?

Most importantly, we will need to:



- address the short-term but significant budget challenges we are experiencing
- continue to advance enrolment recovery
- find creative ways to maintain the momentum we have achieved in advancing our UAP priorities and vision for our future success.

Especially given the VUCA of the PSE, we annually review our objectives and actions at the beginning of each academic year to articulate what is most important for achieving those goals. The scenario planning we developed during the pandemic remains particularly helpful for anticipating potential challenges and maintaining the necessary agility we need to mitigate risks and realize opportunities for enhancing our success.

Goals and Opportunities Guiding 2023-2024

Strategic foci that have been identified as particularly important in our UAP include:

- Continuing to enhance our reputation and further improving our rankings.
- Our GEI Strategy – not only to raise York’s global profile but to strengthen academic and research partnerships with strategic partners and diversify our international recruitment efforts – including connecting with our international alumni, many of whom are interested in being points of contact for us around the world.
- Strengthening our Strategic Enrolment Management (SEM), which includes everything we do to attract, retain, and support our diverse population of graduate and undergraduate students.
- Curricular reform – Continuing to identify and deliver on the new programs that students are seeking and that are responsive to the needs of the communities we serve while continuing to strengthen our existing programs -- through Experiential Education, unique interdisciplinary degree combinations (while programs such as Integrated Humanities and Business, as one example, are emerging with greater frequency, it is noteworthy that York had early such courses), continuing to build on our leadership in microcredentials, as examples.



- Continuing to enhance and promote lifelong learning, bolstering our leadership in continuing education through innovative programs at our School of Continuing Studies, OPD, SEEC, Education, Health and other professional programs.
- Pedagogical innovation – the sector is undergoing a paradigm shift brought on by the rapid deployment of artificial intelligence and automation. How these technologies will alter the course of the postsecondary education sector (PSE) and our programs is still very much uncertain, but APPRC and ASCP are working with the Provost convening a collegial taskforce on the future of pedagogy which is investigating this question along with others. The Provost's Office, Teaching Commons, and others have established a community of practice on generative AI that has already provided resources to aid our community in navigating this evolving environment. Opportunities for increasing fully online programs.
- Maintaining/strengthening our research momentum - Executing the objectives in the Strategic Research Plan will enhance York's reputation as a modern and progressive university, advance global research partnerships, strengthen research opportunities for students, and diversify/increase our research funding.
- Revenue diversification:
 - We are awaiting recommendations from the Blue-Ribbon Panel, which has been established by the government of Ontario to help keep post-secondary education financially sustainable for students and for institutions but in the meantime in light of emerging financial pressures, we are exploring opportunities for new revenue potentially through partnerships, through an enhanced approach to LLL e.g., YorkUClub Membership, SEM, increased philanthropic support, donations and partnerships by expanding on the success of the Impact Campaign, additional research dollars, etc.
- Realizing opportunities:
 - Leveraging the Markham campus to expand academic programs in the high demand areas of technology and entrepreneurship increasing enrolment, enhancing our reputation in interdisciplinary programming by integrating the arts, humanities, social sciences and design perspectives into our understanding of new technologies,



increasing research activities and new partnerships, and creating important linkages with communities and employers.

- Advancing our plans for a School of Medicine – that will enhance our reputation, increase research funding, and attract new enrolment over several areas with a curriculum that: i) links to other disciplines grounded in an understanding of the social and economic determinants of health, ii) includes an undergraduate pathway; iii) takes an interprofessional team approach engaging nursing, social work, global health, psychology, health management and leadership etc.; and iv) supports other new and related programs such as rehabilitation sciences, data analytics, and so on.
- Advancing our Campus Vision and Strategy and maximizing the value of our land to promote a vibrant and safe community-centred space aligned with University needs.
- Implementing the DEDI Strategy to uphold York’s values and enhance the wellbeing of our communities.
- Enhancing our reputation through our leadership in sustainability, delivering on our Sustainability Strategy and our commitment to achieving net zero by 2049 or sooner.

We are facing some significant challenges but I want to remind senators of the incredible success we have seen in these past years. We are one of the fastest rising universities in Canada and we have accomplished a great deal.

It is critical that we do not lose sight of that progress and for us ALL to be thinking of York at 75.

Our goals are not for the benefit of any one faculty or campus, and it will be important for us to remember that York is a multi-campus university and that our success hinges on our ability to continue to work together to provide our students with the very best.

Closing

As always, I will finish today by encouraging you to take a few moments to read this month’s Kudos Report. In this issue, I’m pleased to highlight a remarkable milestone reached by the Division of Students for the Student Virtual Assistant, Savvy. Savvy surpassed 100,000 conversations at the end of July. Many congratulations to the Savvy team on this milestone and for the work they do to enhance the student experience.



I also want to commend our alumni from the School of Arts, Media, Performance & Design who had their films featured at the 46th Toronto International Film Festival (TIFF) – exemplifying the ongoing impact of the fine arts and its importance for imagining a better world. You can read more about these accomplishments in this month’s Kudos. Thank you. Merci. Miigwetch. I welcome your questions.