



Budget Consultation Fall-Winter 2024-25

YORK 

Agenda

Planning Framework

- Strategic Planning Framework
- Budgeting Overview

Context

Enrolment

2025-26 Budget Cycle – A Path to Financial Sustainability

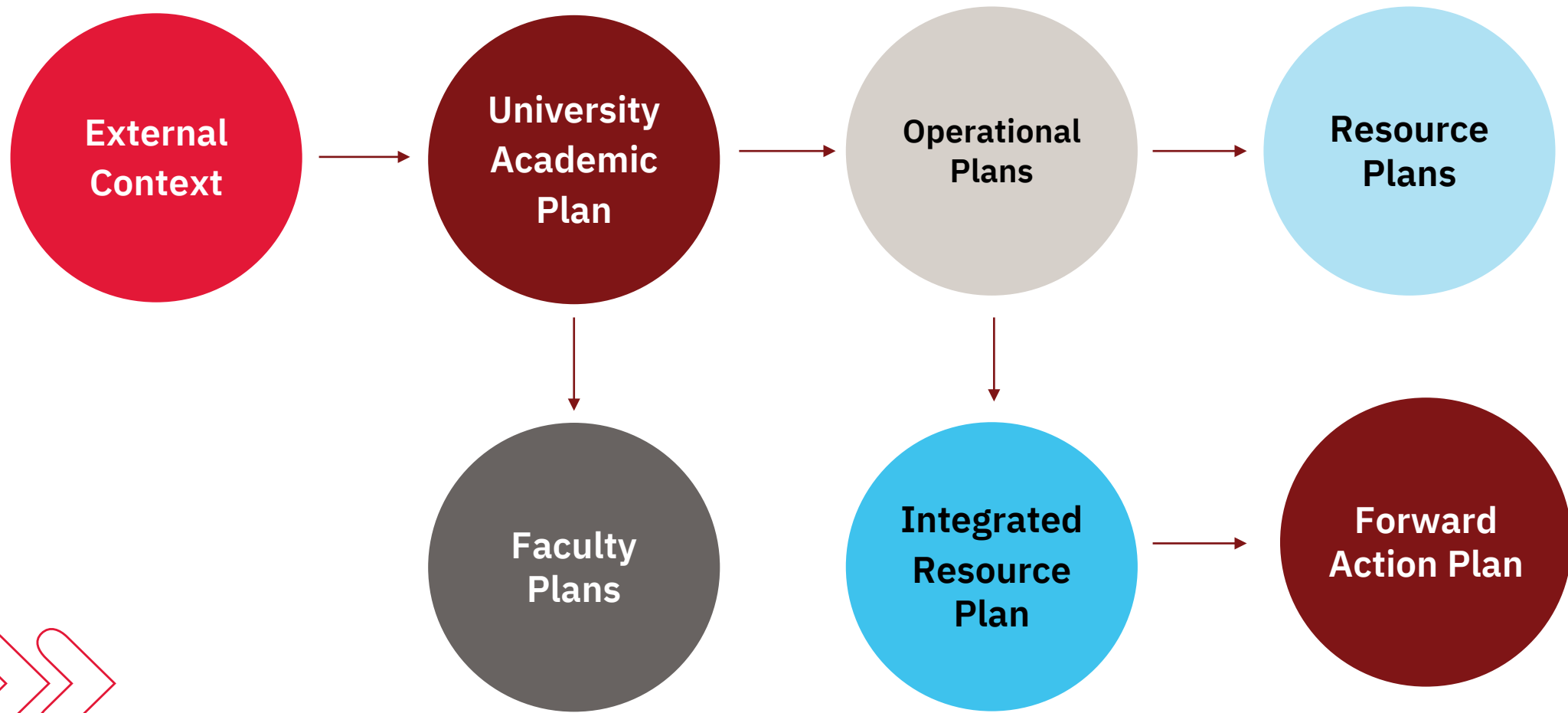
- 2024-25 Financial Update
- Current Forecast and Budget Highlights
- 30/80/90 plan and Forward Action Plan

Discussion & Resources



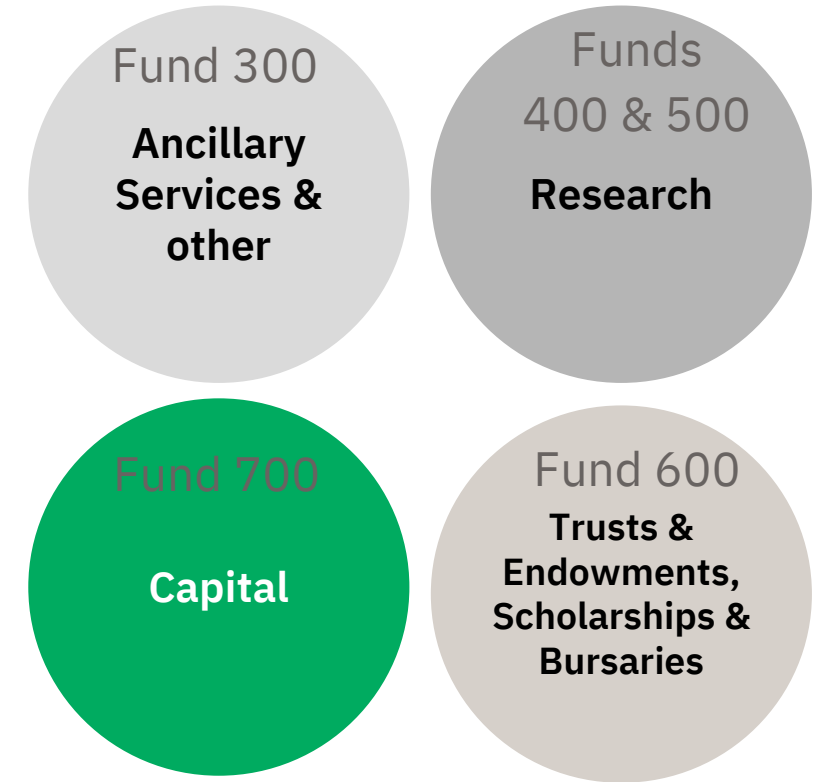
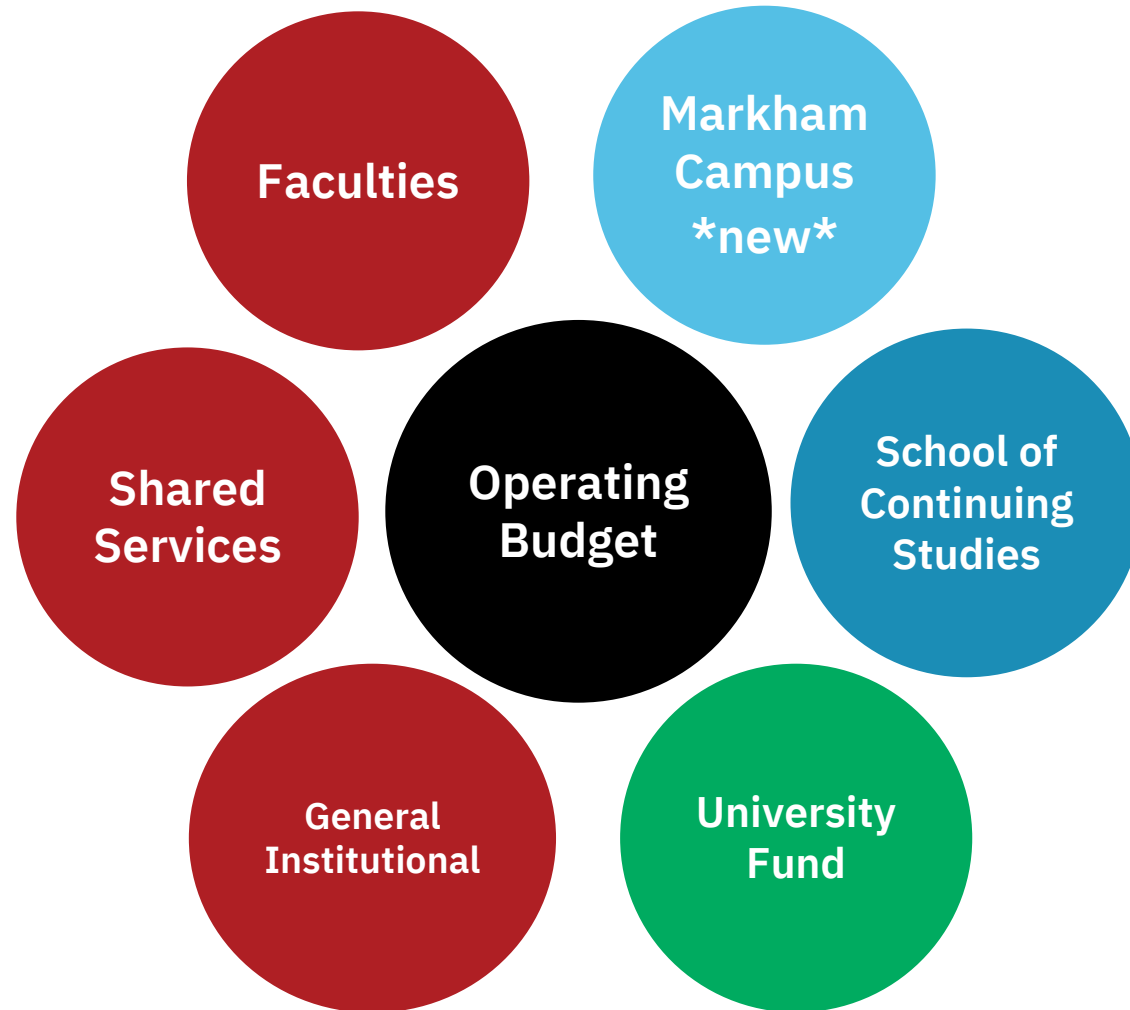
An aerial photograph of Toronto, Ontario, Canada, showing the city skyline across the water from a park area. The CN Tower is prominent in the center of the skyline. The foreground is a lush green park with many trees. The entire image is framed by a thick red border.

Strategic Planning and Budget Overview



BUDGET OVERVIEW

Funds 100 & 200



Budget Consultations – Background

Budget Consultations are Scheduled:

- Between October and January, and have been held annually since 2018

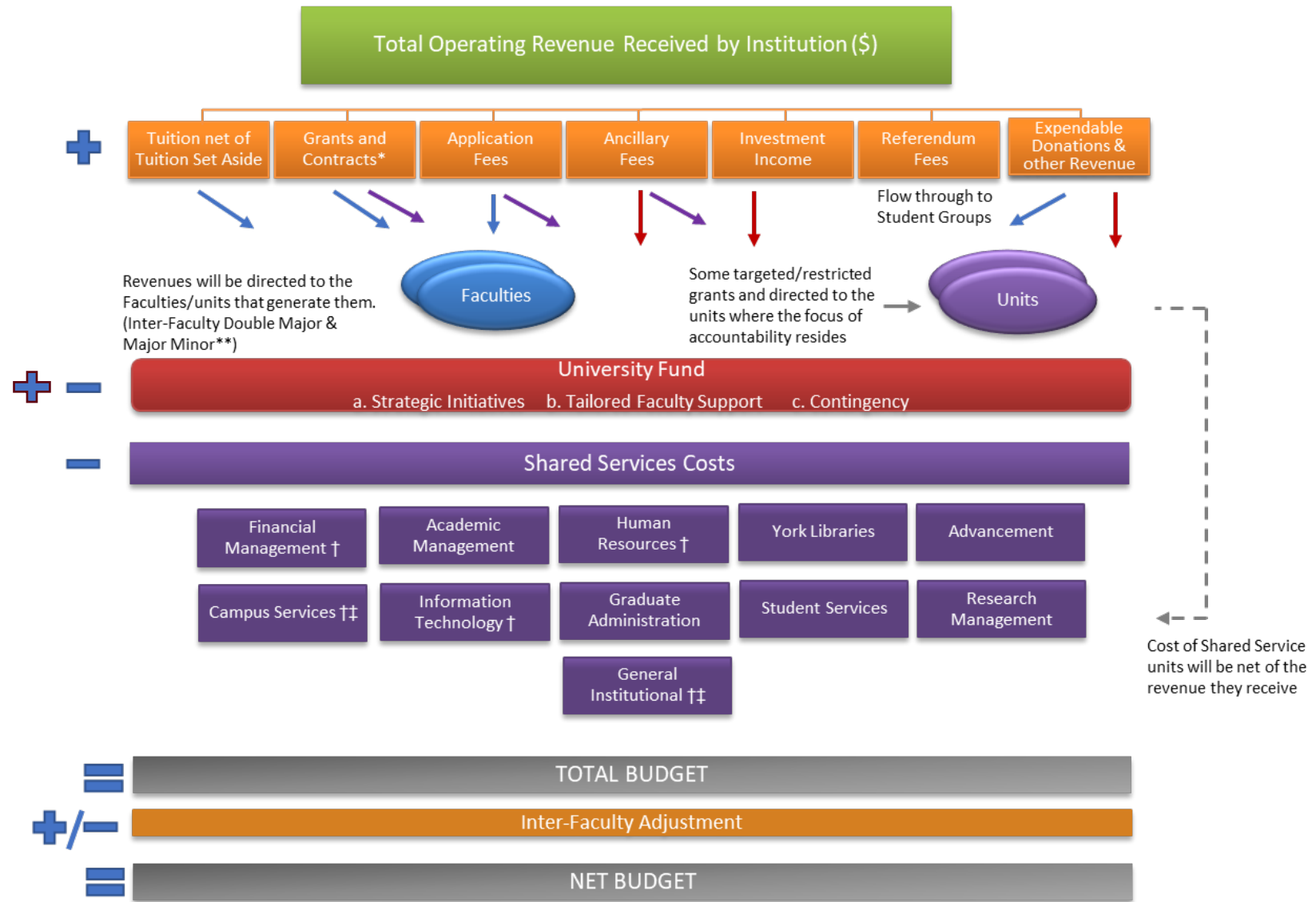
Budget Consultations Provide:

- An overview of York University's finances
- An update on the external / internal context and current year forecasts
- An opportunity for questions, feedback and community input on the upcoming budget and related processes

Budget consultations are held with:

- APPRC – provides feedback on the consultation deck;
- Each Faculty;
- Union leadership;
- Divisional teams;
- Town halls

SHARP Budget Model



* Grants and Contracts includes formula funding, target grants, research overhead, accessibility grants, grants in lieu of municipal taxation .

** Inter-Faculty tuition and grant revenues for Double Major and Major Minor programs will be allocated to both Faculties.

Shared Service units cost bins attributed to Faculties. Each cost bin has associated sub-bins and drivers.

† Cost attribution to Faculties and Ancillary units.

‡ Assigned space (Campus Services bin), Collective Agreement benefit commitments and Pension & post-retirement benefit costs (GI bin) attributed to Faculties, Ancillary and Shared Service units.

SHARP Budget Model



Budget Cycle and Accountability

Enrolment planning over three-year period
Multi-year budgets approved by Board each April



University Fund

8% annual contributions from revenue-generating areas
(Faculties, School of Continuing Studies, Ancillary Services)

Supports institutional strategic priorities and manages risk.



Governance

University Fund Council (UFC)

Chaired by the Provost
Advises the President on strategic initiatives requiring University Fund support



Governance

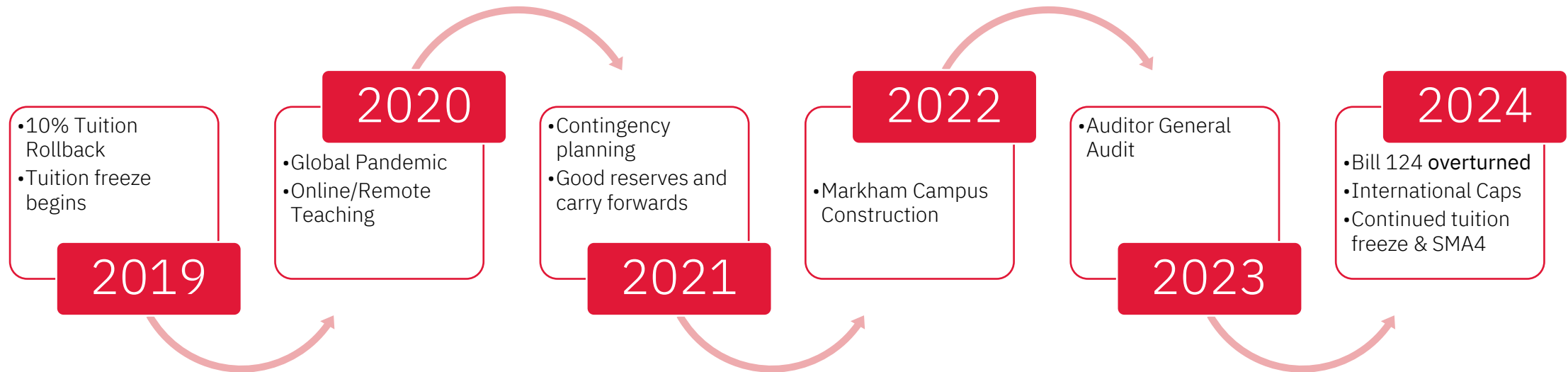
University Budget Council (UBC)

Chaired by the President
Advises the President on base budget requests of shared services Units



Context Informing 2025-26 Budget Process

A Look Back At The Last Five Years 2019 through 2024



Auditor General – Value for Money (VFM) Audit

Published Dec 2023

- In 2023 the Office of the Auditor General (OAGO) completed a VFM audit on York University and concluded the following:
 1. York university is financially sustainable.
 2. Potential issues requiring focused attention going forward:
 - increasing dependence on revenue from international students
 - backlog of deferred maintenance
- York University acknowledged the findings and emphasized existing strategic planning processes were already in progress of addressing these concerns.

Budgetary implications include:

- continuing efforts to grow enrolment and diversify revenue streams
- ensure the long-term sustainability of its programs and faculties.

York Community Feedback - 2024



External Context

Macro Seismic Waves and Micro Conditions

Macro

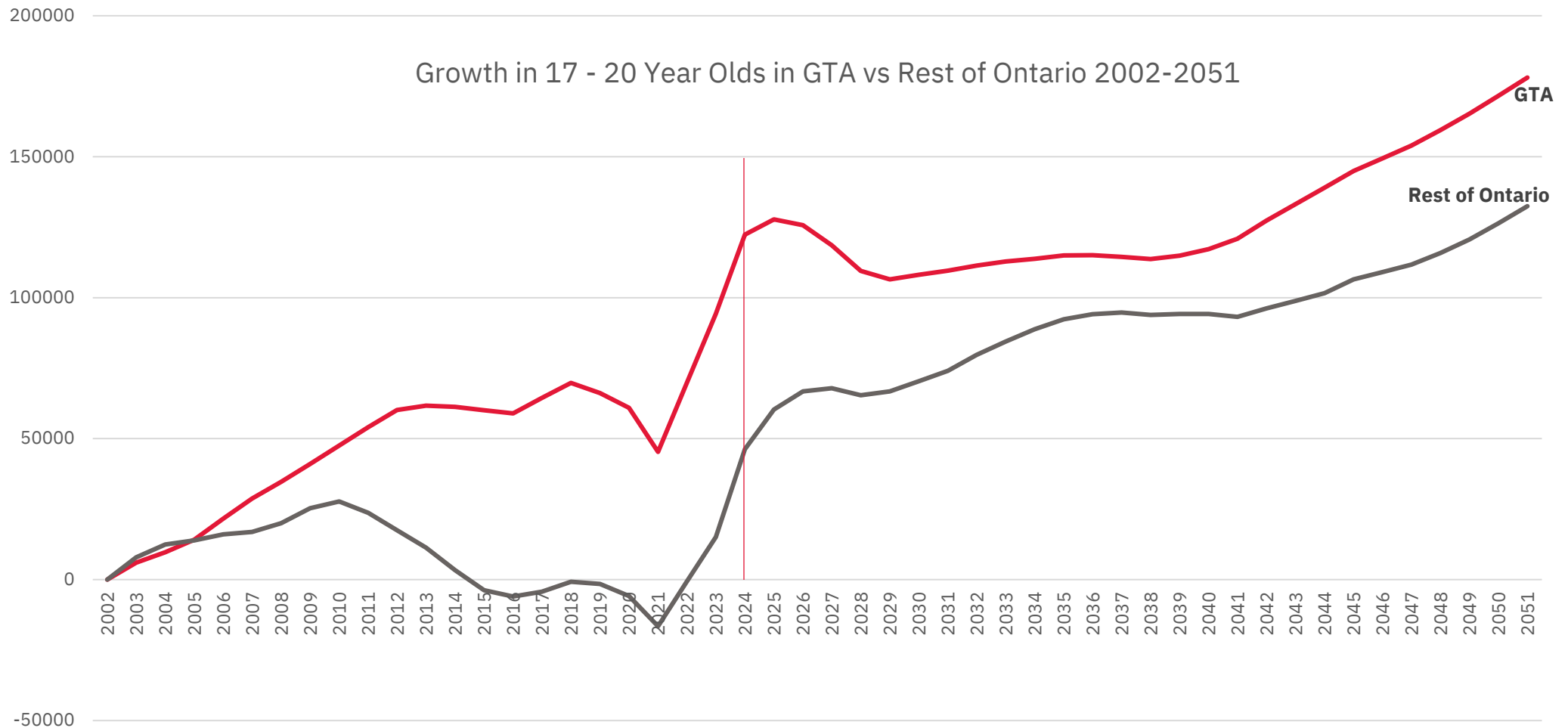
- Geopolitical conflict
- Global engagement and internationalization
- AI/automation
- Organization of work
- Inflation

Micro

- Shifting labour market
- Declining revenue
- Declining enrolment
- International cap
- Bill 124
- Auditor General of Ontario report
- Tuition freeze

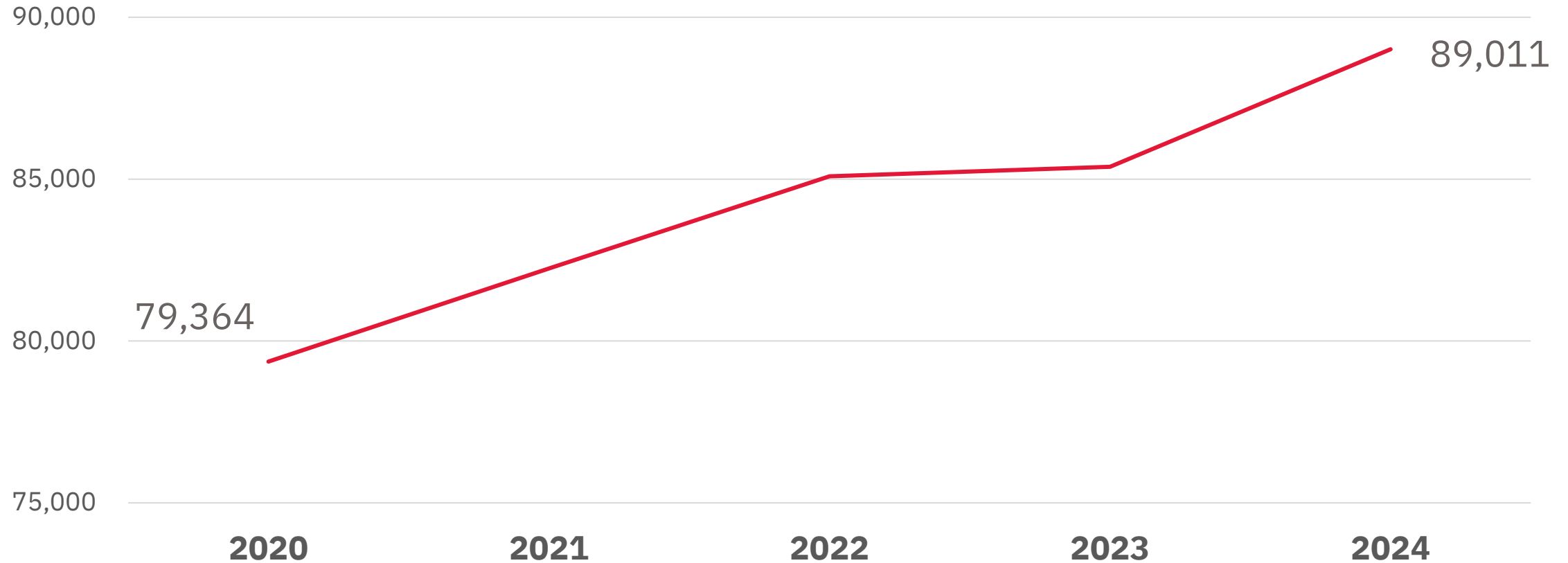
May 2024
[2024-25 Multi Year Budget Plan](#)

Population Growth Projections



More Ontario High School Students Want to Attend an Ontario University

12% Increase in Total Ontario High School Applicants from 2020 to 2024 (as of July 2024)



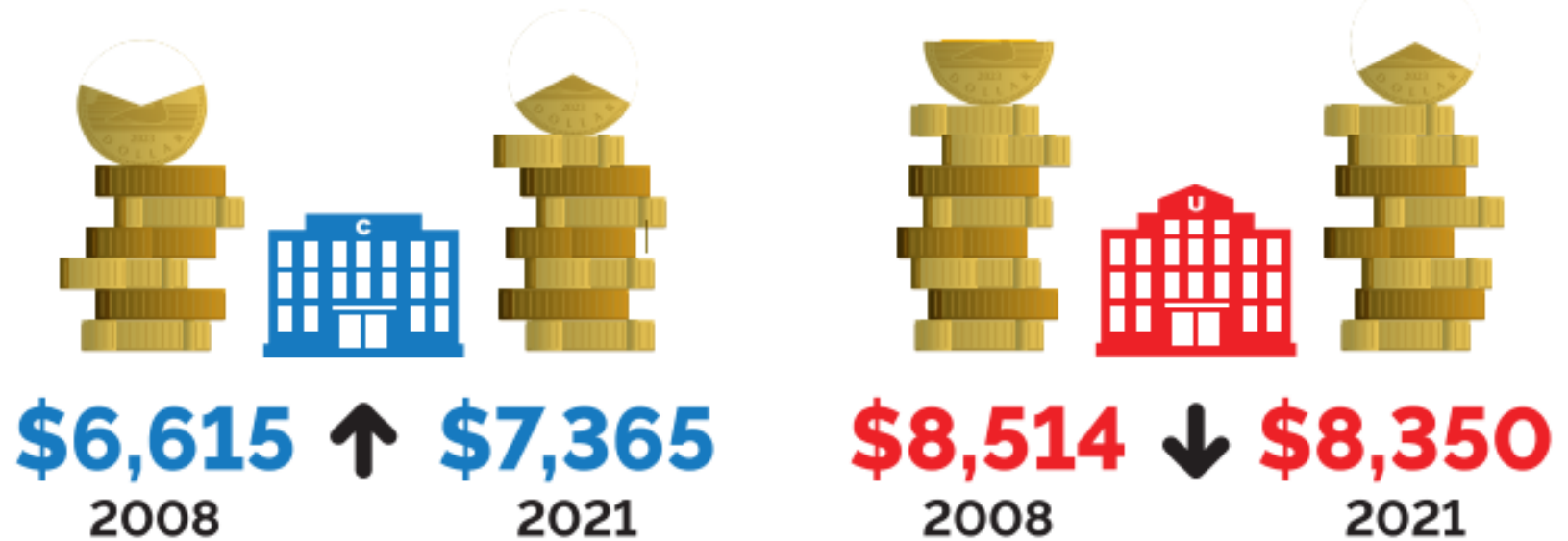
Source: Ontario Universities Application Centre (OUAC), Ontario Secondary School Students (OSSS) excluding international students attending high school in Ontario.

Declining Operating Grants per Student in Ontario

Per: Blue Ribbon Panel Report Nov 14, 2023

Figure 4: **Nominal Operating Grants** per college student and per university student

National Average
\$15,428 in 2021-22

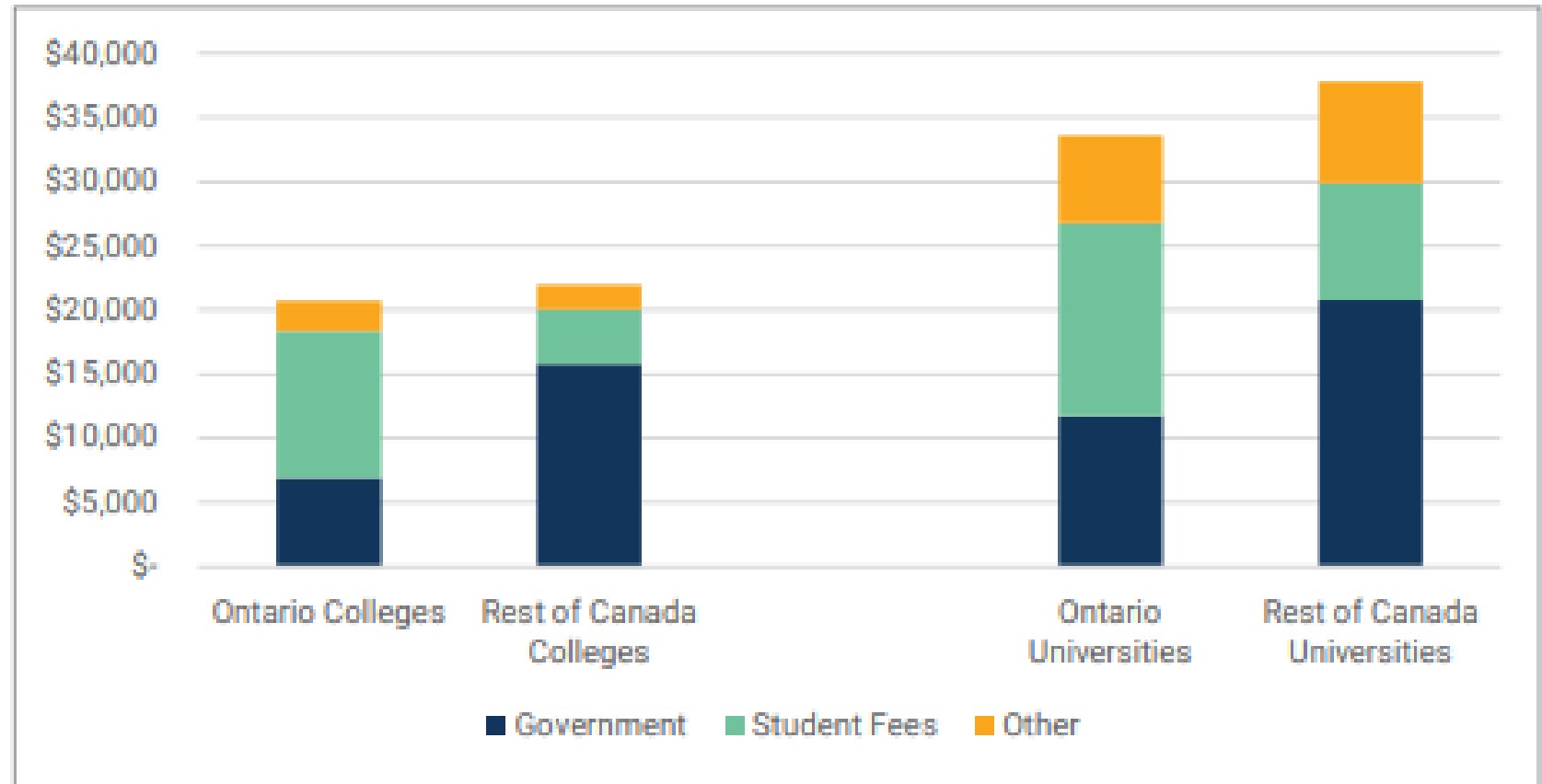


Note: The real value of these grants was further reduced by inflation over the same period of time. According to the Bank of Canada's inflation calculator, a basket of goods that cost \$100 in 2008 would have cost \$122.88 in 2021.

Note: 2021 operating grant per student in real terms (net of inflation) is lower than what it was in 2008 representing a 20% erosion

<https://files.ontario.ca/mcu-ensuring-financial-sustainability-for-ontarios-postsecondary-sector-en-2023-11-14.pdf>

Figure 7: Total Income Per FTE Student, by Source and Type of Institution, Canada vs. Ontario, 2021-22



"The State of Postsecondary Education in Canada 2023"

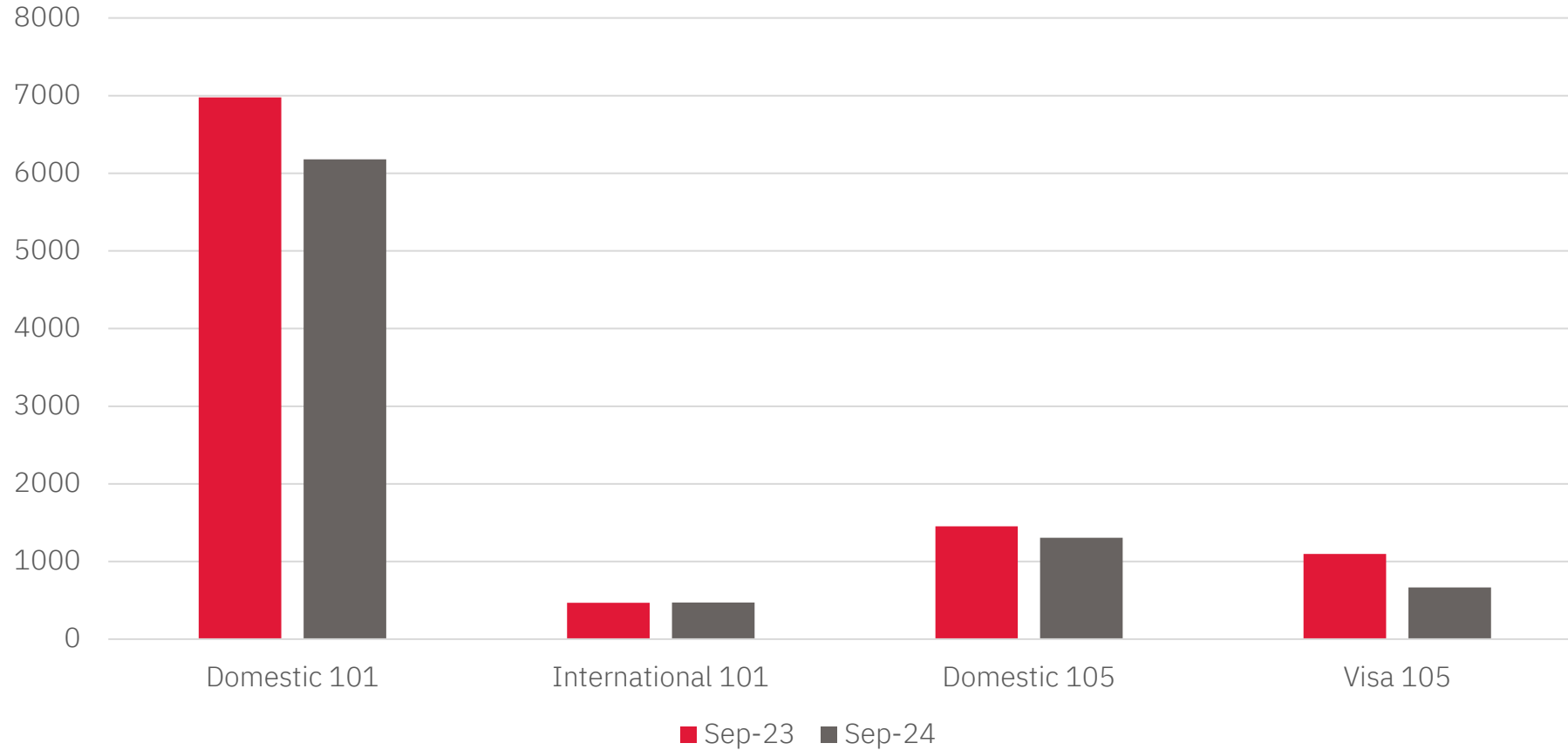
Higher Education Strategy Associates

Enrolment



York - Ontario Universities' Application Centre (OUAC) Confirmation Data

Enrolment Data – Confirmations for York University
Sept 2023 and Sept 2024



Keele and Glendon Undergraduate 2024-25 Fall Term and Winter Term *Eligible and Ineligible Visa* New Student Headcount by Faculty Relative to Enrolment Contract Target

2024-25 New Student Headcount	Fall term				Winter term			
	Eligible		Ineligible Visa		Eligible		Ineligible Visa	
	Targets	Estimate relative to targets	Targets	Estimate relative to targets	Targets	Estimate relative to targets	Targets	Estimate relative to targets
AMPD	653	-106 (-16%)	112	-67 (-60%)	25	+6 (+24%)	35	-24 (-69%)
Education - BA	145	+1 (+1%)	10	-9 (-90%)	-	-	-	-
EUC	125	-14 (-11%)	21	-15 (-71%)	11	+5 (+45%)	4	-2 (-50%)
Glendon	358	-46 (-13%)	49	-19 (-39%)	40	-17 (-43%)	15	0 (0%)
Health (excl Nursing)	2,125	-498 (-23%)	204	-129 (-63%)	180	-43 (-24%)	50	-25 (-50%)
Health-Direct Entry Nursing	220	-15 (-7%)	0	+7 (>100%)	-	-	-	-
LA&PS	3,825	-846 (-22%)	800	-481(-60%)	490	-137 (-28%)	410	-269 (-66%)
Lassonde	805	+198 (+25%)	220	-65 (-30%)	60	+54 (+90%)	110	-53 (-48%)
Osgoode	315	+20 (+6%)	6	+10 (>100%)	3	-	-	-
Schulich	475	+61 (+13%)	85	-31 (-36%)	-	-	-	-
Science	960	-62 (-6%)	268	-167 (-62%)	105	+11 (+10%)	75	-30 (-40%)
Total	10,006	-1,307 (-13%)	1,775	-966 (-54%)	914	-121 (-13%)	699	-403 (-58%)

*Eligible – domestic 101, 105

*Ineligible visa – international

Keele and Glendon Graduate 2024-25 Fall Term *Eligible and Ineligible Visa* New Student Headcount by Faculty Relative to Enrolment Contract Target

2024-25 Fall term New Student Headcount	Masters-Research				Masters-Professional				Doctoral			
	Eligible		Ineligible Visa		Eligible		Ineligible Visa		Eligible		Ineligible Visa	
	Targets	Estimate relative to targets	Targets	Estimate relative to targets	Targets	Estimate relative to targets	Targets	Estimate relative to targets	Targets	Estimate relative to targets	Targets	Estimate relative to targets
AMPD	68	-5 (-7%)	7	-3 (-43%)	-	-	-	-	11	-2 (-18%)	2	0 (0%)
Education	83	-7 (-8%)	1	+1 (100%)	-	-	-	-	16	-1 (-6%)	1	0 (0%)
EUC	68	-11 (-16%)	6	0 (0%)	-	-	-	-	15	-3 (-20%)	3	-1 (-33%)
Glendon	31	-10 (-32%)	5	-3 (-60%)	15	-4 (-27%)	13	-10 (-77%)	3	-3 (-100%)	0	-
Health	170	-6 (-4%)	4	+1 (+25%)	-	-	-	-	52	+12 (+23%)	4	+4 (+100%)
LA&PS	302	-14 (-5%)	56	-11 (-20%)	86	-7 (-8%)	115	-71 (-62%)	127	-33 (-26%)	29	+1 (+3%)
Lassonde	34	-10 (-29%)	39	-17 (-44%)	21	-4 (-19%)	21	-10 (-48%)	20	-3 (-15%)	30	-13 (-43%)
Osgoode	9	-1 (-11%)	2	-1 (-50%)	310	+26 (+8%)	80	-48 (-60%)	10	-2 (-20%)	1	0 (0%)
Schulich	-	-	-	-	298	+41 (+14%)	347	-143 (-41%)	7	-2 (-29%)	5	+1 (+20%)
Science	62	-11 (-18%)	21	-1 (-5%)	-	-	-	-	25	-9 (-36%)	10	+4 (+40%)
Total	827	-75 (-9%)	141	-34 (-24%)	730	+52 (+7%)	576	-282 (-49%)	286	-46 (-16%)	85	-4 (-5%)

Markham Campus Undergraduate and Graduate 2024-25 Fall Term *Eligible and Ineligible Visa* New Student Headcount by Faculty Relative to Enrolment Contract Target

2024-25 Fall Term New Student Headcount	Undergraduate				Graduate-Masters			
	Eligible		Ineligible Visa		Eligible		Ineligible Visa	
	Targets	Estimate relative to targets	Targets	Estimate relative to targets	Targets	Estimate relative to targets	Targets	Estimate relative to targets
AMPD	35	-7 (-20%)	15	-13 (-87%)	-	-	-	-
LA&PS	203	-99 (-49%)	22	-15 (-68%)	45	-2 (-4%)	13	-4 (-31%)
Lassonde	165	-8 (-5%)	45	-43 (-96%)	-	-	-	-
Science	29	-19 (-66%)	19	-18 (-95%)	25	-4 (-16%)	0	+6 (>100%)
Total	432	-133 (-31%)	101	-89 (-88%)	70	-6 (-9%)	13	+2 (+15%)

New Student Headcount: Historical and Proposed Enrolment Contracts

New Student Headcount	Historical (Actual Headcount)					2024 prelim.	Proposed Enrolment Contract		
	2019	2020	2021	2022	2023		2025	2026	2027
Undergraduate									
Keele and Glendon Fall term Eligible	8,684	8,222	8,871	9,322	9,571	8,494	9,255	9,627	10,110
Keele and Glendon Winter term Eligible	846	862	784	911	842	793	899	957	1,006
Markham Fall term Eligible	-	-	-	-	15	299	421	486	521
Total Undergraduate Eligible	9,530	9,084	9,655	10,233	10,428	9,586	10,575	11,070	11,637
Keele and Glendon Fall term Ineligible Visa	1,824	1,398	1,249	1,247	1,348	802	1,229	1,317	1,498
Keele and Glendon Winter term Ineligible Visa	831	750	529	561	379	296	520	584	639
Markham Fall term Ineligible Visa	-	-	-	-	-	12	69	104	145
Total Undergraduate Ineligible Visa	2,655	2,148	1,778	1,808	1,727	1,110	1,818	2,005	2,282
Total Undergraduate*	12,185	11,232	11,433	12,041	12,155	10,696	12,398	13,080	13,924
Graduate									
Research Masters All terms Eligible	873	824	867	747	758	763	839	875	932
Professional Masters All terms Eligible	941	1,178	938	961	959	1,271	1,085	1,222	1,082
Doctoral All terms Eligible	285	281	295	278	257	260	296	300	304
Markham Masters All terms Eligible	-	-	-	-	-	64	53	53	53
Total Graduate Eligible	2,099	2,283	2,100	1,986	1,974	2,358	2,273	2,450	2,371
Research Masters All terms Ineligible Visa	124	118	142	156	148	118	147	159	160
Professional Masters All terms Ineligible Visa	519	562	623	649	656	521	704	869	854
Doctoral All terms Ineligible Visa	85	80	97	101	97	93	92	92	92
Markham Masters All terms Ineligible Visa	-	-	-	-	-	15	19	21	23
Total Graduate Ineligible Visa	728	760	862	906	901	747	962	1,141	1,129
Total Graduate	2,827	3,043	2,962	2,892	2,875	3,105	3,235	3,591	3,500

A scenic autumn landscape featuring a dirt path leading towards a pond. The trees are in various stages of fall, with some showing vibrant red and orange foliage. In the background, a city skyline is visible under a cloudy sky. The entire scene is framed by a thick red border.

2025-26 Budget Cycle Planning A Path to Financial Sustainability

Operating Budgets

(as presented
May 24, 2024)

Total Operating budget

(\$ millions)

	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>Total Budget for</u>
	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>2024-25 to 2026-27</u>
Operating revenues				
Government operating grants (note 1)	325.1	328.8	335.8	989.7
Student fees	794.1	860.0	942.1	2,596.3
Grants and student fees subtotal (note 2)	1,119.2	1,188.8	1,277.9	3,585.9
Funding from donations, endowments, & trusts	9.8	9.3	9.0	28.2
Investment income	26.1	17.8	13.8	57.8
Other recoveries	43.9	43.2	44.3	131.3
Total operating revenues	1,199.0	1,259.1	1,345.0	3,803.1
Preliminary enrolment shortfalls on 2023-24 and Fall 2024 intakes	(56.6)	(56.3)	(51.9)	(164.8)
Enrolment contingencies (note 3)	(20.0)	(19.0)	(21.0)	(60.0)
Total operating revenues, net of enrolment contingencies	1,122.4	1,183.8	1,272.1	3,578.3
Operating expenditures				
Salaries and wages	690.4	706.8	725.4	2,122.6
Employee benefits	182.6	186.9	191.4	560.9
Operating costs	174.6	172.6	181.7	528.9
Scholarships and bursaries	94.9	98.8	102.1	295.8
Taxes and utilities	24.1	23.8	24.7	72.6
Interest on long-term debt	25.8	26.0	26.3	78.2
Total operating expenditures before other items	1,192.3	1,215.0	1,251.7	3,659.0
Estimate for wage reopener	50.9	54.0	57.0	161.9
Financial sustainability projects under development	(30.0)	(80.0)	(90.0)	(200.0)
Total operating expenditures	1,213.2	1,189.0	1,218.7	3,620.9
In year surplus/(deficit) for operating fund, before transfers	(90.8)	(5.1)	53.4	(42.6)
Transfers to restricted funds				
Transfers to capital fund	(37.3)	(30.7)	(35.7)	(103.7)
Transfers to ancillary fund	(3.2)	(3.4)	(3.4)	(10.0)
Transfers to other funds	(0.7)	(0.7)	(0.8)	(2.2)
Total transfers to restricted funds	(41.3)	(34.8)	(39.9)	(115.9)
In year surplus/(deficit) for operating fund	(132.0)	(39.9)	13.4	(158.5)
Opening accumulated surplus/(deficit) for operating fund	107.9	(24.1)	(64.0)	107.9
Closing accumulated surplus/(deficit) for operating fund	(24.1)	(64.0)	(50.6)	(50.6)

Note 1: Operating grants include estimated funding from new Postsecondary Sustainability Fund.

Note 2: Tuition revenues adjusted for tuition freeze extension through to 2026-27.

Note 3: Enrolment contingencies include contingency for loss tuition revenue due to labour disruption for 2024-25, and contingency for missed enrolment targets for 2025-26 and the flow through impact for 2026-27.

Note 4: Does not include any investment in emerging opportunities.

Revenue Variance Against Operating Budget

Excludes Ancillary Services and Markham Campus

(updated November 26, 2024)

\$Millions	2024-25 Forecast	2025-26 Draft Budget	2026-27 Draft Budget
Board approved Operating budgeted Surplus (Deficit) variances:	(132.0)	(39.9)	13.4
Enrolment based Revenues Variance (Actual/forecast to budget) net of budgeted contingencies	(18.6)	(68.0)	(102.3)
2023-24 tuition revenue recognized in 2024-25**	31.6		
Higher investment income than budgeted	8.0		
New Projected Deficit before Initiatives	(111.0)	(107.9)	(88.9)
Financial Sustainability Initiatives (30/80/90)			
Add back: 30/80/90 plan included in approved budget	(30.0)	(80.0)	(90.0)
Shared Services and GI cost reductions planned		38.4	68.4
Forward Action Plan & 30/80/90 – Projects In Progress	10.5	44.0	47.0
Total - Financial Sustainability Initiatives	(19.5)	2.4	25.4
Net Surplus (deficit) after initiatives	(130.5)	(105.5)	(63.5)
Variance to approved Operating budgeted surplus (deficit)	1.5	(65.6)	(76.9)

**Resulting from CUPE 3903 strike impact on course delivery

26 Note: potential revenues/savings from FAP items are in the process of being verified and quantified, subject to change

Action Plan to Advance York University Vision and Financial Sustainability



Program Enhancement and Sustainability

Project 1: Course Enrolment Optimization

Project 2: Faculties of the Future

Project 3: Redesign General Education

Project 4: Program Sustainability Review

Project 5: Supporting Program Innovation

Project 6: SMA3 Improve Metrics Performance



Enrolment Recovery

Project 7: Establish ISEM Working Group

Project 8: New Out of Province Strategy

Project 9: Student Housing Working Group

Project 10: New Pathways to Degrees

Project 11: Collegial Forum on UG Student Retention

Project 12: Expand Capacity in Programs with Unmet Demand and grow new programs



Administrative Projects

Project 13: Administrative Service Efficiencies

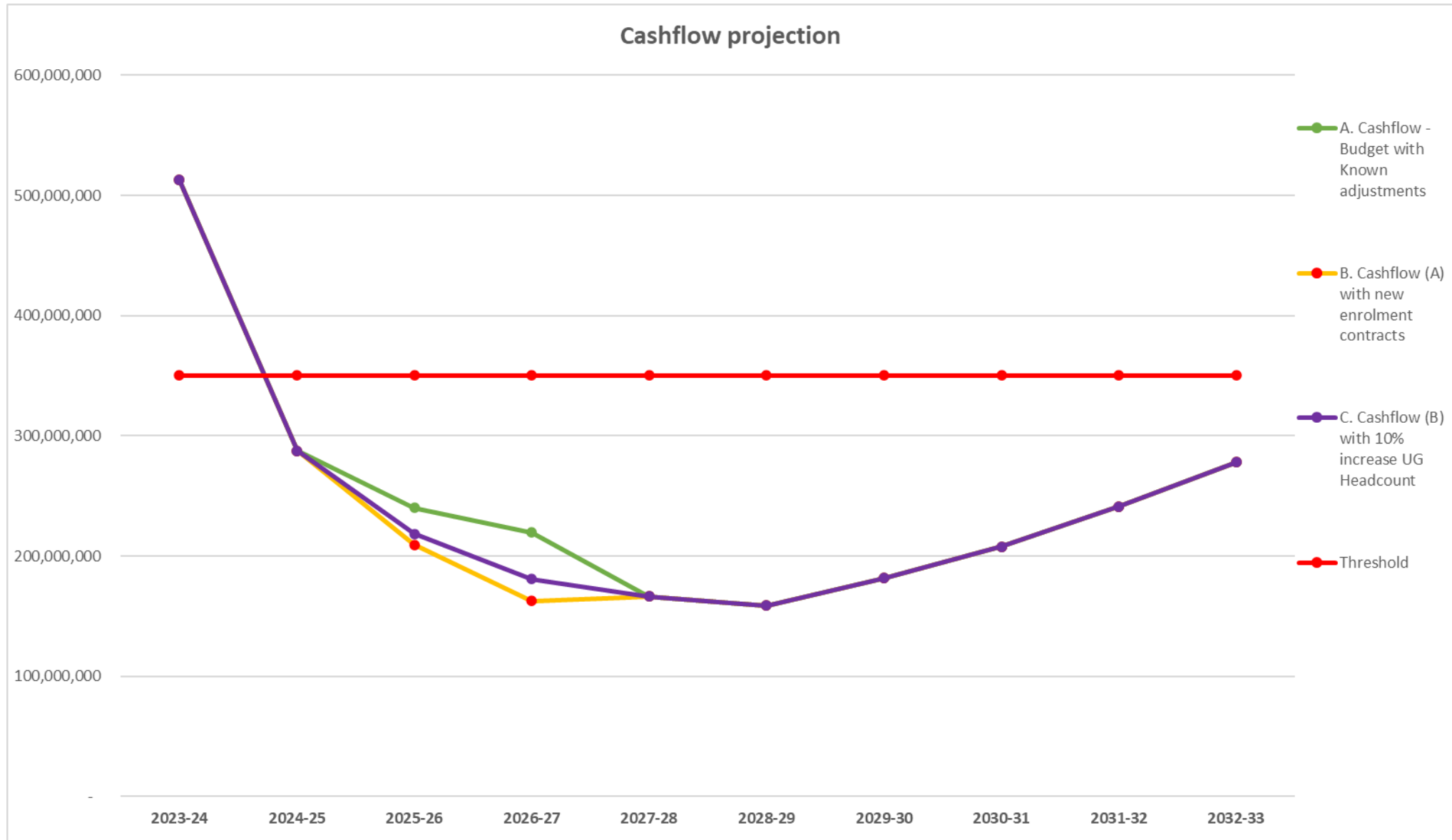
Project 14: E-License Optimization

Project 15: Space Optimization

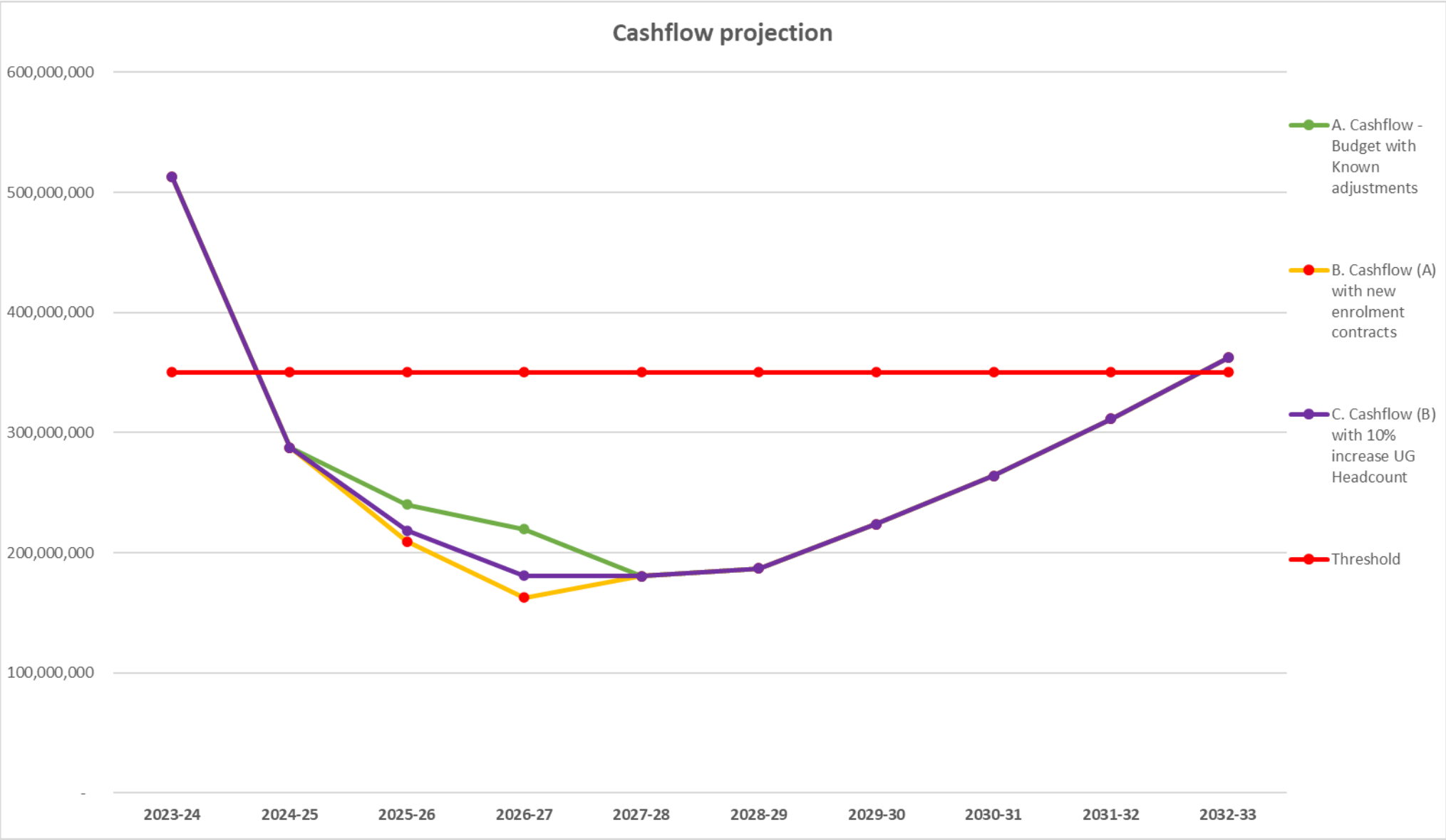
Project 16: HR Initiatives

Project 17: Asset Monetization Working Group

Cashflow Projection Scenario 1 – Balanced Budget for Operating & Ancillary (2027/28 onward)



Cashflow Projection Scenario 2 – Ancillary budget produce \$14m annual surplus (2027/28 onward)



Discussion:

- 1) What Challenges / Obstacles do you see with the plan?
- 2) What Opportunities should be prioritized for investment?



Online Resources

Budget and Asset Management Website

<https://www.yorku.ca>

SHARP budget model (includes details of University Fund commitments and multi-year budgets)

<https://www.yorku.ca/bam/sharp/>

