



# Update Re: Multi-Year Budget Plan 2024-25 to 2026-27

York-YUFA Collective Bargaining

L. Philipps, Provost and VP Academic  
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JULY 16, 2024

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**2023-24 Actuals**

# Total Operating fund before GAAP adjustments (in \$M)

	2023-24			Comparison for 2023-24 Better/(Worse)		2024-25	2025-26	2026-27
	Budget	Forecast	Actuals	Actuals vs Budget	Actuals vs Forecast	Budget	Budget	Budget
	<b>Operating revenues</b>							
Government operating grants	312.4	311.0	317.2	4.8	6.2	325.1	328.8	335.8
Student fees	787.5	746.6	696.4	(91.1)	(50.2)	794.1	860.0	942.1
Grants and student fees subtotal	1,099.9	1,057.5	1,013.6	(86.3)	(43.9)	1,119.2	1,188.8	1,277.9
Funding from donations, endowments, & trusts	9.6	9.8	9.2	(0.4)	(0.6)	9.8	9.3	9.0
Investment income	29.0	36.5	45.9	16.9	9.4	26.1	17.8	13.8
Other recoveries	48.1	46.7	52.4	4.3	5.7	43.9	43.2	44.3
<b>Total operating revenues</b>	<b>1,186.6</b>	<b>1,150.5</b>	<b>1,121.2</b>	<b>(65.5)</b>	<b>(29.3)</b>	<b>1,199.0</b>	<b>1,259.1</b>	<b>1,345.0</b>
Enrolment shortfalls for 2023-24 and projected F/W 2024-25 intakes	-	-	-	-	-	(56.6)	(56.3)	(51.9)
Enrolment contingencies	(26.9)	-	-	26.9	-	(20.0)	(19.0)	(21.0)
<b>Total operating revenues, net of enrolment contingencies</b>	<b>1,159.8</b>	<b>1,150.5</b>	<b>1,121.2</b>	<b>(38.6)</b>	<b>(29.3)</b>	<b>1,122.4</b>	<b>1,183.8</b>	<b>1,272.1</b>
<b>Operating expenditures</b>								
Salaries and wages	670.0	684.5	678.1	(8.2)	6.3	690.4	706.8	725.4
Employee benefits	183.0	175.1	168.0	15.0	7.1	182.6	186.9	191.4
Operating costs	176.4	168.4	159.1	17.2	9.3	174.6	172.6	181.7
Scholarships and bursaries	95.8	90.9	89.8	6.0	1.1	94.9	98.8	102.1
Taxes and utilities	22.7	24.4	23.8	(1.1)	0.6	24.1	23.8	24.7
Interest on long-term debt	25.6	25.6	25.6	(0.0)	(0.0)	25.8	26.0	26.3
<b>Total operating expenditures before other items</b>	<b>1,173.4</b>	<b>1,168.8</b>	<b>1,144.4</b>	<b>29.0</b>	<b>24.4</b>	<b>1,192.3</b>	<b>1,215.0</b>	<b>1,251.7</b>
Estimate for wage reopener	-	76.5	56.6	(56.6)	19.9	50.9	54.0	57.0
Financial sustainability projects under development	-	-	-	-	-	(30.0)	(80.0)	(90.0)
<b>Total operating expenditures</b>	<b>1,173.4</b>	<b>1,245.3</b>	<b>1,201.0</b>	<b>(27.7)</b>	<b>44.3</b>	<b>1,213.2</b>	<b>1,189.0</b>	<b>1,218.7</b>
<b>In year surplus/(deficit) for operating fund, before transfers</b>	<b>(13.6)</b>	<b>(94.8)</b>	<b>(79.9)</b>	<b>(66.3)</b>	<b>15.0</b>	<b>(90.8)</b>	<b>(5.1)</b>	<b>53.4</b>
<b>Transfers to restricted funds</b>								
Transfers to capital fund	(49.2)	(42.2)	(41.7)	7.4	0.5	(37.3)	(30.7)	(35.7)
Transfers to ancillary fund	(3.4)	(3.1)	(3.1)	0.3	0.1	(3.2)	(3.4)	(3.4)
Transfers to other funds	(1.8)	(2.3)	(2.9)	(1.1)	(0.6)	(0.7)	(0.7)	(0.8)
<b>Total transfers to restricted funds</b>	<b>(54.3)</b>	<b>(47.6)</b>	<b>(47.7)</b>	<b>6.7</b>	<b>(0.0)</b>	<b>(41.3)</b>	<b>(34.8)</b>	<b>(39.9)</b>
<b>In Year Surplus/(Deficit) for Operating Fund, before GAAP adj.</b>	<b>(67.9)</b>	<b>(142.5)</b>	<b>(127.5)</b>	<b>(59.6)</b>	<b>15.0</b>	<b>(132.0)</b>	<b>(39.9)</b>	<b>13.4</b>

# 2023-24 Reconciliation of Forecast to Actuals

	<b>2023-24 \$M</b>
In Year Deficit for Operating Fund per Forecast	(142.5)
In Year Deficit for Operating Fund per Actuals <u>before</u> GAAP adjustments	<u>(127.5)</u>
<b>Variance between Forecast and Actuals <u>before</u> GAAP adjustments</b>	<b><u>15.0</u></b>
<u>Summary of variances:</u>	
1. Tuition deferrals for coursework not completed in 2023-24 due to labour disruption	(31.6)
2. Loss of tuition revenue due to tuition credit opportunity - Undergraduate students who have withdrawn from a course on or after February 26, 2024, are eligible to receive a tuition credit to be used in fiscal 2024-25.	(18.4)
3. Lower salaries and benefits - With the VP essential hiring approval, actuals of Faculties, divisional units and Markham were better than forecast by \$10.6M. Other main variance include lower bill 124 accruals by \$19.9M and lower actual spending on tuition waivers.	33.3
4. Higher operating grants due to additional funding for growth in nursing and planning grant for School of Medicine.	6.2
5. Higher investment income	9.4
6. Savings on operating costs (\$1.8M on travel & hospitality, \$4.6M on equipment, \$1.7M on software licenses, \$1.6M on advertising)	9.3
7. Others such as \$0.4M stale-dated cheques, \$1.5M higher tax recoveries and rental income, \$1.2M recovery for TTC Bus Way, and \$1.3M recoveries from externally sponsored research funds.	<u>6.8</u>
	<b><u>15.0</u></b>

# Operating fund after GAAP adjustments

## Total Operating Budget (\$ millions)

	2023-24			Comparison for 2023-24 Better/(Worse)		2024-25	2025-26	2026-27
	Budget	Forecast	Actuals	Actuals vs Budget	Actuals vs Forecast	Budget	Budget	Budget
In Year Surplus/(Deficit) for Operating Fund, before GAAP adj.	(67.9)	(142.5)	(127.5)	(59.6)	15.0	(132.0)	(39.9)	13.4
<b>GAAP adjustments</b>								
Remeasurement of employee benefit plans	-	-	70.6	70.6	70.6	-	-	-
Other GAAP adjustments	-	-	(6.4)	(6.4)	(6.4)	-	-	-
<b>Total GAAP adjustments</b>	-	-	64.1	64.1	64.1	-	-	-
<b>In year surplus/(deficit) for operating fund</b>	<b>(67.9)</b>	<b>(142.5)</b>	<b>(63.4)</b>	<b>4.5</b>	<b>79.1</b>	<b>(132.0)</b>	<b>(39.9)</b>	<b>13.4</b>
Opening accumulated surplus/(deficit) for operating fund	250.4	250.4	250.4			187.1	55.0	15.1
<b>Closing accumulated surplus/(deficit) for operating fund</b>	<b>182.5</b>	<b>107.9</b>	<b>187.1</b>			<b>55.0</b>	<b>15.1</b>	<b>28.6</b>

# Breakdown of accumulated surplus/carryforward in operating fund - Fiscal 2023-24 (\$M)

	<u>Opening</u>	<u>In Year</u>	<u>Closing</u>
University Fund	71.1	58.6	129.6
Departmental carry forwards without GAAP adjustments (Faculties, Divisional units, Markham, and some GIs)	171.5	(185.4)	(13.9)
Contractual commitments to employee groups (GI)	9.5	(0.7)	8.8
Subtotal, before GAAP adjustments	252.0	(127.5)	124.5
<u>GAAP adjustments (GI)</u>			
Employee pension benefits	91.0	91.4	182.4
Other GAAP adjustments such as other post-employment benefits and vacation liability	(92.6)	(27.3)	(119.9)
Total GAAP related items	(1.6)	64.1	62.5
<b>Grand Total</b>	<b>250.4</b>	<b>(63.4)</b>	<b>187.1</b>

Numbers may not add due to rounding.

# Summary

- Actual student fees are lower than budgeted by \$91.1M as a result of lower enrolment than what is reflected in the forecast (approximate \$50M attribution to the labour disruption).
  - Compared to target, the undergraduate enrolments for domestic were higher by 4% and lower by 23% for visa. These enrolment changes alongside the positive increase in non-degree programs (i.e., School of Continuing Studies) are reflected in the forecast.
  - \$50M is attributed to the labour disruption - \$31.6M was deferred tuition revenue for coursework not completed in 2023-24 (which needs to be booked in 2024-2025) and \$18.4M was given as tuition credit to undergraduate students who withdrew from a course on or after the strike starting date (February 26, 2024).
  
- Investment income was significantly better than budget by \$16.9M (\$7.5M was reflected in the forecast) primarily due to our active management in seeking value in our SMTF investment through competitive bidding for GICs and added diversification of the SMTF portfolio by employing four different managers with distinct profiles in terms of yields and duration.

## Summary (continued)

- The implementation of the essential hiring restriction contained salaries and benefits costs. Actuals better than budgets by \$6.8M.
  - Budgets included 4% or \$36.5M savings for unplanned vacancies and delays in hiring which was budgeted on the salary line.
  - Salaries and benefits savings were realized mainly on support staff which was lower than budgets by 7% and FT Faculty which was 3% lower than budgets.
  - Part-time faculty cost is higher by 4%, particularly in SCS which is correlated to their positive increase in enrolment.
  
- Operating costs was significantly better than budget by \$17.2M and better than forecast by \$7.9M due to cost containment measures. This reflects the University's commitment to realign expenditures with lower projected revenue.
  
- Actuals for 2023-24 are better than forecast by \$15M before GAAP adjustments. This positive variance together with the GAAP adjustments of \$64.1M will improve the carry forward balance to next year by \$79.1M. This will result in a carry forward surplus at the end of 2026-27.



A row of books on a shelf, with a blurred background of colorful lights. The books are of various colors and thicknesses, and the text is overlaid on the left side of the image.

# **2024-25 Approved Rolling Budget and Outlook**

# Operating Budgets

## 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>
<b>Operating revenues</b>				
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
<b>Total operating revenues</b>	<b>1,199.0</b>	<b>1,259.1</b>	<b>1,345.0</b>	<b>3,803.1</b>
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)
<b>Total operating revenues, net of enrolment contingencies</b>	<b>1,122.4</b>	<b>1,183.8</b>	<b>1,272.1</b>	<b>3,578.3</b>
<b>Operating expenditures</b>				
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
<b>Total operating expenditures before other items</b>	<b>1,192.3</b>	<b>1,215.0</b>	<b>1,251.7</b>	<b>3,659.0</b>
<b>Estimate for wage reopener</b>	<b>50.9</b>	<b>54.0</b>	<b>57.0</b>	<b>161.9</b>
<b>Financial sustainability projects under development</b>	<b>(30.0)</b>	<b>(80.0)</b>	<b>(90.0)</b>	<b>(200.0)</b>
<b>Total operating expenditures</b>	<b>1,213.2</b>	<b>1,189.0</b>	<b>1,218.7</b>	<b>3,620.9</b>
<b>In year surplus/(deficit) for operating fund, before transfers</b>	<b>(90.8)</b>	<b>(5.1)</b>	<b>53.4</b>	<b>(42.6)</b>
<b>Transfers to restricted funds</b>				
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)
<b>Total transfers to restricted funds</b>	<b>(41.3)</b>	<b>(34.8)</b>	<b>(39.9)</b>	<b>(115.9)</b>
<b>In year surplus/(deficit) for operating fund</b>	<b>(132.0)</b>	<b>(39.9)</b>	<b>13.4</b>	<b>(158.5)</b>
<b>Opening accumulated surplus/(deficit) for operating fund</b>	<b>107.9</b>	<b>(24.1)</b>	<b>(64.0)</b>	<b>107.9</b>
<b>Closing accumulated surplus/(deficit) for operating fund</b>	<b>(24.1)</b>	<b>(64.0)</b>	<b>(50.6)</b>	<b>(50.6)</b>

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.

# Emerging factors embedded in three rolling budget 2024-25/2026-27

1. Lower international enrolment from previous years impacting flow through in subsequent years
  - ✓ **Budgets included an adjustment for 2023-24 enrolment shortfall of \$20.6M for 2024-25, \$16.3M for 2025-26 and \$15.9M for 2026-27.**
2. Federally imposed cap on international enrolment – resulting in approximately 50% decrease for Ontario
  - Decision has had a profound impact on students choosing Canada even though YU got a good number of PALs
  - Ontario then assigned institutional allotments in late March after other provinces resulting in students accepting offers elsewhere
  - Important to remember that the percent of international students at specific universities has very different impacts on overall enrolment revenue
  - Combined with international reputation of those universities with larger numbers of international students further differentiating impact
  - Risk for York that negative impact will result in 50%+ decline - decreasing revenue

## **Budgets included:**

- ✓ **a provision for fall 2024 intakes shortfall of \$36M for 2024-25, \$40M for 2025-26 and \$36M for 2026-27 and**
- ✓ **a contingency for potential miss of 25% on international intakes for 2025-26 of \$19M for 2025-26 and \$21M for 2026-27**

## Emerging factors embedded in three rolling budget 2024-25/2026-27 (cont'd)

3. Tuition freeze extended for three more years 2024-2025 through 2026-2027
  - ✓ **Budgets included an adjustment for tuition freeze for the next three years of \$8M for 2024-25, \$17M for 2025-26 and 24M for 2026-27; initially assumed tuition increases of 3%, 3%, 2%.**
4. Labour disruption from 2023-2024
  - Impact: Lower admissions even on domestic - may affect ability to meet enrolment targets
  - ✓ **Budgets included \$20M contingency for summer 2024 enrolments due to labour disruption**
5. Compensation adjustments due to overturning of Bill 124
  - ✓ **Budgets included an estimate for wage reopener of \$50.9M for 2024-25, \$54M for 2025-26 and \$57M for 2026-27**
6. Financial sustainability projects under development – 17-prong action plan
  - ✓ **Budgets included new revenue generation or cost saving of \$30M in 2024-25, \$80M in 2025-26 and \$90M in 2026-27**

## Changes Since Budget Envelopes Were Issued for 2024-25 through 2026-27 (in November 2023) that had to be incorporated into budget approved by Board

	2024-25	2025-26	2026-27	Total
<b>Changes to estimated tuition and grant revenue</b>				
(1) Enrolment shortfalls for 2023-24	-20.6	-16.3	-15.9	-52.8
(2) Shortfalls projected Fall/Winter 2024-25 intakes	-36.0	-40.0	-36.0	-112.0
<b>Preliminary enrolment shortfalls on 2023-24 and Fall 2024 intakes</b>	<b>-56.6</b>	<b>-56.3</b>	<b>-51.9</b>	<b>-164.8</b>
(3) Contingency for tuition loss Summer 24 due to labour disruption	-20.0			-20.0
(4) Potential miss on international intakes for 2025-26 (25%) and flow through impact for 2026-27		-19.0	-21.0	-40.0
<b>Enrolment Contingencies</b>	<b>-20.0</b>	<b>-19.0</b>	<b>-21.0</b>	<b>-60.0</b>
(5) Less budgeted tuition increases (3%, 3%, 2%)	-8.0	-17.0	-24.0	-49.0
(6) International program-level tuition increases	0.6	1.9	3.3	5.8
(7) Estimated additional grant revenue - York Share of \$700M	8.4	14.2	20.1	42.7
<b>Total estimated impact of changes to tuition and grant revenues (sum of 1-7)</b>	<b>-75.6</b>	<b>-76.2</b>	<b>-73.5</b>	<b>-225.3</b>

Notes:

Does not include impact of 2024 labour disruption on potential miss on future terms.

## And Since Board Approved Operating Budget....

	2024-25 (Current year) \$M	2025-26 \$M	2026-27 \$M
<b>Board approved budgets</b>	<b>(132.0)</b>	<b>(39.9)</b>	<b>13.4</b>
<u>Changes since April 2024:</u>			
1. Early estimate for Summer 2024 enrolments	12.7		
2. Shortfalls projected for Fall/winter 2024-25	(9.7)	(10.9)	(10.2)
Total changes due to enrolment (1 & 2)	3.0	(10.9)	(10.2)
3. 2023-24 tuition deferrals	31.6		
<b>Total changes to budgets</b>	<b>34.6</b>	<b>(10.9)</b>	<b>(10.2)</b>
<b>Projection of net surplus/(deficit)</b>	<b>(97.4)</b>	<b>(50.8)</b>	<b>3.2</b>

Board approved budgets included:

- \$20M contingency for Summer 2024
- Provision for fall 2024 intakes shortfall of \$36M for 2024-25, \$40M for 2025-26, and \$36M for 2026-27

A scenic autumn landscape featuring a calm pond in the center, surrounded by trees with vibrant orange, red, and yellow foliage. A dirt path leads towards the water, and a large weeping willow tree hangs over the left side. In the background, city buildings are visible under a cloudy sky. The entire scene is framed by a thick red border.

**2024-25 Enrolment**

# Undergraduate 2024-25 Fall Term *Eligible* New Student Headcount by Faculty Relative to Enrolment Contract Target – excluding Markham

2024-25 estimates relative to contract targets

Fall Term Domestic New Student Headcount	2023-24 Actuals	2024-25 Contract Targets	Early Estimate (Jan 2024)	Early Estimate (Mar 2024)	Estimate (Jun 2024)
AMPD	685	653	-43 (-7%)	-44 (-7%)	-125 (-19%)
EUC	120	125	+11 (+9%)	+10 (+8%)	+8 (+6%)
Glendon	321	358	+5 (+1%)	-63 (-18%)	-47 (-13%)
Health (excl Nursing)	1,968	2,125	-387 (-18%)	-371 (-17%)	-499 (-23%)
LAPS	3,736	3,825	-258 (-7%)	-244 (-6%)	-1,090 (-28%)
Lassonde	843	805	+200 (+25%)	+186 (+23%)	+101 (+13%)
Osgoode	322	315	-	-	-
Schulich	445	475	-5 (-1%)	+2 (+0%)	+84 (+18%)
Science	976	960	-14 (-1%)	-5 (-1%)	-109 (-11%)
<b>Total</b>	<b>9,416</b>	<b>9,641</b>	<b>-491 (-5%)</b>	<b>-529 (-5%)</b>	<b>-1,677 (-17%)</b>



# Undergraduate 2024-25 Fall Term *Ineligible* Visa New Student Headcount by Faculty Relative to Enrolment Contract Target – excluding Markham

2024-25 estimates relative to contract targets

Fall Term Ineligible Visa New Student Headcount	2023-24 Actuals	2024-25 Contract Targets	Early Estimate (Jan 2024)	Early Estimate (Mar 2024)	Estimate (Jun 2024)
AMPD	83	112	-70 (-63%)	-65 (-58%)	-52 (-46%)
EUC	18	21	-3 (-14%)	-3 (-14%)	-9 (-43%)
Glendon	29	49	-20 (-41%)	-21 (-43%)	-24 (-49%)
Health (excl Nursing)	141	204	-119 (-58%)	-118 (-58%)	-126 (-62%)
LAPS	555	800	-399 (-50%)	-397 (-50%)	-457 (-57%)
Lassonde	259	220	-50 (-23%)	-47 (-21%)	-59 (-27%)
Osgoode	17	6	-	-	-
Schulich	77	85	-29 (-34%)	-29 (-34%)	-37 (-44%)
Science	165	268	-147 (-55%)	-143 (-53%)	-152 (-57%)
<b>Total</b>	<b>1,344</b>	<b>1,765</b>	<b>-837 (-47%)</b>	<b>-823 (-47%)</b>	<b>-916 (-52%)</b>

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

2024-25 estimates relative to contract targets

Fall Term New Student Headcount	Contract Targets (2024-25)	Early Estimate (Mar 2024)	Estimate (Jun 2024)
<b>Eligible</b>			
AMPD	35	-17 (-49%)	-6 (-17%)
LAPS	203	-96 (-47%)	-106 (-52%)
Lassonde	165	-90 (-55%)	-24 (-15%)
Science	29	-20 (-69%)	-24 (-83%)
<b>Eligible Total</b>	<b>432</b>	<b>-223 (-52%)</b>	<b>-160 (-37%)</b>
<b>Ineligible Visa</b>			
AMPD	15	-13 (-87%)	-13 (-87%)
LAPS	22	-7 (-32%)	-9 (-41%)
Lassonde	45	-34 (-76%)	-38 (-84%)
Science	19	-17 (-89%)	-15 (-79%)
<b>Ineligible Visa Total</b>	<b>101</b>	<b>-71 (-70%)</b>	<b>-75 (-74%)</b>

# Markham Enrolment Positive to Budget

- Budget includes contingency to offset risk of a smaller inaugural cohort at Markham
- Current enrolment projections show Markham will perform better in 2024-25 than budgeted contingency
- UG will fall short of full target set in November 2023
- Graduate is projected to meet target, with a higher proportion of international than expected
- Markham faculty and staff hiring has been moderated to reduce start up deficit

# Tuition Revenue Projections – Markham Campus

<b>Tuition Revenue relative to Budget Envelope</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>
<b>Budget Envelope (Oct 2023)</b>	<b>\$6,941,365</b>	<b>\$15,098,384</b>	<b>\$23,876,755</b>
Less budgeted domestic tuition increases (3%, 3%, 2%)	-\$85,721	-\$350,402	-\$697,478
International program-level tuition increases	\$55,255	\$174,352	\$212,600
Shortfalls projected Fall/Winter 2024-25 undergraduate intakes (March estimate)	-\$3,730,647	-\$2,524,149	-\$2,027,251
Shortfalls projected Fall/Winter 2024-25 undergraduate and graduate intakes (June estimate) - <b>NEW</b>	-\$2,930,673	-\$1,928,545	-\$1,949,589
Enrolment Contingencies: Potential miss on international intakes for 2025-26 (25%) and flow-through impact for 2026-27	\$0	-\$1,230,103	-\$849,998
<b>Total expected shortfall based on June estimate</b>	<b>-\$2,961,139</b>	<b>-\$3,334,698</b>	<b>-\$3,284,466</b>
<b>Difference relative to the approved budget in April</b>	<b>\$799,974</b>	<b>\$595,604</b>	<b>\$77,662</b>



# Known Unknowns - Melt Rates

# Melt Rate from Confirmations to Enrolments – Domestic 101

Home Faculty	Fall 2017	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023
<b>AMPD</b>	7.0%	6.8%	6.8%	3.4%	8.0%	10.6%	10.3%
<b>EUC (previously ES)</b>	11.5%	11.9%	12.8%	13.0%	7.7%	11.7%	8.5%
<b>Education</b>	81.2%	83.8%	77.5%	77.8%	75.9%	33.7%	28.4%
<b>Glendon</b>	7.7%	7.9%	8.1%	7.1%	11.1%	13.2%	8.3%
<b>Health</b>	9.8%	7.1%	7.6%	6.3%	10.1%	11.7%	7.7%
<b>LA&amp;PS</b>	12.7%	11.1%	11.4%	10.4%	14.2%	15.5%	12.0%
<b>Lassonde</b>	4.9%	3.4%	5.5%	5.9%	7.0%	7.4%	4.6%
<b>Schulich</b>	0.7%	1.6%	2.1%	2.4%	1.7%	4.2%	1.2%
<b>Science</b>	6.2%	6.2%	6.9%	8.4%	9.1%	11.3%	7.2%
<b>TOTAL</b>	<b>13.7%</b>	<b>13.3%</b>	<b>12.8%</b>	<b>12.8%</b>	<b>14.9%</b>	<b>12.9%</b>	<b>9.4%</b>

## Melt Rate from Confirmations to Enrolments – Domestic 105

Home Faculty	Fall 2017	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023
<b>AMPD</b>	13.5%	5.5%	12.0%	14.5%	19.2%	22.2%	15.4%
<b>EUC (previously ES)</b>	21.3%	25.0%	25.0%	22.2%	27.3%	18.4%	12.3%
<b>Education</b>	33.3%	39.3%	55.1%	27.3%	41.9%	91.4%	94.7%
<b>Glendon</b>	15.7%	25.1%	13.6%	26.9%	34.7%	19.2%	16.4%
<b>Health</b>	18.6%	16.2%	20.0%	12.4%	19.1%	22.0%	15.0%
<b>LA&amp;PS</b>	23.0%	21.7%	21.9%	18.1%	24.7%	20.6%	18.9%
<b>Lassonde</b>	25.3%	19.3%	25.2%	12.7%	20.9%	20.5%	21.5%
<b>Schulich</b>	25.0%	33.3%	29.4%	0.0%	18.8%	16.7%	9.5%
<b>Science</b>	5.4%	9.1%	19.7%	-4.2%	5.0%	17.2%	16.9%
<b>TOTAL</b>	<b>20.1%</b>	<b>19.1%</b>	<b>21.3%</b>	<b>15.3%</b>	<b>22.1%</b>	<b>27.4%</b>	<b>26.2%</b>

# Melt Rate from Confirmations to Enrolments– International 101

Home Faculty	Fall 2017	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023
<b>AMPD</b>	34.8%	7.7%	8.6%	31.1%	33.3%	24.1%	19.4%
<b>EUC (previously ES)</b>	50.0%	60.0%	50.0%	37.5%	33.3%	0.0%	25.0%
<b>Education</b>	100.0%	100.0%	33.3%	100.0%	66.7%	0.0%	100.0%
<b>Glendon</b>	0.0%	0.0%	50.0%	0.0%	12.5%	37.5%	0.0%
<b>Health</b>	19.0%	20.9%	30.6%	16.9%	29.9%	26.8%	29.0%
<b>LA&amp;PS</b>	33.9%	42.4%	33.3%	28.7%	36.1%	35.9%	30.9%
<b>Lassonde</b>	32.8%	4.8%	2.0%	15.8%	13.3%	13.2%	24.0%
<b>Schulich</b>	-8.3%	10.0%	-13.3%	-25.0%	0.0%	12.5%	0.0%
<b>Science</b>	12.9%	29.4%	14.0%	10.6%	14.3%	25.0%	30.1%
<b>TOTAL</b>	<b>30.5%</b>	<b>34.2%</b>	<b>25.8%</b>	<b>23.2%</b>	<b>29.5%</b>	<b>29.6%</b>	<b>28.3%</b>



# Melt Rate from Confirmations to Enrolments– International 105

Home Faculty	Fall 2017	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023
<b>AMPD</b>	33.0%	37.0%	41.7%	34.2%	45.5%	56.3%	52.0%
<b>EUC (previously ES)</b>	23.5%	56.0%	64.0%	39.3%	52.9%	74.1%	71.2%
<b>Education</b>	-	50.0%	42.9%	8.3%	27.3%	69.2%	78.9%
<b>Glendon</b>	51.9%	56.3%	50.5%	49.4%	71.1%	64.3%	74.8%
<b>Health</b>	48.9%	43.6%	46.4%	45.4%	46.7%	61.6%	64.1%
<b>LA&amp;PS</b>	50.2%	55.6%	51.8%	45.7%	51.2%	64.9%	62.0%
<b>Lassonde</b>	56.5%	56.6%	49.5%	50.8%	38.8%	57.6%	54.5%
<b>Schulich</b>	24.1%	82.5%	46.0%	22.2%	47.5%	54.5%	28.0%
<b>Science</b>	53.8%	59.1%	52.8%	47.1%	55.0%	64.6%	60.8%
<b>TOTAL</b>	<b>49.0%</b>	<b>55.8%</b>	<b>50.6%</b>	<b>44.7%</b>	<b>49.9%</b>	<b>62.5%</b>	<b>60.1%</b>

# Modelling Potential Improvement in 105 International Accept-to-Enrol Ratio Due to Deposit Requirement for PALs

<b>Impact on tuition revenue</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>
<b>Scenario 1:</b> 10 percentage points increase in accept-to-enrol ratio at the Faculty level for Fall 2024 relative to Fall 2023	\$5,543,727	\$6,361,334	\$5,530,714
<b>Scenario 2:</b> 20 percentage points increase in accept-to-enrol ratio at the Faculty level for Fall 2024 relative to Fall 2023	\$10,894,510	\$12,833,679	\$11,303,916

A scenic autumn landscape featuring a calm pond in the center, surrounded by trees with vibrant yellow and orange foliage. In the foreground, there are tall, dried, brown seed heads on the left and a dirt path leading towards the water. The sky is filled with dramatic, dark clouds. The entire scene is framed by a thick red border.

# Summary

# Summary

- The enrolment contingencies that are embedded in the budgets will likely be sufficient for 2024-25 but not sufficient for 2025-26 and 2026-27. This highlights the importance of SEM activities and the 17 prong-action plan to mitigate these losses.
- \$31.6M of tuition deferrals for coursework not completed in 2023-24 due to labour disruption will be recognized as revenue for 2024-25 which will positively impact the current year budget
- 10 percentage point increase in accept-to-enrol ratio for Fall 2024 relative to Fall 2023 is a target scenario that will bring in an additional \$5.5M for 2024-25, \$6.4M for 2025-26 and \$5.5M for 2026-27

# Key takeaways

## **2023-24 results:**

- The operating fund before GAAP adjustment is worse than budget by \$59.6M. The primary drivers for the lower performance are due to lower international student enrolment, results associated with the renegotiation of the Bill 124 moderation period, and the CUPE 3903 strike.
- The University's proactive approach to diligently monitor and manage its spending along with higher performance in non-degree programs, investment income, and unexpected recoveries have significantly improved the operating bottom line.
- Without the adjustments from Bill 124 and the labour disruption, the university operating fund would have been close to balance which would have resulted in balanced overall financial statement results for 2023-24.
- Healthy carry forward balances combined with cost containment measures have minimized the operating carry forward deficit anticipated for 2026-27.

# Looking ahead

- The University continues to operate in a volatile environment impacted by a host of largely external "known unknowns"
- The escalation of "unknown unknowns" in 2023-2024 contributed significantly to the challenges facing York and higher education
- The University's Strategic Planning Framework enhanced our ability to respond effectively to this type of environment including:
  - Our comprehensive planning context e.g., UAP, Integrated Resource Plans
  - Our debt policy and repayment strategy
  - Our carry forwards
  - Scenario planning and embedding of contingencies
  - Advancing plans for revenue diversification
  - Development of 17-prong Action Plan for financial sustainability in alignment with the future of higher education and our vision for York
- Understanding that the results of the Action Plan (given the immediacy and scope of the impact of the context emerging from 2023-2024) will take some time to fully implement, we expect to achieve a balanced budget over the period of the rolling budgets
- Actively engaging the community and developing a strong sense of shared accountability will be a priority including coordination and consultation among PVP, Deans, project leads, Senate, Board, town halls, budget consultations, etc.
- Strategy for investing in growth will require partners, philanthropy and potential opportunities to be found in the diversification of revenue.

A close-up photograph of a row of books on a dark blue shelf. The books vary in thickness and color, with some showing signs of age and wear. The background is blurred, showing colorful bokeh lights. The word 'APPENDIX' is overlaid in a white box with red text.

**APPENDIX**

# Key Terms

**101s:** Applicants currently attending an Ontario high school.

**105s:** International or Canadian applicants not currently attending an Ontario high school.

**Confirmations:** A formal indication from an applicant that they are accepting an offer of admission. ‘Confirmations’ are also called ‘acceptances’ or ‘accepts.’

**Conversion Rate (also called Conversion Ratio):** The student recruitment process is tracked relative to several key metrics, including: number of applications, offers of admission, acceptances of offers, and enrolments. Various conversion rates are used to track the efficacy of various aspects of the recruiting process, and include offers as a proportion of applications, accepts as a proportion of offers, and enrolments as a proportion of acceptances.

**Course load:** Course-load is a measure of course-taking activity as a proportion of headcount. A student’s course-taking activity is calculated by summing the course credits of the courses in which they are enrolled and dividing that sum by the ‘standard course load’ for the program in which the student is enrolled. Most undergraduate programs at York have a standard course load of 30 credits. The sum of course-taking activity across all students is then divided by the number of students, resulting in a course-load.

**Eligible:** An Eligible Program is one approved by the Ontario government for operating grant support (i.e., part of the Enrolment Corridor).

**Enrolment Contract Projections:** Generated each year in late-September, these multi-year enrolment projections are based on intake targets set in June, Summer enrolment actuals, and estimates of the current Fall term intakes (taking into account the melt-rates for new students between late-September and November 1). These enrolment projections are used in enrolment contracts and enrolment revenue envelopes.

**Fiscal Full-Time Equivalent (FFTE):** Undergraduate FFTEs are calculated as a proportion of a standard full-time credit load for their particular program. The standard full-time load for most undergraduate degree programs is 30 credits. A student taking 30 credits across two terms of study generates 1.0 FFTE across those two terms combined.



# Key Terms (Continued)

**Flow-through:** Flow-through is closely related to retention rates since both have to do with students who are enrolled in one term and then return in subsequent terms. When we talk about enrolment flow-through, we are referring to the impact that higher or lower headcounts in one term have on subsequent terms, holding other factors, like retention rates, the same.

**Full-Time Equivalent (FTE):** Graduate students FTEs are calculated on the basis of their full-time or part-time registration status in each term they are enrolled. A full-time graduate student generates 1 FTE per term and a part-time graduate student generates 0.3 FTEs. Graduate students generally attend three terms per year.

**Headcount:** Count of the number of students enrolled at any given time.

**Ineligible:** An Ineligible Program does not receive Ontario government operating grant funding and are not therefore counted in the Enrolment Corridor.

**Intake targets:** Intakes are new students admitted to York who are enrolled as of the official count date (e.g., November 1 for the Fall term). Intake targets are established by Faculties and the Provost every June.

**Melt Rate:** Not all students who enrol for a particular reporting period will still be registered as of the official count date for that reporting period. The 'melt rate' is the ratio of official count date enrolments compared to the enrolments for the same reporting period, but at an earlier date.

**Retention Rate:** Retention-rates are closely related to flow-through since both have to do with students who are enrolled in one term and then return in subsequent terms. When we talk about retention rates, we are referring to the proportion of students enrolled in one term who return in a subsequent term, or in one reporting period, returning in a subsequent reporting period.

**Strategic Enrolment Management (SEM):** A wide organizational framework for improving student enrolment, retention, and success outcomes.