



# Senate Budget Presentation

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MAY 23, 2024

YORK 

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A photograph of a row of books on a shelf, viewed from a low angle. The books are of various colors and thicknesses, with some showing signs of age. The background is blurred, showing a colorful, abstract shape. The entire image is framed by a thick red border.

# Budget Objectives and Planning Context

# Budget Objectives

1. Maximize advancement of the University Academic Plan vision and priorities
2. Ensure long-term sustainability of the University
3. Adapt to financial pressures and risks through ongoing planning, monitoring, and decision-making
4. Apply bold, strategic thinking to:
  - respond to emerging revenue-growth opportunities
  - align revenue and expenditures

# History up to June 2023 Budget

## ➤ 2019

- 10% tuition fee cut and freeze through 2022-23
- Bill 124 passed

## ➤ 2020

- March 2020, Ontario shut down due to pandemic emergency

## ➤ 2021

- Continued uncertainty with pandemic
- Significant impact on international recruitment especially from China

## ➤ 2022

- Bill 124 deemed unconstitutional by lower court; government files appeal
- Tuition freeze extended for another year through 2023-24

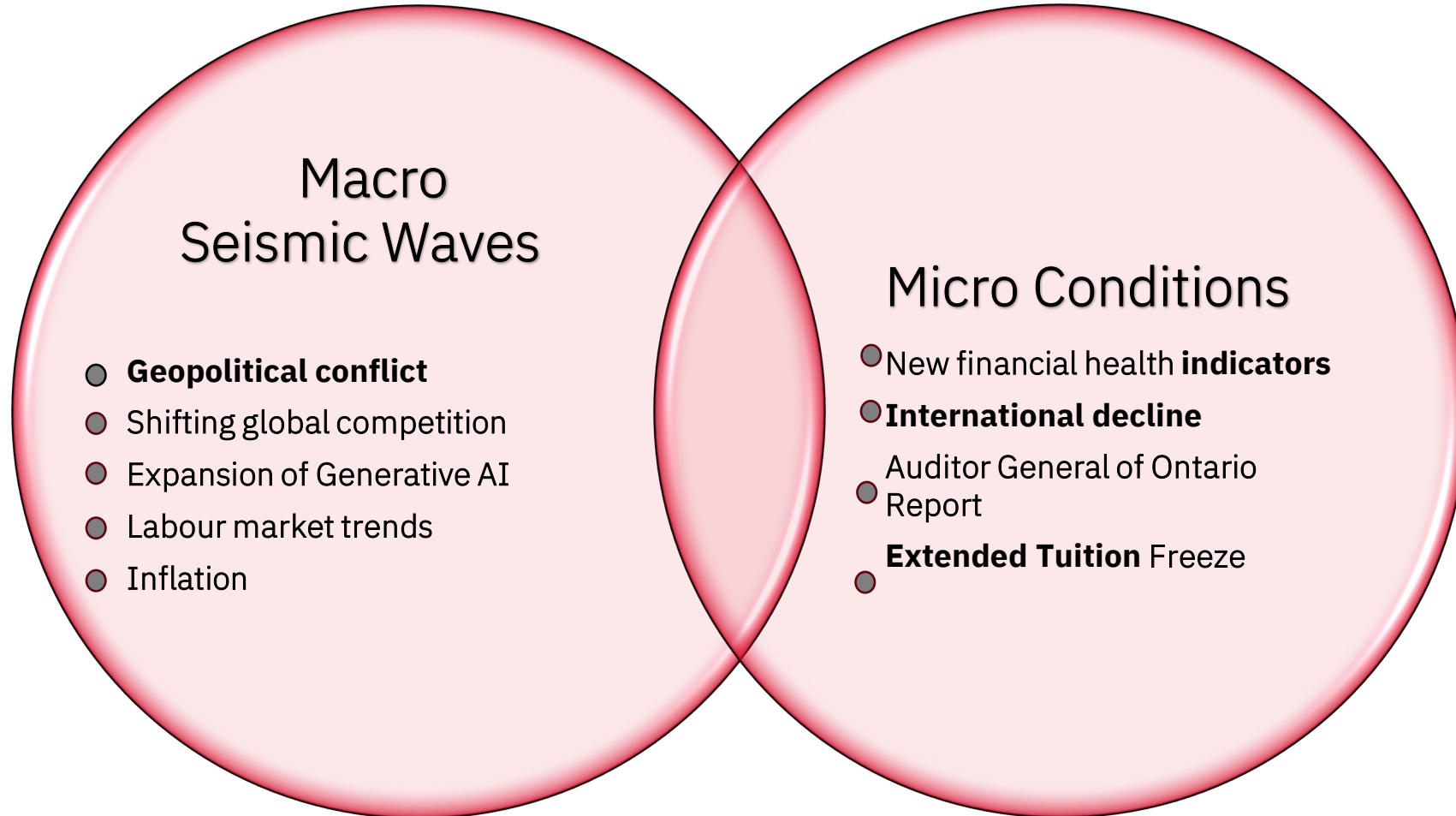
## ➤ 2023

- Pandemic emergency ends
- Student choices about PSE participation change with lower course loads, smaller summer
- International student visa processing delays

# Significant Changes Since Last Approved Budget (June 2023)

1. Canada-India tensions flare with negative impact on applications from India
2. Federally imposed cap on international enrolment -- approximately 50% decrease for Ontario
  - Decision has had a profound impact on students choosing Canada
  - Ontario assigned institutional allotments in late March after other provinces
  - Risk that negative impact could exceed 50%
3. Government loses Bill 124 appeal; announces it will not appeal further; negotiations proceed to reach agreement on moderation period with awards for 5 employee groups providing an additional 6% (but with no additional funding from government)
4. Tuition freeze also extended for three more years (2024-25 to 2026-27)
5. Impact of labour disruption

# External Context



## Our Response to Date ...

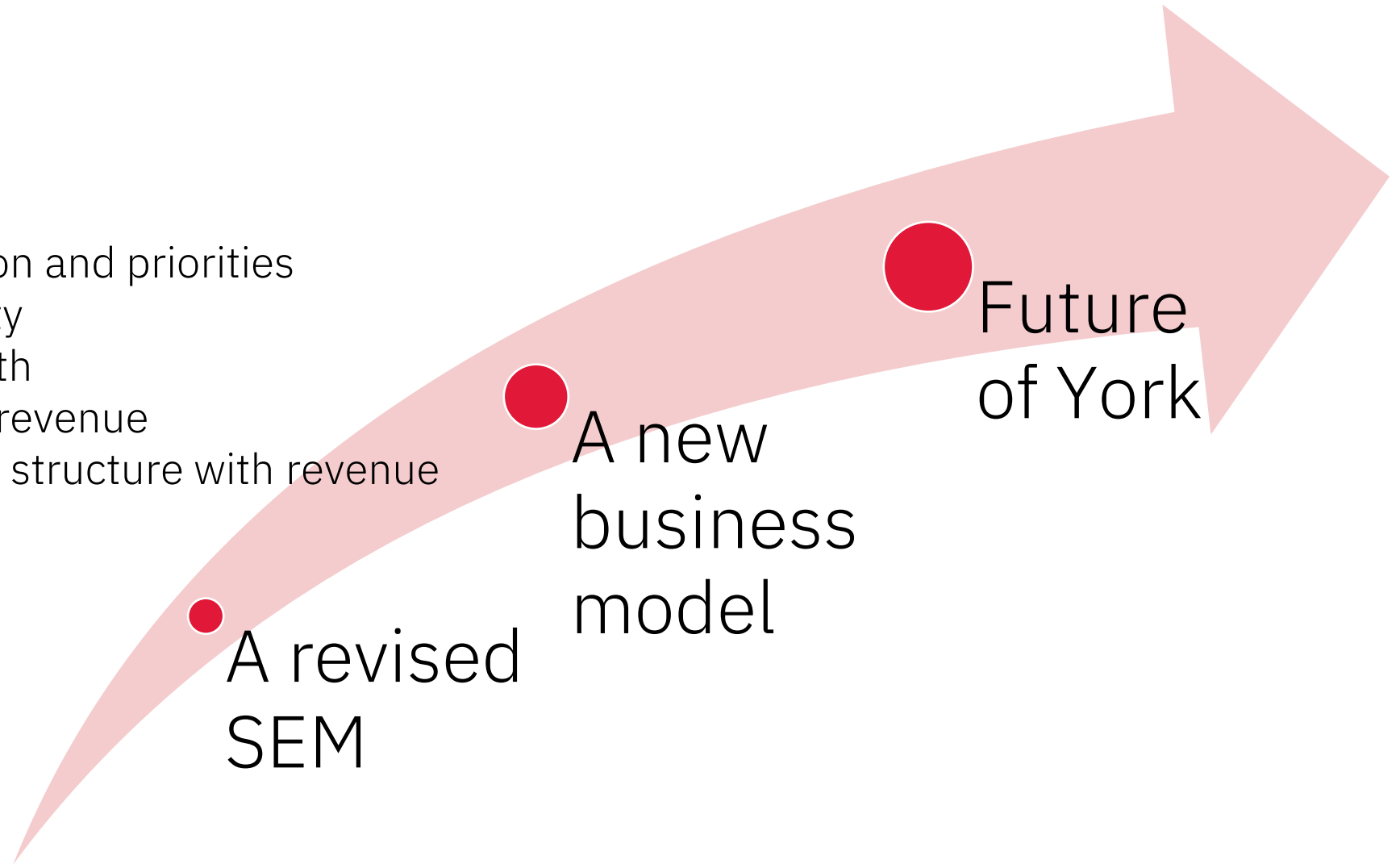
- Budget reductions include a temporary pause or reduction in costs such as, advertising, employee professional development, travel and conferences for staff and administration that are not directly related to revenue generation
- Deferral of minor renovations and some equipment renewal
- Enrolment contingencies embedded in budgets
- Streamlining course offerings and curriculum across the University
- Consolidating academic departments e.g., Glendon
- Human resource plan pausing all but essential hires, both faculty and staff
- Requiring philanthropic or other external funds to proceed with new capital projects
- Pausing components of institution-wide projects such as the Student Systems Renewal Project (SSRP)



# Plus... Re-evaluation of the Strategic Plan

## Goals:

- Advancing York's vision and priorities
- Financial sustainability
  - Investing in growth
  - Diversification of revenue
  - Alignment of cost structure with revenue



A close-up photograph of a row of books on a shelf. The books are of various colors and thicknesses, with some showing signs of age. The background is blurred, showing a colorful, abstract shape. The entire image is framed by a thick red border.

# 2023-24 Forecast Update


## Divisional Operating Forecast for 2023-24

(\$ millions)

Division	Opening Cumulative Position  (A)	Approved Budget In-Year Surplus (Deficit)  (B)	Forecast In-Year Surplus (Deficit)  (C)	Variance Budget vs Forecast  (C-B)	Forecasted Closing Carryforward  (A+C)
<b>President</b>	5.3	0.1	0.8	0.7	6.1
<b>Advancement</b>	3.8	(3.3)	(3.1)	0.2	0.8
<b>Academic</b>					
Arts, Media, & Performance Design	(16.9)	(4.8)	(5.7)	(0.9)	(22.6)
Education	0.9	(5.4)	(5.3)	0.1	(4.4)
Environmental & Urban Change	(23.2)	(7.0)	(8.5)	(1.6)	(31.7)
Glendon	(36.7)	(5.1)	(5.2)	(0.1)	(42.0)
Health	19.8	(4.8)	(2.0)	2.9	17.8
Liberal Arts & Professional Studies	12.6	(23.8)	(44.6)	(20.8)	(32.0)
Lassonde	(1.0)	(0.1)	(8.3)	(8.3)	(9.4)
Osgoode	43.0	1.2	0.3	(0.9)	43.3
Schulich	1.1	2.1	(0.0)	(2.1)	1.1
Science	8.9	(16.9)	(14.6)	2.2	(5.7)
Continuing Studies	40.4	(2.6)	14.1	16.7	54.5
<b>Total Faculties &amp; Schools</b>	<b>48.9</b>	<b>(67.2)</b>	<b>(80.0)</b>	<b>(12.8)</b>	<b>(31.1)</b>
<b>Graduate Studies</b>	<b>(1.1)</b>	<b>(1.4)</b>	<b>(1.3)</b>	<b>0.1</b>	<b>(2.4)</b>
<b>Libraries</b>	<b>5.5</b>	<b>(0.4)</b>	<b>0.1</b>	<b>0.4</b>	<b>5.6</b>
<b>Vice Provost Students</b>	<b>5.6</b>	<b>(6.0)</b>	<b>(7.1)</b>	<b>(1.1)</b>	<b>(1.5)</b>
<b>PVPA</b>	<b>12.1</b>	<b>(4.2)</b>	<b>(2.4)</b>	<b>1.8</b>	<b>9.6</b>
<b>Academic Total</b>	<b>70.9</b>	<b>(79.1)</b>	<b>(90.7)</b>	<b>(11.5)</b>	<b>(19.7)</b>
<b>Equity, People and Culture</b>	<b>7.0</b>	<b>(2.4)</b>	<b>(0.7)</b>	<b>1.7</b>	<b>6.3</b>
<b>Finance &amp; Administration</b>	<b>0.9</b>	<b>(0.6)</b>	<b>(0.3)</b>	<b>0.3</b>	<b>0.6</b>
<b>Research</b>	<b>12.5</b>	<b>(3.0)</b>	<b>0.7</b>	<b>3.7</b>	<b>13.1</b>
<b>Markham Campus</b>	<b>(9.5)</b>	<b>(19.6)</b>	<b>(15.5)</b>	<b>4.1</b>	<b>(25.0)</b>
<b>University Fund</b>	<b>71.1</b>	<b>33.8</b>	<b>48.4</b>	<b>14.6</b>	<b>119.5</b>
<b>General Institutional</b>	<b>88.4</b>	<b>6.3</b>	<b>(82.1)</b>	<b>(88.4)</b>	<b>6.3</b>
<b>Total University</b>	<b>250.4</b>	<b>(67.9)</b>	<b>(142.5)</b>	<b>(74.6)</b>	<b>107.9</b>

# 2023-24 Forecast – Reconciliation to Budget

	2023-24
<b>Board approved operating budgets (June 2023)</b>	<b>-67.9</b>
Adjustment for new projected enrolment	-33.9
<b>Board approved budgets adjusted with lower enrolment impact</b>	<b>-101.8</b>
Additional revenue for SCS	16.7
Additional grant and other recoveries	7.1
Additional investment income	7.5
Expense reduction	4.6
<b>Forecasted operating budget before wage reopener</b>	<b>-65.9</b>
<b>Estimated impact of wage reopener</b>	<b>-76.6</b>
<b>Forecasted operating budget</b>	<b>-142.5</b>
<b>Forecasted ancillary budget</b> (e.g. bookstore, food services, housing, parking, printing, executive learning centre)	<b>12.7</b>
<b>Combined operating and ancillary budgets</b>	<b>-129.8</b>

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

# **Multi-Year Budget Plan 2024-25, 2025-26, 2026-27**

# Changes Since November Budget Envelopes for 2024-25 to 2026-27

	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.*

# 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.

# Reconciliation of Budgets for Approval to Financial Statements

## Operating and Ancillary Budgets Combined Impact on Financial Statements

	<u>Forecast</u>	<u>Budget</u>			<u>Total Budget</u>
	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2024-25 to 2026-27</b>
Operating budgets	-142.5	-132.0	-39.9	13.4	-158.5
Ancillary budget (e.g. bookstore, food services, housing, parking, printing, executive learning centre)	12.7	11.4	14.7	14.7	40.8
Adjustments for capital and non-cash items	15.7	0.0	-0.8	9.4	8.6
<b>Combined Impact on Financial Statements</b>	<b>-114.1</b>	<b>-120.6</b>	<b>-26.0</b>	<b>37.5</b>	<b>-109.1</b>

Deficit Financial Statements will automatically place the University in the MCU Financial Accountability Framework High Risk Category.



# Impacts on Cash flows

- Entering 2023-24, the University's cash position was strong, exceeding the target.
- The slow recovery in international enrolment plus the extended tuition freeze and the international cap in combination with the planned commitments for capitals projects (e.g., Sherman expansion) have resulted in deficit budgets in 2023-24, 2024-2025 and 2025-26, which will significantly deplete cash reserves.
- Steps to preserve cash, including postponing a phase of SSRP for approximately 33 months, have been implemented.
- Current projections (without an increase in funding) show unrestricted cash being below the 90-day cash reserve from 2024-25 until 2029-30

# Cash Flow Assumptions and Risks

## ➤ Risks

- MCU high risk threshold for cash reserves is 30 days
- Effective SEM/ISEM essential to ensure enrolment stays within targets (including contingency)
- Capital donations not received as planned
- Capital project cost escalations, although for current projects budgets are on target
- Investment income target not met due to lower cash balances and market rates
- Other unanticipated factors negatively impacting ability to balance budget in 2026-2027

## ➤ Assumptions

- Due to increased expenditures operating and capital, minimum cash reserves (primary reserve) is now estimated at \$330M (30-day threshold estimated at \$110M)
- Markham budgets are achieved and contribute to an in-year surplus starting 2029-30
- No additional capital cost escalations
- 2024/25 - 2026/27 budget does not include internal funding for School of Medicine capital
- Beyond 2026-27, the institution excluding Markham breaks even without investment income

# MCU Financial Accountability Framework

- MCU Framework includes 8 ratios plus credit rating, to measure financial performance in respect to liquidity, sustainability, and performance
- Financial ratios are based on the University's consolidated financial statements
- The outcome of these ratios result in a No, Low, Medium or High Action Plan
- For fiscal 2022-23, University was in a Low Action Plan because of its Low Action status for its credit rating ( A High/A+)
- Forecasted deficit budgets for 2023-24, 2024-25 and 2025-26 will place the University in the High Action Plan Category
- High Action Plan category requires that the University develop a recovery plan and appoint an external advisor if it remains in the high action category for two years.



# Priority Investments and University Fund

# Looking Forward

- Targets have been set for reducing deficits as reflected in three-year rolling budget
- Strategy remains in place for debt repayment
- Careful balance between expenditure reduction and investment in growth
- Will require some scenario planning around risk in order to be able to pivot as needed

# Current Priority Investments to Support the University Academic Plan



# What we Heard in 2023-2024 Budget Consultation– Community Priorities for Investment

February 2023  
(at the end of 2022-23 cycle of consultations)



February 2024  
(at the end of 2023-24 cycle of consultations)



# Living Well Together

## Investments in Deferred Maintenance

	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>
	\$M			
Internal Funds	19.2	19.2	21.1	21.1
External Funds	6.5	6.5	6.5	6.5
<b>TOTAL</b>	<b>25.7</b>	<b>25.7</b>	<b>27.6</b>	<b>27.6</b>

York is investing in two priority areas of work – classroom and washroom renewals – previously identified through community consultations and working groups.

Phase 1 of this multi-year initiative ended in 2022 and was extended into Phase 2 which will see investments in washroom renewals continued, and additional investments in classroom renewal following important work on the future of pedagogy.



# Summary of University Fund Approvals 2023-24 to 2026-27

	Forecast (\$M)		Budgets (\$)	
	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>
<b>Faculty Support</b>				
Faculty Operating Support (AMPD, EUC, Glendon, EDU, LAPS, SCI)	24.7	46.5		
Faculty Operating/Strategic Support TBD			46.5	46.5
General Faculty Allocation	19.9	26.7	23.8	20.4
<b>Total Faculty Support before Strategic allocations</b>	<b>44.6</b>	<b>73.2</b>	<b>70.3</b>	<b>66.9</b>
Strategic Support for Faculty Infrastructure	10.3	3.6	0.4	
<b>Total Faculty Support</b>	<b>54.9</b>	<b>76.9</b>	<b>70.7</b>	<b>66.9</b>
<b>Research Support</b>	<b>5.9</b>	<b>3.5</b>	<b>2.3</b>	<b>3.0</b>
<b>Student Support</b>	<b>1.6</b>	<b>4.3</b>	<b>1.4</b>	<b>1.5</b>
<b>Institutional Support</b> (incl. Advancement and Internationalization)	<b>2.9</b>	<b>6.4</b>	<b>1.5</b>	<b>0.2</b>
<b>Capital Projects and Renovations</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>
<b>Technology Investments</b>	<b>16.3</b>	<b>18.4</b>	<b>18.6</b>	<b>24.3</b>
<b>Total University Fund Approvals</b>	<b>87.6</b>	<b>115.4</b>	<b>100.5</b>	<b>101.9</b>

A long, straight asphalt road with yellow lane markings stretches into a vast, arid desert landscape under a blue sky with distant mountains. The road is flanked by dry, yellowish-brown vegetation and leads towards a range of mountains in the distance. The sky is a clear, deep blue with some light clouds. The entire scene is framed by a thick red border.

# **Evolving Action Plan to Address New Context**

# Fall 2024 Outlook for York

Fall term New UG Student Headcount		Fall 2024 Outlook
<b>Eligible</b>	Target	9,641
	Actuals	9,112
	<b>Difference</b>	<b>-529</b>
	<b>%age</b>	<b>-5%</b>
<b>Ineligible Visa</b>	Target	1,765
	Actuals	942
	<b>Difference</b>	<b>-823</b>
	<b>%age</b>	<b>-47%</b>

Excludes Education, Nursing, Osgoode JD/MBA, JD/MA and JD/MES, and Schulich MBA/JD; excludes Markham

The School of Continuing Studies: Estimating 550 new international students for Spring 2024 and the budget was 393 for 140% target. Note: these registrations were all in before January 22 so everyone had already applied for study permits.



# Action Plan to Advance York University's Academic Plan and Financial Sustainability



## Program Enhancement and Sustainability

**Project 1:** Course Enrolment Optimization

**Project 2:** Expand Capacity in Programs with Unmet Demand

**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:** Faculties of the Future



## Administrative Projects

**Project 13:** Administrative Service Efficiencies

**Project 14:** E-License Optimization

**Project 15:** Space Optimization

**Project 16:** HR Initiatives

**Project 17:** Alternate revenue/Asset Monetization

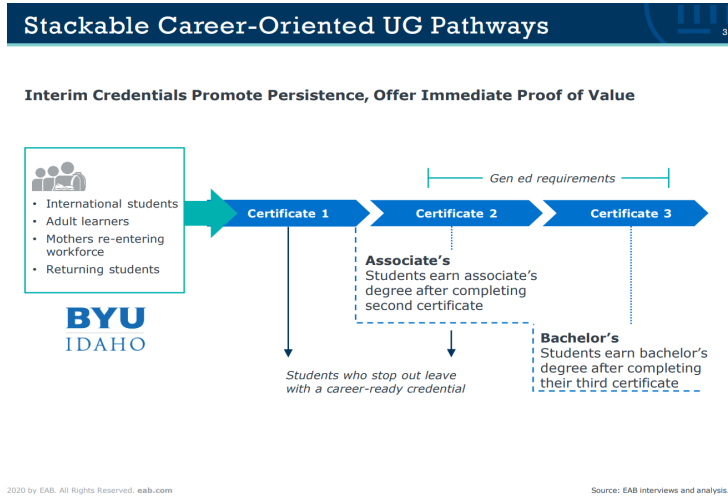
# Future of Higher Education

- **Evolution of Jobs**

- Understanding the demand for knowledge and skills in the context of the future of work and global problems
- Major growth areas around the world include agriculture, clean technology, digital industries, infrastructure
- New emerging program needs and how these shifts align with and support York's areas of focus
- Examples of growing areas include learning sciences, health, data processing, technology, engineering, management science, sustainability studies, computer programming, information systems security, sports communications, intelligence.

# Growth of Stackable Credentials and Custom Industry Partnerships

## GROWTH OF STACKABLE CREDENTIALS



## EDUCATION AS A BENEFIT EMERGING

University of Memphis Global's Learning Inspired by FedEx (LiFE)

Education as a benefit partnership between FedEx Express US and U Memphis has enrolled 3000 learners and cut staff turnover at FedEx Express by 50% in 9 months.



## FULL-SERVICE SOLUTIONS

**GLOBAL LEARNING & PARTNERSHIPS**  
OF ROWAN UNIVERSITY

**Onsite customer service team brings full breadth of university services to employee**

Services include:

- Academic advising
- IT support
- Enrollment troubleshooting
- Financial aid counseling
- Academic support tutors

**Programs Included**

- RN -BSN*
- MSN - Nursing*
- MS - Computer Science*
- Graduate Certificate - Data Analytics*

# Future Students

## GEN ALPHA (2013 – 2023)

### Core Traits

- Connected to technology and instantaneous information (trendiest and “smartest” generation yet)
- See technology as seamlessly integrated into every aspect of their life (at age 8, they surpass their parents in technology skills)
- AI is their reality (Siri, Alexa, ChatGPT, Claude, MSFT Copilot, etc.)
- Their learning is highly personalized (including social media)
- Individualistic. Opposed to the “sharing economy” – ownership is back.
- May choose technology over human connection

### Expectations/Considerations

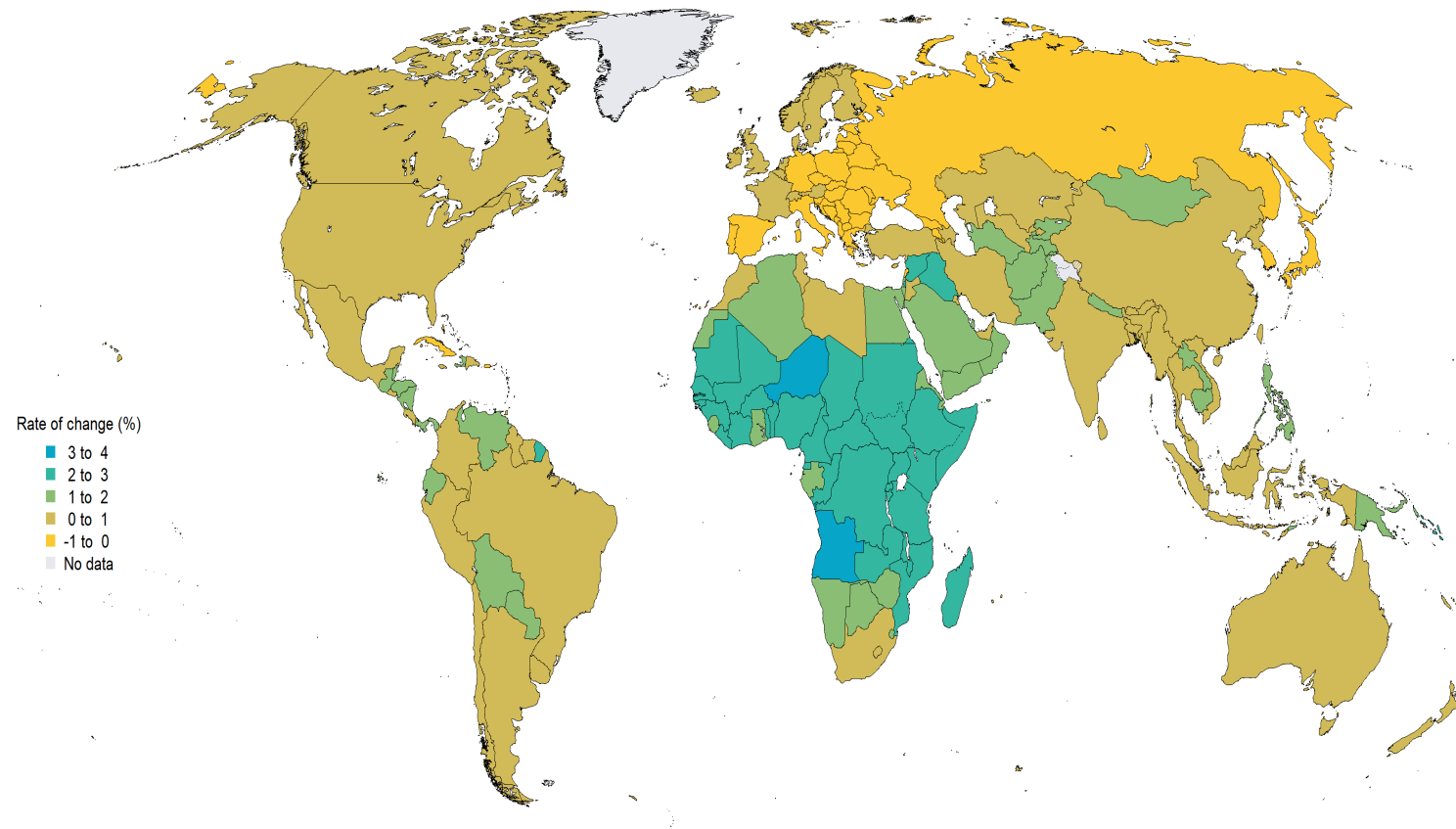
- Continued personalization. Will expect even more integrated, seamless, personalized and instantaneous responses, service, etc.
- ‘In the know’ – this generation will continue to question the value of post-secondary education (they are already ahead of us)
- May believe that skills and competencies and digital connections, not 4-year degrees will land them jobs



# Shifting Dynamics in Global Education Markets

- **Increasing and Changing Global Population**
  - Demand for HE is increasing and could be as high as **380 million prospective students by 2030 -- up from 220 million in 2021**
  - But much of this increase will occur in Sub-Saharan Africa, South Asia and Southeast Asia
- **Declining Global Education Mobility**
  - Net increase in students will not translate to a matching increase in international student mobility globally and in Canada specifically.

Average annual rate of population change (%), 2025-2030 (medium-variant projection)





# International Student Preferences

- **Price Sensitivity**

- Families are still recovering financially from COVID
  - International students are increasingly looking for scholarships and financial aid, similar to the levels of financial aid in the US e.g., 4-year scholarships that cover full tuition
  - Also looking for work (number of hours they want to work continues to increase) during their studies for work experience and to help finance their education

- **Student Services Expectations**

- International students expect universities to provide more services for them and to support them on an individual basis through their university experience
  - Individualized, personal, tailored service and support
  - Financial support
  - Career support
- International and diaspora-community students expect higher levels of intercultural competency from the university, including faculty and staff

- **Program Expectations**

- International students have high expectations of job prospects post-graduation
  - They are looking for experiential learning, internships, connections to future employers, relevant programs to today's job market/economy
  - Most-enrolled programs include those related to business, economics, engineering, computer science, tech

# Demand for Work-Integrated Learning

## Work-Integrated Learning (WIL)/Experiential Education

- 2021 student survey indicated that university students expect to graduate with the necessary skills for workplace success (Deloitte, 2023)
- Increasing employer demand for foundational skills (RBC, 2018) such as critical thinking, social perceptiveness, and complex problem solving, most of which Canadian employers are not prepared to develop but university education can!
- Highlighted by YU's Task Force on Future of Pedagogy
- Benefits to students include (CEWIL, 2024):
  - Enhanced academic performance
  - Improved employability and employment outcomes
  - Professional identity development.
- Benefits to the institution include (CEWIL, 2024):
  - Enhanced reputation for producing work-ready graduates
  - Enhanced student experience
  - Collaborations with industry partners to produce research and innovation
  - Increased corporate and community engagement.

# 21st Century Skills

## Digital Skills and Generative AI

- The [Conference Board of Canada](#) projects that within the next 10 years, 9 out of 10 jobs will require digital skills.
- More than 25% of Canadian jobs will be heavily disrupted by technology in the coming decade. Fully half will go through a significant overhaul of the skills required (RBC, 2018).
- Gen Z students want instruction in AI: the ethics of AI, applications of AI to their personal lives, interview readiness, and the impact on career paths (BCG, 2024).
- Inside Higher Ed survey (2024) - nearly three in four students say their institutions should be preparing them for AI in the workplace.
- 2022 university-wide curriculum survey has identified 87 AI-related courses – new programs should be designed to emphasize application of AI in real-world settings, in line with York's emphasis on DEDI, EE.

# Exploring Novel Faculty Structures – University of Kent

As of November 2020, schools and centres are grouped into six new academic divisions:

- Division of Arts and Humanities
- Division of Natural Sciences
- Division of Computing, Engineering and Mathematical Sciences
- Kent Business School
- Division of Human and Social Sciences
- Division for the study of Law, Society and Social Justice

**Can promote interdisciplinary programs and research and support administrative efficiencies.**



# Generating resources of the future to enable strategic investments



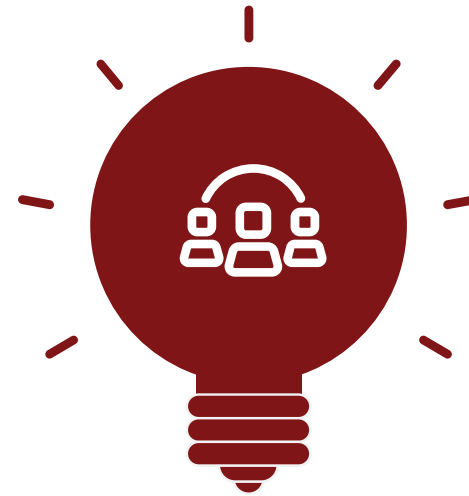
## New Operating Model

Flexible. Efficient shared services. Continued contributions to strategic fund.



## New Revenue Streams

Reduce reliance on traditional sources of revenue and establish new and innovative revenue streams.



## Align with Partners

Stay on par or ahead of the curve with the activities of government, industry and partners.



## Be Opportunistic

Frontload efforts now to ensure we are ready and able to seize opportunities.

# Progress on Closing Gap to Date

- Cost savings of \$8.2M from 410 Full Course Equivalents (FCE) reduction for 2024-25 and \$8.7M from 447 FCE for 2025-26 reduction through course enrolment optimization
- Additional revenues of \$2M for 2025-26 and \$2.8M for 2026-27 for expanding programs in high demand
- Out of province strategy, 2.6% of new undergraduate students and 11% of graduate were out of province in 2023 (baseline)
- Campus Vision and Strategy contributing to developing Alternate Revenue/Asset Monetization strategy
- Key strategic working groups formed i.e., International Enrolment Strategic Management (ISEM), Housing Strategy
- Additional costs savings of \$18.5M for 2024-25 and \$23.6M for 2025-26, are reflected in expenditures on top of savings already embedded in June 2023 budgets of \$39.9M for 2024-25 and \$39.5M for 2025-26
- Institutional capital project priorities paused where possible pending philanthropic and/or other external sources of funding

## Next Steps

- Engagement of the community (senior administration, faculty colleagues, staff, Senate committees, and others) to refine and lead implementation of 17 Action Plan projects
- Processes, targets, timelines and responsible governing bodies, VPs/Deans, and project teams to be confirmed
- Regular progress reports to seek input from the Board and Senate as well as Town Halls
- Goal to consolidate our UAP 2020-2025 priorities and objectives and inform our UAP 2025-2030 in alignment with our vision and values

# Summary

- Approved budget leaves a \$200M gap over the three-year period to be closed through new revenue generation and/or cost reductions (total of \$30M, \$80M, \$90M allocated across the three years)
- The 10% cut to domestic tuition fee rates in 2019-20 followed by consecutive years of tuition freeze accounts for a cumulative loss of approximately \$335M by the end of 2023-24. The loss in tuition revenue for each of the budget years is estimated to be about \$100M+ per year, resulting in a cumulative loss of approximately \$675M by the end of 2026-27. Government grant increase only partially compensates.
- Current rolling budgets include a flow through loss of \$165M from missed international enrolment targets for 2023-24 and projected shortfalls for 2024-25 Fall and Winter.
- Despite these challenges, the University managed to maintain healthy operating carry forwards from \$235M (at the end of 2018-19) to \$250.4M (at the beginning of FY2023/24) due to cost containment measures disproportionately assigned to non-revenue-generating divisions and offices.
- Healthy carry forward balances combined with cost containment measures have minimized the operating carry forward deficit at the end of 2026-27.
- Actions taken across 17 projects will align revenues and expenditures for the future.
- Strategy for investing in growth will require partners, philanthropy and potential opportunities to be found in the diversification of revenue.



# Appendix

A photograph of three students sitting on a grassy lawn in front of a large, multi-story university building. The students are engaged in conversation. The student on the left is a woman with long dark hair and glasses, wearing a black jacket over a striped shirt and blue jeans. The student in the middle is a woman with braided hair, wearing a white hoodie with 'Self-Love' written on it. The student on the right is a man with short dark hair and glasses, wearing a black t-shirt with yellow graphics and blue jeans. There are backpacks on the grass in front of them. The scene is outdoors with trees and a clear sky in the background.

# Future Trends in Academic Disciplines: York Programs in Development

## New Programs In Development

Name	Faculty	Proposed Launch Date
Mechatronics Engineering (BEng)	Lassonde	Fall 2025
Bachelor of Interprofessional Health Sciences (BIPHS), Dept SHPM	Health	Fall 2026
Primary Health Care Nurse Practitioner Program (PHCNP) – Post Master’s Diploma (Gdip)	Health	Fall 2025 or 2026
MSc in Occupational Therapy (MscOT)	Health	Fall 2026
MSc in Physiotherapy (MScPT)	Health	Fall 2026
Professional Master of Engineering and Science (MEng) and (PMSc) alternatives are MPS or MSc9P)	Lassonde	TBD
Diploma in Advanced Management (type 2 and type 3)	Schulich	Fall 2024

## New Programs In Development - Continued

Name	Faculty	Proposed Launch Date
PhD in Disaster and Emergency Management	LA&PS	Fall 2024
Black Studies (Major, Minor)	LA&PS	TBD
Doctor of Philosophy (PhD) in Information Science/possible major modification of the Master's of Arts in Information Systems and Technologies	LA&PS	TBD
Master of Arts in Psychotherapy	Health	TBD
Professional Master of Science in Athletic Therapy (MscAT)	Health	TBD
Professional LLM Specializing in Transnational Human Rights Law	Osgoode	Fall 2024
Professional LLM Specializing in Construction Law	Osgoode	Fall 2024