

York University Senate

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YORK 





> York U Forward Action Plan

- Updates & Progress

> Kudos

Making Positive Change: Underlying Principles for the University

York University is shaping the future of higher education and promoting the health and well-being of the communities we serve

Pursuing impact that matters

- Expanding access and opportunities for students
- Improving the student experience, with high quality programs, flexible pathways to completion
- Setting students up for success in their academic studies, for careers and as engaged citizens
- Generating knowledge and applying knowledge for humanity and for the planet
- Promoting health and well-being (e.g., social, economic, cultural) in ways that enhance the relevance (i.e., value) of the University



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.

Update on External Context

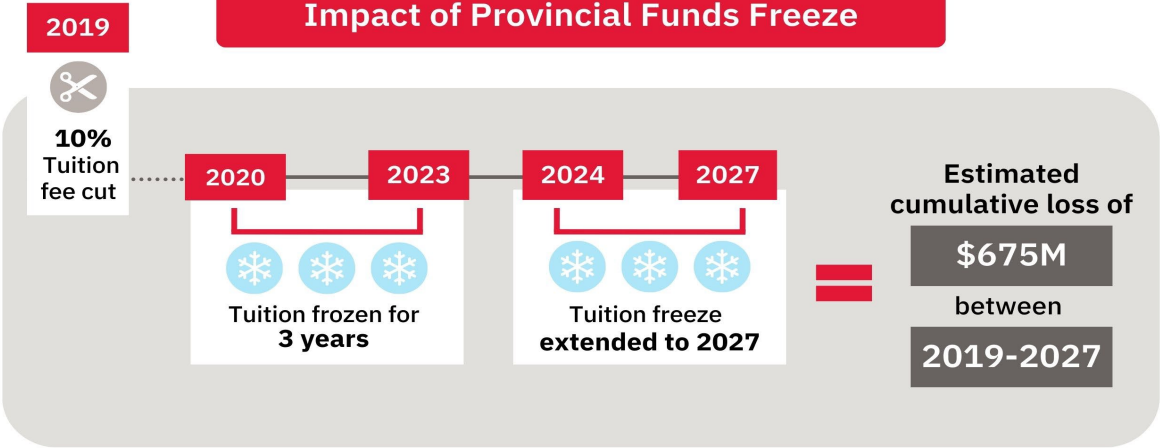
Macro Seismic Waves and Micro Conditions

- 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](#)

Impact of Provincial Funds Freeze



June 10, 2024
[Community Conversations Presentation](#)

Revenue Variance against Budget (assuming no new government funds, no tuition fee increases, and no further expenditure reductions or revenue growth) (November 15, 2024)

\$Millions	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast	Total 2024-25 to 2026-27
Board approved budgeted surplus (deficit)	(132.0)	(39.9)	13.4	(158.5)
<u>Enrolment Variance Analysis (Actual/forecast to budget)</u>				
1. Final Summer 2024 enrolments	9.8	(0.8)	(0.3)	8.7
2. Variance from planned enrolment for Fall/Winter 2024-25 (including budgeted enrolment contingencies)	(22.5)	(3.1)	9.7	(15.9)
3. Revised Intake Targets for 2025/26 and 2026/27		(52.1)	(74.9)	(27.0)
4. Impact of revised modelling assumptions including course load and retention parameters	(5.9)	(12.0)	(16.2)	(34.1)
Total lower than budgeted revenue in year	(18.6)	(68.0)	(81.7)	(168.3)
2023-24 tuition revenue recognized in 2024-25**	31.6			31.6
Higher investment income than budgeted	8.0			8.0
Total variance against budget	21.0	(68.0)	(81.7)	(128.7)
New Projected deficit	(111.0)	(107.9)	(68.3)	(287.2)

***Resulting from CUPE 3903 strike impact on course delivery*

Faculties Budgeted Revenue (\$M)

2024-25 & 2025-26

Faculties	2024-25 Approved (A) Budgeted Revenue (net of TSA)	2025-26 Approved (B) Budgeted Revenue (net of TSA)	2025-26 (DRAFT) (C) Budgeted Revenue (net of TSA)
AMPD	47.5	50.3	40.5
Environmental & Urban Change	12.7	13.5	12.7
Faculty of Science	77.3	84.6	74.9
Faculty of Education	26.9	27.5	26.6
Faculty of Health	148.6	154.7	136.1
Glendon College	20.0	21.7	18.4
Lassonde School of Engineering	105.7	115.3	106.1
Liberal Arts & Professional St	317.5	341.5	265.8
Osgoode Hall Law School	52.6	54.9	51.2
Schulich School of Business	116.6	125.4	113.6
Total Faculties	925.4	989.3	846.0
<i>Contingency for enrolment shortfalls (2023-24 & 2024-25 F/W intakes)</i>	(56.6)	(56.3)	-
<i>Contingency due to IRCC impact</i>	(20.0)	(19.0)	-
	(76.6)	(75.3)	-
Net Budgeted Revenue	848.8	914.0	846.0

*Note: as of Sept 2024, York is tracking \$18.6M actual lower than budget for enrolment revenue in 2024-25

Faculties Change in Budgeted Revenue –2025-26 Approved Budget to 2025-26 Draft Budget (\$M)

Faculties	2025-26 Approved Budgeted Revenue (net of TSA)	2025-26 (DRAFT) Budgeted Revenue (net of TSA)	variance Budgeted Revenue by Faculty	% Change Budgeted Revenue (net of
AMPD	50.3	40.5	(9.7)	-19%
Environmental & Urban Change	13.5	12.7	(0.8)	-6%
Faculty of Science	84.6	74.9	(9.6)	-11%
Faculty of Education	27.5	26.6	(0.9)	-3%
Faculty of Health	154.7	136.1	(18.6)	-12%
Glendon College	21.7	18.4	(3.3)	-15%
Lassonde School of Engineering	115.3	106.1	(9.2)	-8%
Liberal Arts & Professional St	341.5	265.8	(75.7)	-22%
Osgoode Hall Law School	54.9	51.2	(3.7)	-7%
Schulich School of Business	125.4	113.6	(11.7)	-9%
Total Faculties	989.3	846.0	(143.3)	-14%
<i>Contingency for enrolment shortfalls (2023-24 & 2024-25 F/W intakes)</i>	(56.3)	-		
<i>potential miss on international intakes & flowthrough impact</i>	(19.0)	-		
	(75.3)	-		
Net Budgeted Revenue	914.0	846.0	(68.0)	-7%

“Large Picture” Issues Impacting Enrolment Decline in 2024-2025

- Changes in international student mobility patterns e.g., decline of the Chinese market and race to diversify countries for strategic partners, shifts in growth of 18-21 years old primarily in Indo-Pacific who have lower financial means resulting in growth for local programs, articulation agreements (e.g., 3 + 1 + 1) and transnational education (TNE)
- Increasing reliance on reputation and world rankings i.e., ability to differentiate York from the competition, opportunity created by a School of Medicine, Canadian brand damaged by international cap
- Impact of AI and automation and other labour market shifts on program choice e.g., growth in STEM and health, opportunities for York to combine technology and the arts/liberal arts, respond to rising demand for Professional Master's
- Increasing focus on co-op
- Labour disruptions cited as a major reason for not choosing York
- Improve student experience – high emphasis on welcoming, civil and inclusive environment

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

Forward Action Plan – Fast-tracking Strategic Items that hold Significant Promise

1. Implement Program Sustainability Assessments (Projects 1 and 4)
2. Implement curriculum redesign (Project 3)
3. Support program innovation – leverage Markham Campus to deliver new Professional Masters and new funding opportunities in technology and medicine i.e., School of Medicine (Project 5 and Project 12)
4. Expand co-op through better coordination (Project 6)
 - Implement with expanding co-op programs for 2025-26
5. International Strategic Enrolment Roll-out (Project 7) as well as effective diversification of domestic strategy (e.g., OOP)
6. HR Initiatives to right-size staffing and other administrative efficiencies (Projects 13 and 16)
7. Entrepreneurship activities to diversify revenue (Project 17)

Key Take Aways

1. Central guiding principle as we approach the challenges created largely (although not solely) by external government policies is to protect the *academic core*
2. This means:
 - streamlining shared services in order to leave the faculties with 70% of the revenue
 - delivering on the YU Forward Action Plan
3. Despite *missed* enrolment targets in 2024-2025 the University is **on track** towards financial results aligned with the approved Budget for 2024-25 due to planned contingency, transfer of strike-related tuition fees from 2023-2024, and stronger than expected returns.
4. The University is **on track** towards achieving the planned expense savings identified in the \$30/80/90M Plan for 2024-25 and has identified 35% of the savings required per this Plan for 2025-26 to date supported by the Forward Action Plan.
5. Quantification of projects in the Forward Action Plan projects continue (both new revenue and cost savings) as well as the timelines for realizing outcomes to further the financial sustainability of the University in the future.
6. However, the flow-through impact of the drop in enrolment in 2024-2025 compared to the June 2024 approved budget and the subsequent adjustments in the enrolment contracts for 2025-2026 means that we have an additional decline of \$68M projected for next year.
7. It is imperative that we continue to realize the goals of the YU Forward Action Plan, and that we leverage all opportunities to support growth i.e., co-op, professional master's, enhancing our reputation, new programs to meet the talent needs and student interests, enhancing the student experience of a welcoming and inclusive university

Kudos

YORKU



Markham Campus



Markham Campus

- 14 programs in total (9 undergraduate, 5 graduate)
- Research, training and teaching opportunities available in AI & Society, FinTech and Digital Cultures
- Students benefit from flexible learning formats, small class sizes
- At maximum capacity, MC will accommodate 4,200 students (over next five years)
- 10 floors of teaching and learning spaces
- Accessible and inclusive – includes a multi-faith space, Indigenous learning circle
- Media creation spaces, makerspaces, VR and gaming Lab
- MC has met several sustainability criteria on path to achieving LEED Gold certification



Recent Highlights

Celebrated the opening of the Joan and Martin Goldfarb Gallery



Celebrated exceptional alumni at the Alumni Awards



Questions?



Keele Campus

Welcome to