

# Cuts and stitches to the UPEI budget

*The pre-budget report is out*

By Jamy-Ellen Proud

Neil Henry, UPEI Vice President Finance and Facilities, gave a pre-budget report to the UPEI Student Union Council on Sunday, January 25. He reported on last year's budget, and forecasted numbers for this year's budget.

Last year, University Administration asked the Provincial Government for a three-year plan. They wanted to be able to plan for upcoming budgets, instead of having to scramble to make last minute adjustments. As a Board of Governors budget committee works on the budget for much of the school year, but they do not know how much money they will be getting from the government, usually in late March or early April. The provincial government responded by pledging a six percent cut to the UPEI Operating Grant for the 1997-98 fiscal year, a four percent cut in 1998-99, and a zero percent cut in 1999-00 [an election year -- go figure].

For 1997-98, administration had to find a way to trim \$2.1 million dollars from its operating budget. This decrease was necessary due to a combination of cuts to the operating grant (\$939,516) and other revenues (\$54,128), as well as cost increases in the areas of staff salaries, repayment of the debt that was incurred to renovate the Cass Building, the costs of the new B. Ed. Program, and other areas.

How did they get the money?

We have all heard of the now-famous early retirement plan initiated last year. This resulted in \$631,936 in cost savings. Faculty budgets were cut by \$139,954, and the budgets of Academic Support, which includes the Library, the Registrar's Office, the Department of Student Development and others, and Finance and Facilities were cut by \$479,655. The office of the

President and Administrative Support (e.g. Alumni development and Public Relations) was cut \$17,093. Unfortunately, these cuts didn't make up for the grant cut and increases in cost, so tuition was raised to bring in \$403,092. New tuition fees gathered for the new B.Ed. Program also helped.

The drawbacks from these cuts were apparent on campus this year. Six professors who took the early retirement option were replaced with sessional lecturers, instead of tenure-track professors. The cuts to Academic Support materialized as a decrease in the number of personal and academic counsellors at Student Development from three to two, and as a decrease in the number of journals that were purchased by the library, not to mention the changes at our beloved rink.

Henry reported that the budget process is being squeezed by several constraints

this year. All of the obvious cuts to service departments were made last year; this year's cuts may result in more dramatic changes on campus. Many of the faculty members that were eligible for early retirement packages last year took them; savings made from that initiative will be fewer this year.

Non-labour costs for the university continue to rise with inflation, and the administration is currently negotiating with the Faculty Association regarding salary increases for faculty. The committee is still under pressure to minimize layoffs and tuition increases while maintaining a high financial commitment to student services.

So what's the picture for next year? Without taking into consideration faculty salary and tuition increases, the budget committee needs to trim \$835,472 from the 1998-99 budget. Projections are that a

small amount of this money will be taken out of the library's acquisitions budget, and a total of \$66,000 may be cut from the budget of Student Development. This includes the \$61,000 it requires to run the Student Health Centre, which the administration has pledged to wipe off the Operating Budget this year. However, they are looking for ways to take the Health Centre off the budget without closing it.

Only \$62,200 is made from each percent increase in tuition.

We need to voice our concerns to the Provincial Government. Although a four percent decrease in the UPEI Operating Grant was pledged for this year, this is not carved in stone.

If we make enough noise about it, perhaps we can get the cut decreased to a manageable level, if such a thing exists.

## Back in 1862

### *A new cafe in Main Building*

BY ED FOBES

There is a new snack-food outlet on campus.

In association with the UPEI Faculty Association, Cara Foods now sells coffee, snacks and sundries in the the glassed-in area next to the Faculty Lounge.

Opened on February 1st, the new outlet caters largely to Main Building faculty and staff. Customers may eat their snacks in the newly refurbished Faculty Lounge.

According to the food service attendant, public reaction has been positive. Faculty are especially pleased not to have to exit the building to buy snacks.

Prices are in the same range as other food outlets on campus. Coffee is \$1.17 for a small and \$1.55 for a large.

The food selection differs slightly from that in Impressions Cafe in the Pit.

There are no subs or sandwiches. There are "wraps", or sandwich ingredients wrapped in tortilla shells. The coffee comes from a local supplier. Soups and chilli are also available.

The new outlet is called "1862 Cafe and Lounge." The name commemorates the wing of Main Building that houses the new outlet, which was built in 1862.

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