

Another Operating Budget Surplus for Dal

(Open letter, July 2, 2019)

Dr. Teri Balsler, Interim President, Dalhousie University

First, congratulations on your new position as Interim President. We look forward to working with you in that role until Professor Saini arrives in January.

With that in mind, this letter is addressed to you as the current President and the Provost who will be in charge of drafting the budget in early 2020. You may not know that the DFA and others have been concerned for some time that budgets addressing deficits are drafted and then, shortly afterwards, surpluses are announced. This year the surplus was \$6 million, more than enough to erase the .5% BAC cut applied to all Faculties in the 2019-20 Operating Budget and allow a reversal of other austerity measures.

Because the surplus is announced after the Operating Budget is developed, there is no opportunity for a transparent and collegial process. The BAC discussions are retroactively compromised because of inaccurate information, and there seems to be no process through which the Operating Budget can be amended in light of a surplus to reduce or eliminate the BAC cut to Faculties that, every year, means that faculty have to do more with less while students pay more to get less (larger classes, fewer course options, fewer staff to support them, etc.).

The DFA noted six years ago, in a detailed report on Dalhousie's finances, "The preliminary budgets always predict a deficit, sometimes very large, even though each year returns surpluses, sometimes substantial ones at the same time academic units are told to cut back. Money is being diverted from the academic mission to capital expenditures"

(iii; <https://immediac.blob.core.windows.net/dfawebsite/images/2019/pdfs/iamdal/dfareviewdalhousiefinances.pdf>). This year, as announced in the public portion of the June 25th Board of Governors meeting, only half of the surplus is being directed to academic spending. According to BAC numbers, 62.4% of the budget goes to Academic Expenditures (BAC 68, p. 2). We all know how math works: if only 50% of the surplus goes to Academic Expenditures, \$744,000 less than 62.4% of \$6m, then the overall share of university spending directed to the core mission of the university will once again decrease.

The percentage decrease may be small, and we're aware that the different naming of various budget pieces may complicate this picture. But our ongoing concern is the trend: the Academic Responsibility Centre gets a much smaller share of the overall University budget than it did fifteen years ago (nearly 74% in 2002-03), Faculties' budgets are cut every year, with sometimes significant ERBA variables that undermine long-term planning, while our student body grows and there is increasing pressure to admit more PhD students and secure more research funding.



Dalhousie is the smallest university in the U15, achieving much for the region and the country despite its limited size. But trying to maintain academic excellence while shrinking resources year after year after year is a losing proposition—for our students and our faculty, and for Nova Scotia.

We encourage you to consider a formal process for ensuring that surpluses are, as a matter of high priority, directed towards erasing BAC cuts to Faculties and so supporting our students' educational experience and the research mission of the only U15 institution in the Atlantic region.

Sincerely,

Julia Wright

President, Dalhousie Faculty Association

Cc: Candace Thomas, Chair of the Board of Governors