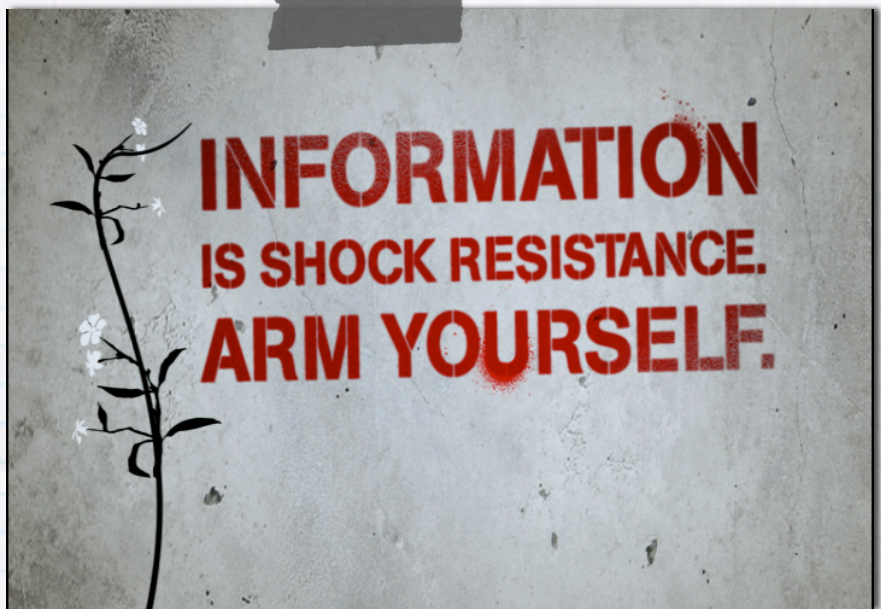


# NUFA BULLETIN

NIPISSING UNIVERSITY FACULTY ASSOCIATION (NUFA) NOVEMBER 2014

## Nipissing University practices “Shock Doctrine”

On Thursday November 21, 2014, at 4:47 pm, Nipissing Faculty received an ominous email from the Head of Human Resources warning that because the University “is facing unprecedented financial challenges with a budgeted deficit of close to \$12 million dollars,” the Employer is going to “implement the first phase of a restructuring plan.” We found out on Friday what restructuring means: the elimination of key positions at the University. Apparently more are to come. The Employer is practicing what Naomi Klein has labeled, the “shock doctrine,” that is when an organization or government enacts controversial policies that emotionally distract people so that they are too “shocked” and afraid to mount an effective resistance. In other words, fear paralyzes people and in this instance, the fear is that one of us might be next.



In this bulletin we address the recent “restructuring” of the University. If anyone would like further discussion, Members of the NUFA Executive will be available in the NUFA Offices the afternoon of **November 26, 2014 between noon and 4:00 pm**. Also, please feel free to contact any Member of the Executive with your questions or concerns.

A previously scheduled issue of the NUFA News will be sent out later this week. Please don't forget the **NUFA Social** on Saturday. See the details on [page 5](#). It will be a good opportunity to talk about these changes and what they mean for us as a Faculty Association.

As Faculty we must not let fear prevent us from fighting back. The austerity model that the Employer is implementing based on “a projected budgeted deficit” is not the university I want to work at. I want complete transparency, equity, and a strong and united Faculty. The Employer wants us cowed and fractured. Now is the time to stand-up for what we believe Nipissing University should and can be!

**In Solidarity, Hilary Earl**  
**Chief Negotiator FASBU**

# The Inconvenient Truth About Budgets: Audited Financial Statements

by Dan Walters NUFA  
Treasurer

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While University Budgets and Financial Statements look similar, they are different in purpose and characteristics. They are intended for different audiences. Budgets are intended for internal employees, whereas the Financial Statements inform external audiences, such as government. Budgets are prepared by administration to direct the use of financial resources by employees. They reflect the goals of the administration. Budgets usually contain substantial detailed information. Nipissing's administration has substantially reduced the details in the budget. There is no third-party oversight of the budget process or administration's use of financial resources. The Financial Statements are prepared by administration to report the financial position of the university, using accounting standards. There is third-party oversight by an external auditor. The financial statements provide a high level summary of the financial position of the university.<sup>1</sup> So, it is no surprise

that the Budget and Financial Statements tell very different stories about the financial position of the university. At Nipissing, administration appears to use the budgeting process to create fear about a financial crisis, internally and in the community. **A review of Budgets and Financial Statements during bargaining years helps form this opinion.**

In 2009-10, the administration projected a \$4M deficit. This was reduced by \$1.2M through department budget cuts and 10 layoffs. New initiatives were anticipated to further reduce the deficit by \$1.3M. However, the board approved a \$1.562M deficit because additional cuts "would be detrimental to achieving the goals of the University." The board announced the \$1.562M deficit to the local media<sup>2</sup>. However, the Audited Financial Statement for 2009-10 show the University had a \$5.103M surplus. There is no evidence of an announcement in the local media.

In 2012-13, the administration projected a deficit of \$1.245M. The administration committed to the board to reduce the deficit to zero during the academic year through revenue generation and expenditure

restraint. The administration and board announced the planned deficit of \$1.245M in a Nipissing news release<sup>3</sup>. The 2012-13 Audited Financial Statements show the University had a surplus of \$2.122M. Again, no evidence of a public announcement of the surplus.

In 2014-15, the administration prepared a \$11.465M budget deficit. Once again, this was announced in the local media. The recent announcement points to a number of contributing factors, like salaries and benefits that "comprise almost 70 per cent of the university's operating budget."<sup>4</sup> However, this is not true. The 2013-14 Audited Financial Statements show that salaries and benefits are 62.7% of expenses. This is down 1% from the previous year. This would indicate that spending is increasing on non-salary related expenses.

## References:

<sup>1</sup> Salatka, B. (2012) The differences between Budgets and Financial Statements. OCUFA Finance Committee Workshop, Toronto ON, November 2, 2012

<sup>2</sup> <http://www.nugget.ca/2009/05/08/board-passes-deficit-budget>

<sup>3</sup> <http://www.nipissingu.ca/about-us/newsroom/Pages/Nipissing-releases-2012-13-budget.aspx>

<sup>4</sup> <http://www.baytoday.ca/content/news/details.asp?c=62811>

## BUDGETS VS FINANCIAL STATEMENTS SINCE 2009

Year	Budget Projection	Financial Statement
<u>2009-10</u>	\$ (1,562,000)	\$ 5,103,000
2010-11	\$ (747,500)	\$ 5,413,000
2011-12	\$ (670,000)	\$ 4,356,000
<u>2012-13</u>	\$ (1,245,000)	\$ 2,122,000
2013-14	\$ (4,845,951)	\$ (2,677,000)
<u>2014-15</u>	\$ (12,000,000)	

\*bargaining years are underlined

<b>2009-10</b>	<b>Budget</b>	<b>Financial Statement</b>
Revenues	\$58,226,000	\$75,057,000
Expenses	\$59,789,000	\$69,954,000
<b>Deficit/Surplus</b>	<b>\$ (1,563,000)</b>	<b>\$ 5,103,000</b>
<b>2012-13</b>		
Revenues	\$68,882,504	\$82,061,000
Expenses	\$69,932,997	\$79,939,000
<b>Deficit/Surplus</b>	<b>\$ (1,050,493)</b>	<b>\$ 2,122,000</b>



# Bargaining in a deficit climate

**Mark Crane**  
**Chief Negotiator**  
**CASBU and FASBU**

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The old adage says that you can't get blood from a stone, but recent settlements in the province show that when it comes to collective bargaining, even universities that cry poor at the table end up negotiating fair deals with faculty.

Take, for example, the recent settlement at Brock University. The administration there had projected a \$20 million budget deficit as they went into negotiations with the faculty association. The settlement they finally reached included scale increases of 1.75 per cent in the first year and 1.5 per cent in the second and third

years. Other gains include increases to stipends for chairs and directors, an increase in professional expense reimbursements of \$100, and increases in life insurance coverage.

Likewise, at the University of Guelph, after claiming a 'structural' deficit of \$32 million, administration signed a three-year deal with faculty this fall that see aggregate increases of 2.46 per cent in the first year, 2.88 per cent in the second year, and 3.77 per cent in the third year, for a total of 9.38 per cent over the life of the agreement.

The point to take from this is that Nipissing is certainly not the only university in the province claiming to be running a deficit (and only audited financial statements can really determine if a deficit actually exists).

Furthermore, even universities with larger and more systemic budget deficits have ratified deals that are in conformity with other agreements in our sector.



## Sad Words of Tongue and Pen

(John Greenleaf Whittier)

by Rob Breton  
President NUFA

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The sadness all Faculty feel learning of the Employer's restructuring is sadness for the good people who no longer are with us at Nipissing and for their families. But we must not panic: our Collective Agreement does not provide everyone represented in it the same degree of job security, but what is happening to staff cannot happen to us. Anyone on a contract is vulnerable, but we all need to remind the Employer that students come

to take courses, so courses have to be offered. One does wonder if the victims of the cuts are paying the price for the employer to wage its perennial financial-crisis drama on the eve of collective bargaining. Would the Employer sacrifice the jobs of some so as to create a climate of fear, so that we will feel satisfied simply having a job and not demand a good job? Hard to know. But this is what the employer has done in the past and what it continues to do today: dramatize as strongly as it can that we are on the brink of ruination, that people need to prepare for their own sacrifices. If the institution has a deficit next year (and we can NEVER trust their projected deficits, as the

audited financial statements clearly show), it is certainly not because of increases to Faculty salary, which were smaller in the last three years than what they were in the ten years previous to the current CA, smaller than what they were in years when the institution had massive surpluses. As we all know, we are some of the worst paid academic staff in the province. Our salaries are not what led to the loss of these jobs.

As we approach the holiday season our thoughts go out to those no longer with the Nipissing community. But we need to turn that emptying "what can I do?" feeling into strengthening our resolve to fight for what's right.

## NUFA HOLIDAY SOCIAL: COME FOR DRINKS & SOLIDARITY

SATURDAY, NOVEMBER 29TH

6-9PM

**SURTEES CENTRE BOARDROOM**



# The Chill Factor



## Susan Srigley VP NUFA

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There is a chill around campus lately and it started just over three weeks ago when Geoff Sinclair, Librarian and Manager of Technical Services, was terminated without cause. A number of questions were raised in Senate about how the loss of Geoff's technical expertise would be managed by the library. Direct answers were not forthcoming and the response did not inspire much confidence. In fact, most obvious was a critical lack of attention to the implications of this termination for the University community. Even more significantly for NUFA, Geoff was a member of the Full-Time Academic Staff Bargaining Unit (FASBU) Collective Bargaining Committee. In 2013 the President of Nipissing had given the green light to include our 5 professional librarians in the Collective Agreement. In good faith we

had begun that process and Geoff was the librarians' representative on the collective bargaining committee. Geoff and a library sub-committee of the CBC have spent many hours drafting new language to incorporate librarians into the CA. Geoff's termination on the eve of bargaining is something that cannot be ignored and NUFA is deeply aware of the 'chilling' effect that this has had on other professional librarians at Nipissing.



There have been at least 10 more terminations since last Friday and there are many more questions about the Employer's actions. In an Arts & Science Faculty Council meeting on Wednesday we were told to direct our questions to the Manager of Marketing to streamline

communication. On Friday the Manager of Marketing lost her job. After hearing about the best Fall Open House ever in Senate, we learn that the Director of External Relations has been terminated. We have lost our Registrar and Director of Finance, what plans are in place to address these key needs of the University community? Everything about this process appears haphazard and short sighted.

Even our University's press releases offer a startling lack of clarity. Apparently they cannot say "if the ongoing process will affect faculty or support staff in the near future." (Bay Today). Of course we know better and the CA remains our contract with the Employer, however uncertain they may be.