

## **Resolution of the Assembly of the School of Political Studies concerning 2015-2016 budgetary adjustments put forward by the President in a memo dated January 6, 2016**

**Whereas** the Board of Governors has adopted ten (10) deficit budgets in the past fourteen (14) years and given that, according to the financial statements of the University, only fiscal year 2012-2013 resulted in a deficit representing 0.16% of total income;

**Whereas** the scenario of a possible budget shortfall of \$ 7.6 million in 2015-2016 remains a speculation, which has not been demonstrated by the President and despite everything would only be 0.73% of total income;

**Whereas**, according to the financial statements (2002-2003 to 2014-2015), the total budget surpluses accrued since 2002-2003 represents more than \$ 750 million;

**Whereas**, according to the 2014-2015 financial statements, on April 30, 2015 the University had cash and short-term investments amounting to more than \$ 175 million;

**Whereas**, according to the 2014-2015 financial statements, on April 30, 2015 the University had long-term investments of more than \$ 650 million;

**Whereas**, according to the latest budget (2015-2016) adopted by the Board of Governors, the central administration plans to spend more than \$ 38 million in professional fees and contractual services (external consultants) in 2015-2016;

**Whereas** interest rates and capital costs are currently at a historically low level;

**Whereas** the proposal to levy up to 10% of the surplus accumulated in the faculties and services for 2015-2016 is an unfair measure, a disincentive to sound management and is in no way a structural solution to the deficit indicated;

**Whereas** a parameter reduction of 1-2% of the base budget in 2016-2017 would penalize the faculties and services without consideration of the quality of their respective management;

**Whereas** such a parameter reduction of 1-2% of the base budget in 2016-2017 would only be possible by reducing support for activities that directly enhance the quality of the student experience, including conferences, workshops, mentoring, satellite library, and student welcome, orientation and exchange activities;

**Whereas** the President's message offers no justification to support its scenario, does not present any data on the savings expected by the reductions that he proposes and does not present any alternative to the measures suggested;

**It is therefore proposed** that the central administration uphold its commitment within *Destination 2020* to preserve the quality of our programs, our teaching, our research and the student experience. Based on the expertise available within the University community the central administration should: (1) for the year 2015-2016, if considered preferable by the Board of Governors, develop ways of saving that will not compromise the principles of equity and ongoing sound management by targeting expenditures whose key feature for achieving our teaching and research objectives is not clearly demonstrated; (2) for the year 2016-2017, based on the expertise available within the University conduct an analysis of organizational practices in order to develop effective measures to increase budget effectiveness, efficiency and economy without detracting from teaching and research; (3) make a comprehensive analysis of the actual financial situation of the University and the demographic challenge facing us; (4) increase the transparency and collegiality of our decision-making processes. We, the members of the Assembly of the School of Political Studies, are available to support the central administration in this matter and ensure the administration of our vigilance henceforth.

Adopted on January \_\_, 2016.

For:

Against:

Abstentions: