

Questionable activities at CHSC

By TOM EVANS

Has the CHSC been ripped off? This question may never be answered. Some light should be shed on the facts. Many rumours have been floating around the third floor of the SUB ever since three of the five directors resigned, and the full time manager hired in December was fired.

In order to obtain a half-complete story as to how the CHSC finds its self, it is necessary to begin in 1966 when the club was formed.

The CHSC first operated in the Old Student Centre, on special occasion permits from the New Brunswick Liquor Control Commission, one or two days a week. The operation was small, buying inventories on a day-to-day basis and working out of a cash box.

In 1968 when the SUB opened, the Club moved to its present location. The management of the CHSC from this point until December 1976 was closely connected with that of the SUB's.

Prior to June 1975 the Director of the SUB was also the manager of the CHSC. The board of directors of the club exercised very little control over the

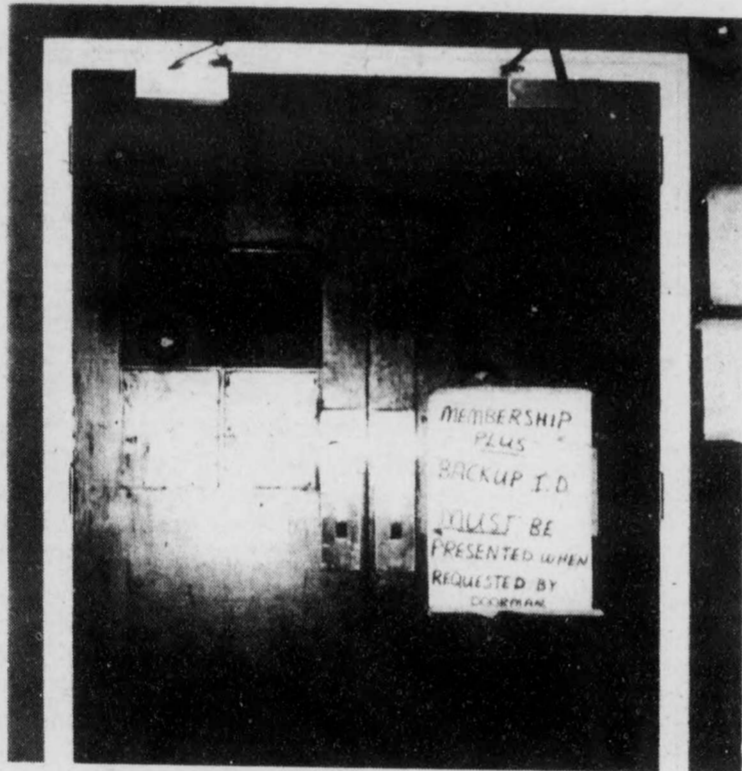
operations. The management techniques used from the cash box days was still being used, the club almost ran by its self. As long as the staff operated within reasonable limits nothing was said.

When the present director of the SUB was appointed in June 1975. The directors of the CHSC signed a management agreement with the SUB that the assistant director also be the manager of the club. The SUB director was excluded from any involvement.

As the business of the Club grew, especially after the permit Liquor License was obtained. The volume of money handled became considerable. The club's manager was an employee of the SUB and managed the Club almost as a sideline. The control on inventories and other general acceptable business practices were not followed, to the extent that the size of the business warranted.

This dual job of the assistant director of the SUB and Club manager continued until December 1, 1976 when he became an employee of the Club.

The Board of Directors implemented policies to place control on inventories which was previously almost non-existent. Any



person who had a responsible position with the Club had access to the inventory. The Board realized this and other problems were out of hand in a business with sales in excess of one quarter

of a million dollars. A local Charter Accountant has been retained to advise on better ways to control the stock and set up a system of acceptable accounting practices. He is also

conducting an audit on the Club. He will not be able to provide an audited statement because some of the financial records are unavailable.

The Club directors did approved a new inventory control system along with other belt tightening measures. The new full time manager was not implementing the policies to the satisfaction of the directors and was fired in early January.

It will never be known what this lack of proper controls will cost the Club. The auditor's report to be completed soon, and may reflect something. The estimate at present is on an operating loss in the five-figure area.

Who is responsible for the Club's present situation? The Board of Directors, the past management, the staff, the membership? ALL to varying degrees.

Let us hope the policies being implemented by the present directors will do four things (1) Control the inventories (2) Operate the Club within the New Brunswick Liquor Control Act (3) Keep proper financial records (4) Ensure those persons responsible for any improper or illegal conduct be discharged from their responsibilities.

Fees to rise, unless...

By DERWIN GOWAN
Managing Editor

Students will vote next Wednesday on whether or not student fees should be increased by \$10.

Outgoing student union comptroller Peter Davidson said the increase was necessary if students expected "the amount of spending we've had in past years."

At the end of August the student union will owe approximately \$15,000, largely as a result of debts accrued by Campus Services Limited. If Atlantic Federation of Students fees go up to \$1.00 per student then another \$5-\$6,000 will be gone. There will be around five new organizations on campus next year looking for money, said Davidson, and inflation would be in the order of 10 per cent.

Davidson said the increase should be apportioned over three years to keep the level of real spending constant, so that eight dollars would be spent next year, nine the year after — that, and 10 dollars the third year. This way he said, organizations would not expect large budget increases as was the case this year.

Davidson said he was against deficit budgeting. The only way it was done this year he was said, was to cover Campus Service Limited deficits, which ate up a \$26,000 surplus from last year plus \$15,000 out of this year's revenue.

Davidson said SRC organizations were cutting back this year. He mentioned such organizations as Winter Carnival and Campus Police.

Councillor Allan Patrick said the increase was "essential" but

accused Davidson of dishonesty when presenting the proposal to council. At the last council meeting Patrick said Davidson admitted that \$3.00 of the increase would go to cover CSL debts only after a protracted and noisy debate.

He said the presentation made to council was in the form of a sheet of paper in the councillor's files which gave a breakdown of how the money would be spent. According to Patrick, \$2.00 was allotted to inflation, then more for such increases in operating expenses for such organizations as The Brunswickan and CHSR. He claimed this was redundant.

Councillor Allan Hildebrand said the \$15,000 deficit should be increased to include the \$26,000 surplus from last year and the money included in the expected revenue category.

He was against the increase saying it was an attempt outgoing union president Jim Smith to "get out of the hole he dug for himself" by incurring the huge CSL deficit.

The Editor
The Brunswickan
Campus Mail

Gentlemen:

This is to advise that the following motion was passed at the Council meeting of January 24th 1977:

"BE IT RESOLVED THAT the S.R.C. finds the front page of the January 21st 1977 Brunswickan an example of unethical, dishonorable journalism and, without initiating support for any particular candidate in the upcoming elections, feels that the Brunswickan staff should apologize to Steve Whalen in its next issue.
Hildebrand:Berube, 14-1-1"

I respectfully request that the foregoing motion be adhered to in the next issue of the Brunswickan.

Yours truly,
Jim Smith,
President

AFS needs \$33,000?

By GERRY LASKEY

Representatives of Atlantic Federation of Students (AFS) held a press information session this week.

They said the last AFS meeting was an executive conference. UNB did not attend and attendance generally was poor. The upcoming referendums on AFS campuses concerning the new one dollar per student fees were discussed. The spokespersons said little was accomplished.

The fee, according to AFS campus coordinator, Linda Stewart, was first proposed as \$1.50 per capita to balance the new budget. But, she said, this was thought to be too high and they decided to deficit budget at \$1 per capita. This was decided at the AFS plenary at Mount Allison University, October 31.

Also at the fall plenary, AFS was restructured. The new structure entails an executive composed of: a secretary-coordinator; treasurer; four non-voting NUS representatives (one from each province); and one representative

from each provincial caucus. The new scheme also involves a campus coordinator on each AFS campus who is responsible to both the AFS executive and their respective provincial caucus. AFS also plans to hire a full time field/staff worker at a salary of approximately \$10-14,000. The bilingual position is yet to be filled. Applications may be made at the SRC office in the SUB.

Ray Shalala, AFS research director, said, "To have an effective AFS we need 33,000 dollars a year and where we expected to get that was to have a one dollar per capita fee." Shalala added, "We approached each university to give us a loan-grant for the purpose of operating for the interim period. Even if the fee increase is approved, it will only be payable next September." He said AFS wanted a maximum of \$7,500 in loans and more, to a total of \$10,000 in grants.

Steve Whalen, the NUS central committee member for New Brunswick, said that although UNB's SRC agreed "in principle" with both the one dollar fee and the loans, they didn't contribute. "We just don't have the money", he said.

AFS spokespeople will be visiting classes Friday, Monday and Tuesday, not to speak but to answer student questions. Also the Secretary-Coordinator will join them on Monday and Tuesday.

Current AFS activities include work on a brief to the Maritime Provinces' Higher Education Commission on the future of higher education, and a student summer employment service. AFS is also meeting with the minister of education to appeal a clause in the provincial bursary which disallows a student's bursary if they fail or drop two courses.

MIC policy change

By SHEENAGH MURPHY

The UNB business office in connection with the Maritime Life Insurance Company announced a change in policy effective as of February 1, 1977.

The new policy states that students will be compelled to obtain reimbursement for drug prescriptions from the UNB business office in the last five days of every month. Previously students were able to obtain prescriptions for a nominal fee of \$1.00 upon presenting their cards at the drug counter.

Mr. H. Morehouse, assistant comptroller of the Business Office said that this — due to students who have left UNB yet continue to make use of their insurance cards.

Certain drugstores within the Fredericton area have been unable to obtain reimbursement for those prescriptions.

The change in policy was a necessary one according to Morehouse who said that unless it was effected, the insurance plan could have been non-existent in the next academic year.

Notice by SRC

Leadership Conference for all students at University of New Brunswick is being held on January 30th at 10:00 a.m. in the Old Arts Building, Faculty Club. Lunch will be provided. See you there RSVP at 453-4955.

Jan McCurdy
V.P. Internal