

NUMBER: 406

SUBJECT: PROGRAM DISCONTINUANCE; FINANCIAL EXIGENCY; AND FINANCIAL CRISIS

APPROVAL DATE OF LAST REVISION: JANUARY 24, 2011; JUNE 17, 2019

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406.1 – INTRODUCTION

This policy specifies the procedures for: (1) discontinuing a program for academic reasons; (2) suspending enrollment; (3) determining whether, at a particular moment, Bridgerland Technical College (BTECH) faces a state of financial exigency; (4) responding to a financial exigency; (5) determining whether BTECH faces a major financial crisis not definable as financial exigency; (6) responding to a major financial crisis; and (7) terminating or reducing, in status, faculty members due to program discontinuance, bona fide financial exigency, or major financial crisis.

406.2 – PROGRAM DISCONTINUANCE FOR ACADEMIC REASONS**406.2.1 – DEFINITIONS****406.2.1.1 – PROGRAM DISCONTINUANCE**

Program discontinuance for academic reasons under this policy means the cessation of a program, based upon educational and academic considerations. Educational and academic considerations do not include cyclical or temporary variations in enrollment and/or budgets, but must reflect long-range judgments that the basic learning and mission of BTECH will be strengthened by the discontinuance of the program. Program discontinuance does not preclude the reallocation of resources to other academic programs with higher priority based on academic and educational reasons.

406.2.1.2 – DECISION-MAKING PROCESS

Consideration of the possible discontinuance of an academic program may be initiated at any time by the President or Vice President for Instruction. The reasons for discontinuance, the effects on staff, students, and other programs will be discussed and documented. The President is the final authority at the College to make all decisions affecting the discontinuance of programs after considering input from the Vice Presidents if any. Once a decision has been reached, approval from the College Board of Directors will be obtained and notification of the decision will be given to the Utah System of Technical Colleges (USTC).

Written notice will be given to the department head of the particular program along with impacted faculty. General notice shall be given to those directly affected. A developed teach-out plan will be created for currently enrolled students outlining an opportunity for program completion within a reasonable but limited timeframe. The teach-out plan will be clearly communicated to students in writing.

406.3.1 – DEFINITIONS**406.3.1.1 – FINANCIAL EXIGENCY**

Financial exigency is an existing or imminent financial crisis which threatens the mission/role of the institution as a whole, which requires programmatic reductions or closings which may entail faculty reductions or dismissals to enable the institution to accomplish its mission/role, and which cannot be alleviated by less drastic means.

406.3.1.2 – DECLARATION OF FINANCIAL EXIGENCY**406.3.1.2.1 – CAMPUS BOARD OF DIRECTORS; USTC BOARD OF TRUSTEES.**

The President may, in accordance with the procedures below and with the approval of the Board of Directors and

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the advice of the Faculty Senate, recommend to the USTC Board of Trustees a state of financial exigency be declared. A financial exigency may also be initiated by the USTC Board of Trustees. A financial exigency exists only after it has been declared by the USTC Board of Trustees.

406.3.1.2.2 – INITIATION

When the President identifies a possible financial exigency, he or she shall inform the Vice Presidents' Council and the Faculty Senate concerning the causes and possible consequences of the crisis. The President shall also identify the measures considered by the College up to that point for dealing with the crisis, including a possible declaration of financial exigency, possible strategies that may be alternative to program reduction or program elimination, reasons why the College's financial circumstances may necessitate academic program reduction or elimination, and the time frame by which decisions must be made by those entitled to participate in the consultative process.

Time considerations will be critical when the College must judge whether or not a financial exigency exists. To the extent that such a judgment must be made in a brief time frame for a given situation, the time periods for the consultative process provided for in this code shall be specified by written notice from the President, giving those for whom the consultative processes were provided the fullest possible amount of time under the circumstances. In that regard, the President shall use his or her best efforts to secure the fullest period of time possible for consideration of these matters and the responses hereto.

406.3.1.2.3 – RECOMMENDATION

The President shall submit his or her final recommendation on the declaration of financial exigency in writing to the College Board of Directors prior to submitting it to the USTC Board of Trustees.

406.4 – MAJOR FINANCIAL CRISIS**406.4.1 – DEFINITIONS****406.4.1.1 – MAJOR FINANCIAL CRISIS**

To constitute a major financial crisis, a situation facing the College shall: (1) be significantly and demonstrably more than a minor, temporary, and/or cyclical fluctuation in operating funds; and (2) involve substantial risk to the survival of departments, programs, or other major components of the College.

406.4.1.2 – DECLARATION OF MAJOR FINANCIAL CRISIS**406.4.1.2.1 – INITIATION**

If the President identifies a possible major financial crisis, he or she shall inform the Vice Presidents' Council and the Faculty Senate concerning the causes and possible consequences of the crisis. The President shall also identify the measures considered by the College up to that point for dealing with the crisis, including a possible declaration of financial exigency, strategies that may be alternatives to program reduction or program elimination, reasons why the College's financial circumstances may necessitate academic program reduction or elimination, and the time frame by which decisions must be made by those entitled to participate in the consultative process. The President shall use his or her best efforts to secure the fullest period of time possible for consideration of these matters and the responses hereto.