BOARD POLICY 405.5

RETRENCHMENT

I. Purpose

The purpose of this policy is to establish procedures for retrenchment of programs for the

campuses, divisions and units of the University of Arkansas System. Retrenchment is a reduction

in programs and/or services which results in the termination of employment only because of (1)

a bona fide financial exigency or (2) formal academic planning including Board approved

changes in institutional missions, substantial program changes (pursuant to Board Policy 620.1),

or major reallocations of resources for academic or support services. In the implementation of

retrenchment, fair and humane treatment of faculty, staff, and students is of great concern.

Serious efforts shall be made to relocate affected faculty and staff in other parts of the program

area or in a different program area of the same campus or division. Similarly, currently enrolled

students will be permitted, through special arrangements, to complete a program of studies begun

before retrenchment was implemented.

II. Financial Exigency Retrenchment

A bona fide financial exigency will be certified when a unit of the University of Arkansas is

threatened by an imminent monetary crisis which is of such gravity as to make imperative the

termination of personnel. A certification of financial exigency shall involve the following steps:

1. The head of a unit

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proposes a situation of financial exigency documented with budget

summaries and projections.

2. Academic administrative personnel and a unit-wide governance standing committee which

is representative of unit constituencies shall separately evaluate the documentation and

within 10 calendar days recommend to the unit head whether they concur with the

determination of the bona fide exigency. The governance body shall be informed of the

recommendation made by its standing committee.

3. The unit head shall evaluate the recommendations made by the academic administrative

personnel and by the committee and shall forward them, along with his/her final

recommendation, to the President, who will report the results of the campus deliberation,

along with his/her own recommendations, to the Board of Trustees for action.

4. The Board of Trustees shall either certify a bona fide financial exigency and the unit head

shall initiate the retrenchment process, or declare the situation to be a financial stringency

and the unit head shall ameliorate the situation through budget reductions which shall not

involve the immediate termination of personnel.

If the Board of Trustees certifies a bona fide financial exigency, the unit shall initiate

retrenchment. The unit head shall consult with apprfpeIs rniuariatbtbtb0.0016(vt).99398y883(p)10(p)9.

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1. The head of a unit shall propose a retrenchment and justify the proposal with appropriate

documentation.

2. The proposal shall be reviewed and recommendations made by the appropriate academic