



INDIANA UNIVERSITY SOUTH BEND

Faculty Role Regarding Campus Financial Crisis

SB-ACA-41

[Scope](#)

[Reason for the Policy](#)

[Policy Statement](#)

[Procedure](#)

[IU Policies](#)

[History](#)

About This Policy

Effective Date

##-##-2021

Date of Last Review/Update

##-##-2021

Responsible University Office

*IU South Bend Faculty Academic Senate
Office of the Executive Vice-Chancellor for Academic Affairs*

Responsible University Administrator

Executive Vice-Chancellor for Academic Affairs

Policy Contact

Academic Affairs

Policy Feedback

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Scope

- A. This policy defines the role of the IU South Bend faculty in the determination by a campus of whether a campus-wide financial crisis exists that may result in the closing or permanent downsizing of a unit or program and the involuntary dismissal of certain academic appointees governed by [ACA-18 \(Regulation of Clinical and Lecturer Appointments\)](#), [ACA-19 \(Regulation of Professors of Practice\)](#), and [ACA-20 \(Regulation of Research Appointments\)](#) (“associated faculty”).

- B. This policy does not apply to a determination that a university financial exigency exists that may result in the involuntary dismissal of faculty with tenure, which is controlled by [ACA-41](#) and [ACA-52](#).
- C. This policy is campus-specific. The campus and the faculty recognize the primacy of the university's policy on financial exigency ([ACA-41, Faculty Role Regarding University Financial Exigency](#)). If ACA-41 is invoked by the President, any on-going activities under this policy shall terminate.

[Back to top](#)

Reason for the Policy

This policy articulates the IU South Bend faculty's role in declaring a campus-specific financial crisis and establishes a procedure for faculty participation.

[Back to top](#)

Policy Statement

1. In order to invoke financial crisis as a reason to close or permanently downsize a unit or program and dismiss associated faculty, the campus must be facing a severe and imminent financial crisis that threatens the survival of the campus in its present form, that jeopardizes its academic integrity, and that cannot be resolved by means less drastic than the closure or permanently downsizing of a unit or program and the elimination of such academic appointments ("campus financial crisis").
2. A decision by the campus to shift resources away from teaching or research, or away from a unit or program, does not constitute a financial crisis.
3. A financial crisis within one unit or program is not grounds to invoke this policy unless its immediate ramifications threaten the survival and academic integrity of the campus as a whole.
4. The merger, elimination, or re-organization of an academic unit by itself is not grounds to invoke this policy.
5. The determination that a campus financial crisis exists must be arrived at transparently, with participation by affected constituencies, and documented through generally accepted financial principles.
6. The ultimate decision to declare a condition of campus financial crisis and decide how to resolve it lies with the Board of Trustees and the President in consultation with the Chancellor, the Executive Vice President for University Academic Affairs, and the university's Vice President and CFO. However, because a campus financial crisis will directly affect its teaching and research missions, the rights and prerogatives of the faculty entitle them to participation in this process.
7. A campus financial crisis is an immediate crisis driven by external events. As such, a declaration of campus financial crisis should be limited to a maximum of one year from the time the Chancellor first informs the Academic Senate of the crisis unless the Chancellor and the Executive Vice President for University Academic Affairs deems a longer period necessary and the Chancellor consults with the Academic Senate about the need for a longer time.

[Back to top](#)

Procedure

1. When the Chancellor becomes aware that the campus faces a financial crisis so severe that it may require the closure or permanent downsizing of units or programs and dismissal of associated faculty, and following consultation with the Executive Vice President for University Academic Affairs, the Chancellor shall inform the Executive Committee of the Academic Senate, the unit(s) or program(s) likely to be affected, and the faculty of the campus in general.
2. In order that the faculty may evaluate the situation for themselves, the Chancellor shall provide the Executive Committee of the Academic Senate with budgetary, financial, and other documentation and supporting evidence that is being used to guide the decision whether a campus financial crisis exists. It is expected that such information will be provided at least 30 days prior to any decisions being made that may result in the closure or permanent downsizing of units or programs and dismissal of associated faculty. The Chancellor shall keep the Executive Committee of the Academic Senate informed of the campus's decision-making process, the timetable for any decisions involving the closure or permanent downsizing of units or programs and dismissal of associated faculty, and shall supply additional relevant information on an ongoing basis.
3. The Executive Committee of the Academic Senate shall form an ad-hoc Financial Crisis Committee to represent faculty interests during the financial crisis.
 - a. The Committee shall include the President, Vice-President, and Secretary of the Academic Senate. The President shall serve as Chair.
 - b. The Committee shall include other faculty as needed so that the final committee includes:
 1. At least one member of the campus Academic Senate Budget Committee;
 2. Faculty competent to evaluate any units threatened with permanent downsizing or closure;
 3. Both tenure-track and non-tenure-track appointees; and
 4. One or more member(s) of the appropriate academic or faculty affairs committee.
 - c. Additional faculty may be added to the Financial Crisis Committee as the financial situation and the campus's response to it develops.
4. The Financial Crisis Committee is charged with providing analysis of the academic impact of the financial crisis. It shall assess the impact of closure or permanent downsizing of units or programs and dismissal of associated faculty on the overall mission of the campus, as well as these units' places in the larger landscape of intellectual and professional endeavors. The Committee will explore alternative cost-saving measures that may partially or fully alleviate the situation. The Committee will report these findings to the Executive Committee of the Academic Senate and to the Chancellor and the Executive Vice President for University Academic Affairs for consideration as part of the decision-making process. The Chancellor shall provide a summary report to the Academic Senate of the decision(s) made and the underlying bases as soon as practicable. This report is not required prior to action being taken, and the Chancellor may choose the format of the report (e.g., at a meeting of the Academic Senate, via formal memo or power point, or other mechanism).

[Back to top](#)

IU Policies

[ACA-18](#), Regulation of Clinical and Lecturer Appointments

[ACA-19](#), Regulation of Professor of Practice Appointments

[ACA-20](#), Regulation of Research Appointments

[ACA-41](#), Faculty Role Regarding University Financial Exigency

[ACA-52](#), Permanent Separations for Academic Appointees

[Back to top](#)

History

Policy approved xx/xx/20xx by the IU South Bend Academic Senate.

[Back to top](#)