

**CREM Item on 2/2/2021 BFC Meeting Agenda**

The BFC Exec Com asked CREM to draft a BL campus policy related to financial exigency, and provided CREM with a copy of the IUPUI policy as a frame of reference.

Having looked into this further, Paul and I, as co-chairs of CREM, have recognized that a BL campus policy can serve more than one function:

(1) for purposes of implementing an IU-wide financial exigency, pursuant to the UFC policy ACA-41;

(2) for purposes of addressing financial exigency at the BL campus, that is not IU-wide.

Therefore, CREM is asking for feedback from the BFC as to how to proceed. In so doing, CREM is posing three key questions. These three key questions are listed below. However, before we start BFC discussion, Paul and I will provide additional information and context that underlie these questions.

Key Question 1: Should BL campus of BFC adopt any policy in advance for purposes of implementing the procedure in Sec. 3 under UFC ACA-41 for an IU-wide financial exigency?

Key Question 2: Should the BL campus of BFC adopt its own policy to address financial problems at the BL campus?

Key Question 3: Based on the feedback received per the above questions, what should be the composition of CREM for purposes of addressing those questions? Should individuals be added to reflect more areas of representation and/or expertise?

## **I. UPFC Policy ACA-41: Faculty Role Regarding University Financial Exigency**

Key Question 1: Should BL campus of BFC adopt any policy in advance for purposes of implementing the procedure in Sec. 3 under UFC ACA-41 for an IU-wide financial exigency?

[See relevant text below: Focus on par. 3(d), which implements par. (3)(b) & (c).]

\*\*\*\*\*

### **Procedure [creation of an ad-hoc Financial Exigency Committee]**

3. The UFC Executive Committee shall form an ad-hoc Financial Exigency Committee to represent faculty interests during the financial crisis.
  - a. The Committee shall include members of the Executive Committee.
  - b. The Committee shall include other faculty as needed so that the final committee includes:
    1. At least one member of the University Budgetary Affairs Committee;
    2. Faculty competent to evaluate any units threatened with elimination;
    3. Both tenure-track and non-tenure-track appointees; and
    4. One member of the Creation Reorganization, Elimination and Merger (CREM) Committee or its equivalent from each affected campus.
  - c. Additional faculty may be added to the Financial Exigency Committee as the financial situation and the university's response to it develops.
  - d. Members of the Financial Exigency Committee who are not currently on the Executive Committee should be selected from lists proposed by the faculty governance organizations of the affected campuses and units.

\*\*\*\*\*

## II. 2020-2021 IUPUI Guide to Faculty, Appendix D: Policy on Dealing with the Effect of Financial Difficulties Upon Faculty at IUPUI (Adopted 1996, amended 2015)

Key Question 2: Should the BL campus of BFC adopt its own policy to address financial problems at the BL campus?

Context:

- UFC ACA-41 only applies for financial exigency that occurs for IU as a university, not for a specific campus.
- Prior to adoption of UFC ACA-41, the IUPUI campus adopted its own policy to address financial difficulties at IUPUI.

Structure of the IUPUI Policy

- This policy asserts general principles, including that the campus Budgetary Affairs Committee is in a unique position to identify financial difficulties.
  - This policy provides a structure of 3 levels of problems at IUPUI.
    - (1) “Financial difficulties”: is the lowest of 3 levels of financial problems set forth in this policy. Financial difficulties can occur at the school/ unit or campus levels.
    - (2) “Financial crisis” is an escalation from “financial difficulties” to a higher level.
    - (3) “Financial exigency” is the highest level of financial problems. Only at this level can involuntary dismissal of faculty (tenured, unexpired appointment) be done.
  - For each level of financial problems, the policy specifies a procedure for implementation.
    - The procedures are specific and address many issues such as if, how, and when non-reappointment or premature dismissal may be permitted/become necessary.
- ⇒ Should the BFC pursue development of such a detailed policy for the BL campus?

### III. Composition of CREM

Key Question 3: Based on the feedback received per the above questions, what should be the composition of CREM for purposes of addressing those questions? Should individuals be added to reflect more areas of representation and/or expertise?

Given:

- the financial nature of this policy
- the far-reaching ramifications of such a policy, particularly relating to faculty and staff

Should we request volunteers or appointees who can speak to:

- the financial nature of the questions above
- the breadth of affected areas, such as a representative from each major school on campus

Should a task force be established, particularly if the BFC wishes to proceed with development of a such a comprehensive BL policy per question 2?