

**POLICIES AND PROCEDURES
OUACHITA TECHNICAL COLLEGE**

SUBJECT AREA: **Personnel Policies and Procedures**

POLICY/PROCEDURE: **Employee Retrenchment**

DATE: **November 19, 1994**

NUMBER: **2.16**

REVISION(S): **11/27/01, 03/31/09**

Purpose

The Board recognizes that the College is in a continuing process of change driven by technology, societal attitudes, changing educational philosophies and requirements, changing student demand, and changing enrollment patterns. Often these forces are not predictable and must be responded to in a timely way.

Policy

It is the policy of the Board of Trustees of Ouachita Technical College that the institution be managed in a manner to ensure effectiveness while maintaining fiscal responsibility. The President is expected to monitor such forces as indicated above and take the necessary personnel actions to maintain the efficiency of the College toward accomplishment of the College mission. The policy is designed for all employees and is intended to reflect the long-term needs and goals of the College. Criteria for determining whether any position or program should be retrenched must give emphasis to maintaining the quality of the total continuing College program. In all instances, the need for good sense and a fair, comprehensive, and non-capricious assessment of the overall situation must prevail.

I. Definitions

- A. **Retrenchment:** The action taken to reduce staff in a department or area due to declining enrollment, reduced need and/or financial exigency.
- B. **Administrative Action:** A decision or action taken by the College to promote efficiency, effectiveness, or fiscal stability. Those actions include, but are not limited to, closing programs, discontinuing services, abolishing positions, or reassigning personnel.
- C. **Retrenchment Unit:** The retrenchment unit will vary according to the nature of the financial problem or reduced need. If a College-wide problem exists, the department or major administrative division will be the retrenchment unit. However, if the problem occurs within a department, then the discipline may become the retrenchment unit.
- D. **Financial Exigency:** Financial exigency is defined as a state of financial challenge which affects the College as a whole to the extent that it may become necessary to restructure or terminate permanent appointments or other contracts, and a state in which the survival of activities deemed important or even essential to the mission of the College is in doubt. An example of a financial exigency is when the Arkansas Department of Finance and Administration revenue forecasts

or State appropriations are such that there are insufficient funds to pay for all the planned personnel, programs or services. Additionally, it is possible for a financial exigency to exist when management determines that it is appropriate to expand one area of operations with resources reallocated from another.

II. Basic Assumptions

- A. OTC must remain a viable, responsive, and effective educational delivery system for its service area.
- B. Even though OTC is an "established" entity, it may undergo significant programmatic and methodological changes in future years.
- C. Enrollment, as measured by student semester credit hours (SSCH) generated, will continue to fluctuate as a phenomenon of market needs.
- D. Enrollments may shift with changing interests and needs. The College staff may need to be reduced or reorganized to meet those needs.

III. Unequivocal Points

- A. The mission of OTC will be fulfilled.
- B. The College's Equal Opportunity Program will not be compromised.
- C. The College will not permit excessive numbers of small classes or engage in other unsound management practices to avoid the hard decisions of retrenchment.

IV. General Administrative Action

- A. When the question of possible discontinuance of a position or program is raised, the immediate supervisor will give written notice of such a possibility to the employee involved.
- B. The President will then be given a recommendation from the supervisor regarding the appropriateness and feasibility of the suggested discontinuance. The President will study the recommendation and will either end the consideration by reassignment of personnel or move forward with the retrenchment recommendation.
- C. Any employee affected by a move to retrench should be given the opportunity to bring any written facts or written consideration that he/she believes to be pertinent to the attention of the President.
- D. Upon a written request by any employee affected by a retrenchment, the President will hold a hearing with the employee and the employee's supervisor. Hearing participants will be invited to submit written remarks and recommendations prior to or during the hearing.
- E. After reviewing recommendations presented in the hearing and in the various written testimony and reports, the President will formulate recommendations that will be presented to the Board of Trustees, along with copies of all other testimony and reports received and a summary of any additional recommendations that were made at the hearing, upon the request of and prepared by the employee(s) or supervisor affected by the proposed retrenchment.

- F. The Board of Trustees will then take final action on the matter usually in the process of reviewing and approving the annual budget.
- G. It is important that all persons connected with or affected by the position being considered for retrenchment be kept fully informed at each state of the review process. This is essential both as a matter of courtesy and as a process whereby information might be obtained from those closely related to and most knowledgeable about the position.

V. Personnel Alternatives

When personnel actions are involved, the College will be led by the following guidelines:

- A. Adequate advance notice (at least six [6] weeks prior to the expiration date of the current employment contract) will be given.
- B. When a decision is made to terminate the employment of an individual, the College will provide assistance in finding other opportunities.
- C. Terminated or transferred employees will be given priority when the College reopens a retrenched position or program or subsequently adds positions for which they are qualified within a two (2) year period. The affected employee must apply for any such position when the vacancy is advertised.
- D. The employee who is reassigned or whose position is retrenched will have the right of appeal (See **COPP 2.32**).

VII. Due Process Concerning Employees Affected by Financial Exigency

In the state of financial exigency, any budgetary entity may be discontinued by the Board of Trustees. In the event this state is determined, the President will announce such to all College personnel.

Considerations for employee reductions shall include compliance with affirmative action requirements and adherence to due process and compensation benefit program policies. It should be made clear that the termination of an employee because of financial exigency is distinct from dismissal for cause. Nothing in the process necessarily implies a lack of professional fitness of the individual.

In some cases, an arrangement for early retirement of a full-time employee, by adding appropriate institutional funds into the individual's retirement income, may be effected with the consent of the employee (See **COPP 2.62**). In other cases, a change from full-time to part-time service may be a feature.

AUTHENTICATION (Signature):		COPP
_____	03/31/09	
President	(Date)	2.16