

**BOARD POLICY****No. 112**

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TITLE: Reduction in Force due to Financial Exigency

DATE ADOPTED: February 27, 2019

EFFECTIVE DATE: February 27, 2019

SUPERSEDES: December 18, 1979

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**PURPOSE:**

The Board of Trustees of Rowan College at Burlington County, in the exercise of its discretion, may declare a state of financial exigency when, in its judgment, such declaration is warranted by the existence of one or more of the following facts or combination of facts:

**POLICY:**

- 1) Taking into account all available sources of income, the College has or will have insufficient funds to pay its financial obligations as they become due.
- 2) Due to projected or actual reductions in budget requests, reductions in income from fees, decline in the number of full-time equated students, and/or increases in operating costs within any department(s) or other major academic sub-unit(s) or within the College as a whole, anticipated income in a subsequent fiscal year will be insufficient to cover the budgeted costs of the said department(s) or sub-unit(s) or the College as a whole.
- 3) The College is mandated to incur unavoidable expenses (such as pursuant to court order to pay a sum or sums of money) which cannot be absorbed within the budget.
- 4) A financial deficit exists within any department, or other major academic sub-unit, or within the College as a whole, and no source of funds is available to make up the deficit.
- 5) Income to support one or more College programs obtained from an outside funding source or sources such as the United States, the State of New Jersey, the County of Burlington, a foundation, or similar source, is projected to be, or actually is, withdrawn, reduced or terminated.

6) A state of facts exists which creates an immediate financial need to the College which cannot be ameliorated except by measures entailing substantial sacrifices affecting the College's educational programs.

A declaration of financial exigency shall be supported by a thorough documentation of all facts deemed material to the Board's decision.

During the existence of a declared state of financial exigency, the Board of Trustees may effectuate a reduction in force (RIF) within any department(s) or other major academic sub-unit(s) or within the College as a whole, giving regard to:

- 1) The College's needs and priorities as expressed in its long-range tenure plan, pursuant to N.J.A.C. 9:4-6.1 *et seq.*;
- 2) The terms and conditions of applicable collective bargaining agreements and individual employment contracts;
- 3) Applicable statutory requirements including, but not limited to, the State and County College Tenure Act, N.J.S.A. 18A:60-6 *et seq.* and the New Jersey Employer-Employee Relations Act, N.J.S.A. 34:13A-1 *et seq.*;
- 4) This policy shall be liberally construed in favor of the Board of Trustees in order to give full effect to the said Board's substantial discretion in effectuating reductions in force. Specifically, this policy shall not be construed to limit the Board's discretion to effectuate reductions in force in situations not involving financial exigency, as for example, in situations where such reduction is due to a natural diminution of the students or pupils in the institution, or in other applicable situations.

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President

Date:

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Chairman

Date: