

OREGON INSTITUTE OF TECHNOLOGY

Program Reduction and Elimination OIT-20-050

Purpose

When a significant net reduction in budget is imminent, the Program Reduction and Elimination committee (PREC) will provide recommendations to the President. In determining recommendations PREC will take a holistic view of OIT's needs, synthesizing the perspectives of its various constituents.

Similar to PREC, the Fiscal Operations Advisory Council (FOAC) advises the President on budgetary issues. However, PREC's focus on reduction and elimination makes it distinct from FOAC. Essentially, PREC advises the President on imminent budgetary reduction, while FOAC advises the President on continuing budgetary management priorities aligned with the strategic goals of OIT.

PREC recommendations may include—but are not limited to—the reduction or elimination of individual programs as well as non-targeted cuts like across the board reductions in budgets and/or salaries. Besides the termination of existing positions, program reductions may include delaying or canceling searches, reducing operating budgets, and other efficiencies.

PREC must provide the fullest opportunity possible for input from all concerned parties, while also keeping its deliberations secret from the general faculty in order to minimize undue speculation and concern. However, when the President submits the proposal for program reduction and/or elimination to the campus and community, the committee, with due discretion, may put forth its comments.

In PREC's deliberations, maintaining the OIT mission must be of foremost concern.

Definitions

The term "program" is a unit or activity which expends funds. A program may have any of the following characteristics:

- the words "department," "center," "office," "school," "service," "program," "major," "minor," or "option" as part of its title;
- is headed by an individual entitled "Vice President," "Director," "Coordinator," or "Manager";
- is identified as a degree or certificate program as approved by the Oregon University System;
- offers a degree, certificate, or credential;

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- has a sequence of specific academic requirements;
- is an established, distinct option or track within a larger unit;
- has been approved as a distinct function or activity of OIT by the State Board of Higher Education.

Conditions of Enactment

The policy for Program Reduction and Elimination is to be enacted by the President when budgetary reductions imposed on the institution (as opposed to internal reallocations) are of a magnitude such that one or more of the following situations occur:

1. Budgetary reductions are of such significance that an entire program is at risk for elimination.
2. Budgetary reductions are such that academic program quality may be compromised as evidenced by the following:
 - a. increase in the student FTE to faculty FTE ratio to a level substantially above the program's target ratio,
 - b. loss of expertise needed to staff required courses,
 - c. loss in the institution's credibility demonstrated by a program's failure to obtain accreditation/certification or the threat thereof, and/or
 - d. substantial decrease in the ability to provide supportive service courses, facilities and/or equipment.
3. Budgetary reductions are such that non-academic program quality may be compromised as evidenced by the following:
 - a. substantial decrease in the ability to provide instructional support, or
 - b. reduction of funding, staff, and/or services that would seriously affect a program, safety, or maintenance of facilities.

Reduction/Elimination Criteria

Listed below are the criteria, which both indicate and contra-indicate program susceptibility to reduction or elimination. These criteria are the exclusive standards to be considered in prioritizing program reduction/elimination alternatives and will be augmented only under extraordinary circumstances. Programs are neither targeted nor protected from reduction/elimination because they meet or fail to meet a single criterion. At all levels of review, it is the deliberative body's responsibility to weigh these considerations and make recommendations based upon the criteria in total.

Student service, administrative and support service programs serve academic programs, faculty, staff, students, alumni and other constituents. Need for these activities may relate directly or indirectly to other institutional programs and aspects of the institution's mission statement. Therefore, when non-academic programs are reviewed for reduction or elimination, their relationship to the institution's mission statement, academic programs, and other non-academic programs will be reviewed concurrently.

1. Criteria Supporting Reduction/Elimination of Academic Programs

- a. Program contribution to OIT's mission does not justify maintenance of current program size.
- b. Programs that are high cost because of low or declining enrollment over a period of three or more years and have enrollments that are projected to continue their decline.
- c. Programs that would require inordinate expenditures to bring up-to-date, to maintain, or meet accreditation standards. Inordinate expenditures are those that would:
 - take away substantial funding from other existing programs, or
 - be considered excessive by authorities in the appropriate discipline who have examined the total expenditures for the program during the previous three to five years and the projected expenditures for the program over the coming three to five years.
- d. Programs that do not offer graduates opportunities for job placement or continuing education in their discipline.

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2. Criteria Contra-indicating Reduction/Elimination of Academic Programs

- a. The program's nature is such that the planned reduction would weaken the program beyond the critical mass necessary to maintain adequate quality.
- b. The program cannot be reduced without a risk to accreditation of this or another academic program.
- c. Current projections indicate that demand for the program or its graduates will increase substantially within the next three years.
- d. The program is one that has achieved regional or national recognition for exceptional quality.
- e. The program provides instruction or services that OIT is better equipped to supply than other organizations in this region of the state.
- f. The program is the only one of its kind within the state of Oregon.
- g. The program's reduction/elimination would result in substantial loss of financial support currently derived from grants, contracts, endowments or gifts.
- h. The program's cost is minimal relative to the tuition or other income generated by it.
- i. The program's reduction or elimination would have a disparate impact on protected classes or have other negative affirmative action effects.
- j. The program is an important part of the OIT mission.

3. Criteria Supporting Reduction/Elimination of Non-academic Programs

- a. Program changes leading to significant cost reductions for similar or higher levels and quality of essential services through:
 - reorganization or restructuring of service units and activities,
 - purchase of services at lower cost from external providers or acquisition, at no cost, through partnerships with the private sector, or
 - substitution of services that meet needs at a lower cost.

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- b. Program service redundancy—services provided by other programs within OIT, OUS, or state government with no net additional cost.
- c. Program demand by faculty, students, administration, or other constituencies is low or is projected to decline.
- d. Program services are determined to be less than essential to the institution's mission statement.
- e. Program services provided are not mandated by federal, state, or OUS laws, regulations, or rules.
- f. Program staffing levels are significantly above those of other OUS universities or comparator institutions.

4. Criteria Contra-indicating Reduction/Elimination of Non-academic Programs

- a. Programs that are essential and for which replacement programs are unavailable.
- b. Programs that are available from alternative providers only at increased cost or at great inconvenience to the institution.
- c. Program services available from alternative providers are unacceptably inferior in quality or level of service provided to the institution.
- d. Program services are interdependent with, and directly supportive of, academic functions.
- e. Program services are mandated by OUS, by federal or state statute, or by funding agency regulations, rules, or policies.
- f. Program services are essentially self-supporting, resulting in limited opportunity for significant budget savings.
- g. Program cost to the institution in public support and/or image is greater than the monetary savings available. The President should be consulted on this matter.
- h. Program reduction or elimination would transfer responsibility to another program without significant overall cost savings to the institution.
- i. Program generates income, the loss of which would be detrimental to the institution.

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- j. The program cannot be reduced without a risk to the accreditation of an academic program.
- k. Current projections indicate that demand for the program will increase substantially within the next three years.
- l. The program is one that has achieved regional or national recognition for exceptional quality.
- m. The program's reduction or elimination would have a disparate impact on protected classes or have other negative affirmative action effects.

Procedure for Review of Possible Program Reduction/Elimination

At the time the President finds that program reduction or elimination as defined herein may become unavoidable, he/she will:

- a. Notify the college community at large, and specifically the Faculty Senate, of the financial condition that exists or is forecast which, in the judgment of the President, may require program reduction or elimination.
- b. Form a nine member ad hoc Committee on Program Reduction or Elimination and charge it with making recommendations to meet the financial parameters imposed on the institution. The ad hoc committee will consist of at least six faculty members, no two of which may be from the same department, and one representative from the Administrative Council. The President will appoint five of the members of which three must not be serving on the President's Council. The Faculty Senate President will appoint four faculty members. The committee members are to be broadly representative of the institution as a whole, generally recognized for their knowledge of the institution. Members are expressly selected and charged to not represent specific constituencies.
 - The committee will elect a chair.
 - Secrecy of committee deliberations, proceedings and preliminary findings will be a requirement and responsibility of each committee member. Violation of committee secrecy by a member will be grounds for removal of this member from the committee. Such removal will be accomplished by a majority vote of the committee. A member so removed may be replaced by the designated appointing authority at the discretion of the committee.

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- c. Direct the committee to invite, generate, analyze and review options for fulfilling the committee's charge. The committee will devise methods for giving the fullest opportunity possible for gathering input from all concerned parties. In conducting its review and making its recommendations, the committee will use the criteria listed in the "Reduction/Elimination Criteria" section of this policy. The committee will present its recommendations to the President according to a time table worked out between the President and the committee.
 - The President will provide the committee with access to information and the resources of the institution as needed to fulfill its charge. The President's Office is to provide staffing and facilities needed for committee business.
 - The committee is free to meet as it deems necessary. The committee is free to obtain any and all data relating to its charge. The committee is free to interview appropriate parties and accept input toward fulfillment of its charge.
 - The committee will provide a proposal to the President detailing its recommendations and rationale for those recommendations. This proposal is confidential and the committee is still subject to the secrecy requirements of the "Procedure for Review of Possible Program-Reduction/Elimination" section of this policy.
- d. Review the committee's proposal, accept or modify it, and, if modified, return it to the committee with rationale for those modifications. The President will allow adequate time for the committee to consider any modifications and submit comments to him/her. He/she, with consideration of these comments, will prepare the proposal for campus and community consideration.
- e. Submit the proposal to the campus and community for review and comment. At this time the committee may, at its discretion, put forth its comments on the President's proposal.
- f. Receive and consider reactions to the proposal; announce final decisions and forward the plan to the Chancellor and the State Board of Higher Education.
- g. Should the campus proposal be rejected by the State Board of Higher Education and returned in part or in its entirety, the proposal, along with comments from the Board, will be directed to the ad hoc committee for reconsideration. This procedure will resume beginning with the "Procedure for Review of Possible Program Reduction/Elimination" section of this policy.

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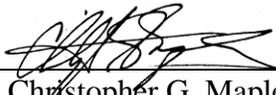
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- h. Implement the plan as approved by the State Board of Higher Education. Prior to actual implementation, the administration will develop with the Chair, Director, and/or Coordinator of each of the reduced or eliminated programs, a plan for the reduction, including timing of the reduction in that program, the particular personnel or budget items to be terminated, the effect of the termination plan on students and other related items.

Recommended by:

Faculty Senate – 11/29/01; revised 06/01/10;
President's Council – 4/05/11

Approved:  _____
Christopher G. Maples

Date: April 22, 2011