

Faculty Personnel Cost Reduction Hierarchy

GC Rev. February 5, 2015

The following provides one framework for thinking about how and when personnel cost saving tools might be used rather than absolute distinctions. The hierarchy ranges from immediate, short term reductions to longer term reductions, to restructuring of operations.

Objective & Related Tools:	Effective until:	Employee notice period	Considerations	Requirements	Other
<i>Respond to Current Year Budget Shortfall:</i>					
• Hiring delays or freezes			May leave essential positions unfilled		
• Add more teaching to workloads; use fewer adjuncts and terms					
<i>Respond to Longer-Term Budget Shortfall:</i>					
• Nonrenewal of term faculty	Effective until UA opts to refill	Prior to expiration (max. 90 days after 7 years) but contract expires regardless of notice		Per CBA	
• Voluntary separation incentives		45 days with formal VSP	Cost of incentive; Cost of replacement	Avoid discrimination and obtain effective release	TRS retirees can be rehired as bona fide adjuncts (<50%)
<i>Respond to Longer Term with Restructuring</i>					
• Academic Program Reduction or Discontinuation	Effectively Permanent	Up to a year	Permits dismissal of tenured faculty, but still need faculty for teach-outs and dismissal of tenured has ramifications for reputation	Program Review and approval by Board of Regents; CBA	