

 Prescott College	Policy Number: 125	
	Policy Category: Governance Policies	
	Fiscal Challenges	
	Policy Summary: <i>This policy emphasizes collaborative decision making in fiscally challenging situations.</i>	
	Approval Date: 10/25/13	Effective Date: 10/25/13
	Scheduled for Review: <i>Fall 2025</i>	
Policy Owner: <i>President</i>		

Policy Statement

Prescott College, an institution grounded in social justice, mandates involving faculty and staff in collaborative discussions prior to actions taken to solve a fiscally challenging situation, namely a state of significant fiscal stress or a state of fiscal exigency.

Definitions

Significant Fiscal Stress: a situation with a year-to-year projected or estimated net revenue decrease between 5% to 8% that involves downsizing significantly affecting total FTE employees and/or compensation levels and benefits and/or program or department reductions or eliminations.

Fiscal Exigency: an imminent financial crisis that threatens the survival of the institution as a whole and that cannot be alleviated by anything less than dramatic means. The emergency is an extraordinary one so that the usual procedures of planning, management, budgeting, and cost reduction are not adequate to meet the necessary budget reductions in the time available, and the College is unable to meet its obligations.

Reason for Policy

To ensure inclusion of faculty in staff in fiscally challenging situations.

Responsibilities

For following policy:	All employees
For enforcement of policy:	President
For oversight of policy:	President
For procedures implementing the policy:	President
For notification:	Policy Librarian

Procedures**Cross Referenced Policies****Revision History**