

February 9, 2022

Dear Members of the Faculty Senate,

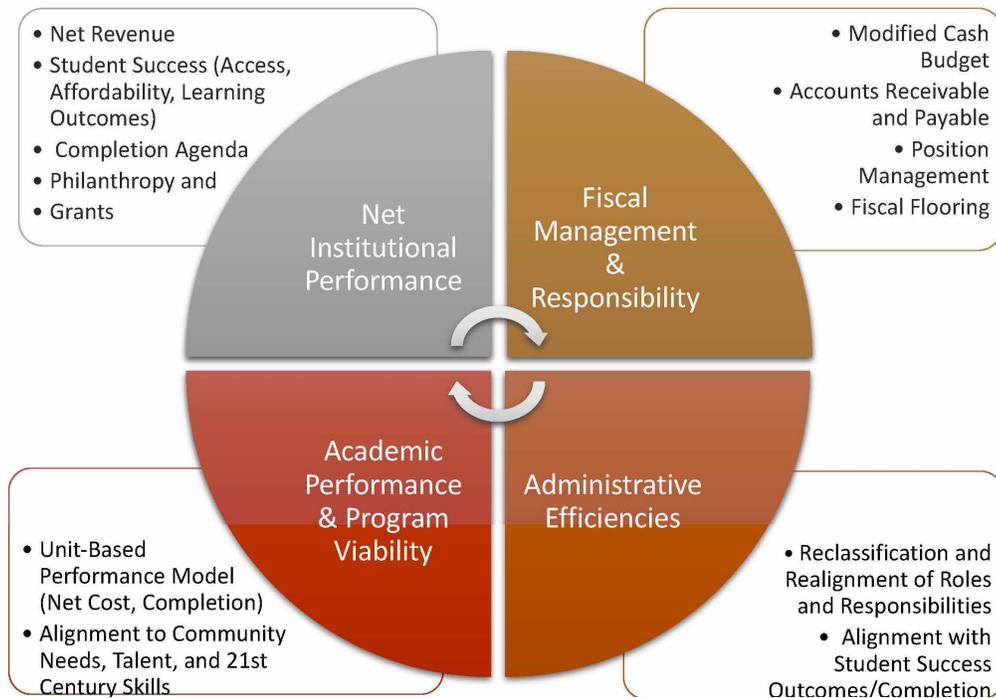
Over the coming months, you will be asked to engage in vigorous analysis of our institution’s financial and academic capabilities and to evaluate the subsequent impact on student success. The recommendations that you make will no doubt be difficult and painful. I wish this were not the case, but the current financial state of the university has rendered such decisions both urgent and unavoidable. I want you to know how much I appreciate your partnership.

On Thursday, February 3, 2022, in accordance with the procedures set out in the Henderson State University Faculty Handbook, I formally proposed a situation of financial exigency to you. The immediate next step is for you, as a body, to evaluate the written proposal of financial exigency and provide the Provost with your concurrence or disagreement with that proposal. This is to be done on or before February 17, 2022. (See Faculty Handbook pg. 36).

During the same time period, our academic administrative personnel will separately conduct their own analysis of the proposal and submit their concurrence or disagreement to the Provost. From there, the Provost will conduct his own analysis and submit his recommendation, along with your recommendation and that of the academic administrative personnel group, to me.

Within the Strategic Resource Allocation Model, our current efforts are focused on improving the overall cash position in order to restore fiscal responsibility.

Henderson’s Strategic Resource Allocation Model



The following steps defined by financial exigency are required to improve academic performance and overall institutional sustainability.

Action Required by the Arkansas State University System Board of Trustees:

I plan to present an update to the ASU System Board at the regularly-scheduled meeting on March 11, 2022. However, the Board will consider a decision regarding the financial exigency recommendation at a separate, specially-called meeting due to the 30-day window stated in the Faculty Handbook for this action.

Actions to be Taken by the Provost and Faculty Senate:

If the Board certifies a financial exigency, the next step in the process is for the Provost to initiate actions to ameliorate this crisis. Specifically, the Provost will have 30 days from the Board declaration of financial exigency to work with the faculty (either through the Faculty Senate or a Senate-approved committee consisting of full-time faculty members) and the academic administrative personnel to make recommendations to me concerning program cuts and position eliminations. (See Faculty Handbook pgs. 36, 38). This element of the process will be informed by an academic performance portfolio with various levels of data that will assist in the decision making process. The Provost and the group representing the faculty (Senate or committee) will need to make representations concerning:

1. What programs should be eliminated or reduced
2. Which faculty members will be let go from programs recommended for reduction but not elimination (See Faculty Handbook pgs. 36, 38).

The week after spring break, I intend to present the Provost with the following to help make these recommendations:

- A specific financial target for the reduction of annualized costs through program and instructional line eliminations
- A proposed framework and overall academic performance portfolio to be utilized for allocating resources for a Reimagined Henderson that achieves cost savings through the reorganization of the academic administrative structure and refocuses our academic programs on institutional performance measures described on a net cost basis
- A proposed framework and assessment for student success measures (programmatic enrollment, completion) that empowers students to complete degrees that align to 21st century workforce needs
- Access to an academic performance and viability portfolio defined by institutional research and data analysis tools

With respect to programs proposed for reduction but not elimination, the Faculty Handbook (pg. 38) charges the Provost and the Faculty Senate or committee with the duty to:

1. Identify all faculty members who are professionally capable of meeting the essential needs of such programs
2. Explore alternatives that will maintain a strong academic program and minimize losses to affected students and faculty members
3. Recommend specific faculty members for termination of appointment

In determining which faculty members to recommend for termination of appointment, the Provost and Faculty Senate or committee must first identify which faculty members are essential for meeting program needs and must do so in consultation with all faculty members in the

affected department or program. If termination of faculty members deemed essential to the program is necessary, then priority for retention must be determined on the basis of: (a) tenure, (b) length of demonstrated professional excellence, and (c) rank, in that order.

Final Steps in the Exigency Process:

Upon receiving recommendations from the Provost and Faculty Senate or committee, I will evaluate them and forward them, along with my own recommendations, as quickly as possible to the Board of Trustees for action. Following its March 11 meeting, the Board does not have another regular meeting scheduled until June 2. However, we would request assistance from ASU System President Dr. Chuck Welch to determine when a special Board meeting could be arranged to consider these proposals much sooner, hopefully in the late April/early May time period. Within ten days of any Board action on our recommendations, the Provost will provide written notification to any faculty member whose appointment will be terminated or non-renewed. The Faculty Handbook (pgs. 39-40) provides an avenue for redress for those faculty members whose appointments are designated for termination or non-renewal, including additional protections and notice for tenured faculty members.

These are very difficult decisions and processes to implement over a very short time period. Your engagement in this process and ability to consider how we can best allocate our instruction will help us meet both the immediacy of our financial challenges while at the same time provide the foundation for a Henderson State University that is a strong value proposition for our students and sustainable for the future.

Thank you for your consideration of these next important steps.

Joining you in service,

A handwritten signature in blue ink, appearing to read "C. M. Ambrose".

Chuck Ambrose
Chancellor