AgriLIFE EXTENSION
Texas A&M System

SOUTHERN REGION MANAGEMENT REPORT

2010

Introduction

This report represents an informal review of the budget situation and management strategies in Extension Education at 1862 institutions across the Southern Region.

Baseline Data

For reference, we developed the following tables, tapping the National Excellence in Extension Database for 2009 data about these broad areas: selected demographics related to the state and the Cooperative Extension Program; funding and support; and personnel.

Table 1. Demographic data (2009) for Cooperative Extension programs in the Southern Region.

State	Population	Number of youth ages 5-19	Percent of youth that 4-H serves	Number of counties or parishes	Number of off-campus offices	No. of district/ region offices for admin. purposes
Alabama	4,661,900	948,834	7%	67	76	3
Arkansas	2,889,450	586,556	22%	75	81	3
Florida	18,680,367	3,543,264	7%	67	74	5
Georgia	9,544,750	1,793,458	9%	159	167	4
Kentucky	4,236,308	832,205	28%	120	120	7
Louisiana	4,410,796	798,773	30%	64	64	5
Mississippi	2,844,658	570,823	17%	82	82	4
North Carolina	9,397,397	1,912,015	13%	100	101	6
Oklahoma	3,642,361	741,000	21%	77	76	4
South Carolina	4,561,242	770,850	1.38	46	46	0
Tennessee	6,214,888	1,220,384	12%	95	95	3
Texas	24,326,974	4,719,433	13%	254	262	12
Virginia	7,712,091	1,523,040	8%	95	107	6

Regarding 2009 fiscal data, the next table reflects the following metrics: total budgeted formula funds (Smith-Lever 3b and 3c only); total funds appropriated from the state legislature; total local and county funds; and grants and contracts.

Kentucky	410	208	113	7	3	6
Louisiana	257	73	67	5	10	3
Mississippi	234	280	170	2	0	5
North Carolina	303	160	115	6	0	6
Oklahoma	222	35	97	4	8	4
South Carolina	118	17	58	0	7	3
Tennessee	355	120	94	3	6	4
Texas	603	497	362	12	12	5
Virginia	273	150	93	6	6	6

State Interview Responses

Interviews were conducted during the Program Leaders Network (PLN) meetings in Memphis, Tennessee, August 24-25, 2010. Agency directors or their designee were asked these questions:

1. What level of reductions has the state/organization experienced over the last couple of years?
2. How was implementation approached/managed? Did organizational restructuring occur?
3. Was VERA used? Incentive packages? Rehiring of retirees? What are related issues?
4. What funding alternatives have been employed/sought?

In addition, references, plans, or documentation related to budget management strategies were requested.

Level of Reductions

Alabama: County funding has been level for over 10 years. State funding peaked in 2008 and then has had a 30% reduction. There had been 4 years of significant growth prior to '08 with double digit increases. We directed growth funds to non-continuing positions, equipment, IT. We projected no budget reduction for '10-'11, but did not expect the economy to be so bad, and may have to give some back. Next crunch will be '12 when the stimulus funds are expended.

Arkansas: FY10 $1.5 million reduction handled with carryover funds. For FY11, asked to hold back $1 million in reserve.

Florida: FY10 $7.7million with cut to date of $16 million for IFAS

Georgia: No major cuts since '91, but in 2008 - 2010 a 23% reduction.

Kentucky: Experienced a total of 9 % to 10% reductions during the past two fiscal years.

Louisiana: Experienced 17% reduction in FY10; planning for 23-38% more, effective next July 1. A plan for program cuts has been developed. This is the third year with no merit salary increases.

Mississippi: 8.57% in FY2010 / 1.15% restored in FY2011

North Carolina: $4,621,910 reduction in 2009 and 2010 = a 10% reduction in state appropriations.

Oklahoma: Up to 10.4 % reduction (FY11 from FY09); currently down six faculty FTEs and five area specialist FTEs.

South Carolina: 2-year cumulative budget reduction of 46%; another 25% possible.

Tennessee: $5 million reduction in budget since 2008 or 18.3%. Tennessee received more than $5 million in federal stimulus funds, which will terminate on June 30, 2011.

Texas: Two reductions totaling 6.25% in current biennium, through August 31, 2011, affecting 94 positions. We have been asked to plan for another 10% reduction over FYs 2012-2013.

Virginia: $10.3 cumulative reduction from FY08 through FY12 to both Extension and Research, (about 15.5% of joint budget), with 60% applying to Extension. Request received for additional reduction planning scenarios. Number of agent positions now 200, down from 250.

Implementation Strategies

Alabama:

- Began reorganization two years ago with input from employees. Focus was on Programs; Revenue; Realignment; Technology; and Communications. Questions asked were "what's important" and "what do we carry forward."
- Both an internal and constituents survey was conducted. The Extension leadership went to state groups. Fourteen different initiatives were identified and each county had one constituent group meeting.
- Organizational restructuring: State–focused on being more efficient. Combined HR and Finance into Business Office. Website has been updated and utilizing more mobile applications. Mid-Level–eliminated district managers (many of their functions had moved to the state office, i.e. personnel, fiscal, agent calls). New position created: Assistant Director for Program Operations. Local—Redirected County Extension Coordinators to become community liaisons who identify local needs, then seek resources (internal and extramural) to meet those needs.
- Pleased with the feedback from field staff, but have had very little external feedback on any of the changes. An early commitment was made to communicate, so have had a monthly call addressing any changes. Webinars on special processes, like Program Development, were conducted.
- Revamped program development process to focus County Extension Coordinators and Regional Extension Agents teaming to meet local needs.

Arkansas: Downsized administration–State 4-H leader retired and FCS Assoc. Director picked up that responsibility. The 2009 VERA resulted in decrease from 6 to 3 District Directors. Will add an Associate Director for County Programs to help.

Florida:

- Shared governance–each department got a lump sum they needed to cut and the departments made the decisions. Mainly cut technicians and covered these cuts with increased grants. Department Heads felt that there needed to be support maintained at a functional level.
- Counties: Met with District Directors to determine cuts. Primarily cut from program assistants in order to save county positions, but also cut some operating, etc.

Georgia:

- Focused first on "What should we look like in county?"(Specialist will come later). Steering Committee designed process (MM/Agents/Specialist/Support). Internal survey (results not yet shared); Listening sessions regionally around the state; School Boards; County Commissioners; Commodity groups. Leadership team reviewed results (DED/County Operations/ 3 Program Leaders).
- 159 counties with 113 Ag agents, 90 4-H Agents, and 36 FCS. They have tiered counties:
  Tier 1 - No office and 4-H is delivered in the schools. Exempt professional staff.
  Tier 4 – Can have a full time professional and flexibility to have agents in multiple counties. (CC wants to have coordinator F2F, but will share agents).
  Tier 6 highest level. County coordinator supervises agents; DED supervises Coordinators in 40 counties. Program team is 4-H; Ag; and FCS in 2 districts.
- Regional Training Centers (Where Specialist do F2F trainings for community groups). The people come to Extension in one place is a change for everyone. Week of winter school will be virtual (moved to spread out over a month). DED meetings are virtual.
- Dean operates with transparency. The young agents are staying. There were enough vacancies that didn't have to lay off individuals.

Kentucky:

- Has eliminated vacant campus positions. All vacant positions are analyzed to determine their priority.
- Restructured middle management. Reduced from 14 Area Administrators to 7 District Administrators since 2005. Currently there are 7 District Administrators and 3 Program Coordinators.
- Held positions vacant to generate salary savings.
- Redistricted in 2005.

Louisiana: Five regions (formerly 8). 64 parish offices—all remain open (a top priority).

- Employee engagement in planning includes a staff advisory board, a faculty council, unit head meetings, and stakeholder meetings.
- Considers core programs as production agriculture, nutrition, and 4-H, which receive state funds. Other programs will go off state funds July 1.
- Combined all animal science, including poultry, into one department. Combined agronomy and horticulture (all plant sciences) into one department.

- Believes in expanding Extension outreach, regardless of programmatic subject matter and staffing needs, if funding can be acquired. Does not require a Masters degree for agent new hires (but required for promotion). Looking into more programming in natural resources, energy conservation, environmental science, health programming, etc., with corporate underwriters.

Mississippi: No restructuring yet, however considering a worse-case approach of six CEAs per four-county cluster.

North Carolina
- Eliminated agent, faculty and staff positions. Combined some positions into area agents.
- Restructured from seven Districts to six Districts.
- Hired Program Assistants to work with key agents who cover multiple counties due to agent vacancies
- Hired Departmental Extension Associates or Assistants rather than a specialist.
- Hires some individuals on a term appointment for one year rather than multiple years.

Oklahoma: No restructuring. Campus support staff positions are funded in blocks per unit. Block funding decreased by 8 %. Semi-hard hiring freeze currently in place. Specialist vacancies remaining open. County Educator vacancies are being held open three to six months. Extension is funded through Higher Education Regents, thus some protection is anticipated.

South Carolina:
- Five centers; 46 county offices—all remain open (a top priority).
- Formed a 16-member visioning task force of CEAs, specialists, and staff for input on implementation. Charged to consider all options except closing county offices.
- Director informed all stakeholders in 1-to-1 meetings about changes; provided his personal mobile phone number.
- Has cut back to ANR programming only on state funds. Encourages entrepreneurial pursuit of funding.
- Gave five year notice (now in 4th year) to programs that were targeted to become self-sufficient. Includes food safety, nutrition, community development, 4-H and home horticulture, all of which retain their own revenues.
- Administrative staff reduced from 55 to 26 support staff through early out retirement and voluntary separation program. All regional and district management eliminated. Lead county agents receive 10% salary replacement funds for administrative support.
- Established 19 service centers and 7 business centers. Phones roll to service centers. All county offices remain open.

Tennessee: Reduced travel and supplies by 20%. Closed 4-H Camp.

Texas:
- Administration absorbed half the budget reduction and the remainder was distributed to the budget centers, with decentralized decision-making on how to manage the budget cuts. Priority placed on retaining all county offices, with positions closed only in counties with three or more agent positions. A managed hiring freeze was implemented by County

Programs last April to ensure vacancies for relocation of agents impacted by the staffing realignment.

- In preparation for the next biennium, other Southern Region states are being canvassed about their management strategies and an employee focus group has been conducted.

Virginia:

- Involved faculty, staff, and stakeholders in a comprehensive 18-month planning process, including development of a new 5-year strategic plan focused on programming priorities. A nine-member task force had three subcommittees: Enhance campus/field interaction, Maintain a local presence, and Enhance relationships.
- See restructuring website at: http://www.ext.vt.edu/restructuring/index.html
- Under restructuring: establish issue-based program teams; change extension agent title to extension educator; use business centers to support three- to five-county clusters; maintain one to three state-funded educators plus staff per cluster (region), one joint funded educator per locality, and option for more educators funded locally.

VERA/Retirement Incentives/Rehiring

Alabama: Offered VERA without separation incentive packages; limited number of employees participated. Rehire retirees on annual contract where need matches skill sets available. For retirees on state of Alabama retirement, annual pay is restricted to $22,000 a year regardless of job performed.

Arkansas: VERA offered in 2009: 38 accepted. Full retirement incentives: **No** – but may offer before too long. Re: rehires and conditions–part-time only; focus is on rehires of CEAs, but currently keeping 19 county vacancies.

Florida: Used 2010 stimulus funds for carryover and did a "plan to retire incentive;" Only faculty who were 65 years old were eligible for this incentive. Faculty salary was covered for one year.

Georgia: Through salary savings and carryover they were able to hire back 20 faculty part-time for one year in three phases (Last will complete in January and June 2011). All employees were offered a one year hire back at 35% of their state funding. With grants or county funds, the employee could then increase to 49% of their salary at retirement. This was an offer to all CAES faculty and staff, but targeted Extension and Experiment Station.

Kentucky: Requested early retirement. Rehired retirees at 80% of salary under a 1-year rehire contract which is reviewed annually for renewal.

Louisiana: Has employed VERA twice for a total 80 retirements. State limits the number of refilled positions to 25%. Those hired back are at 50- to 80-percent of former salary.

Mississippi: Yes, VERA offered. Re: full retirement incentives–six months' salary; all rehires half-time or less, lots of interims filling vacant positions.