



COLLEGE OF AGRICULTURE
AND LIFE SCIENCES

COOPERATIVE EXTENSION

The Cooperative Extension System Business Management Update

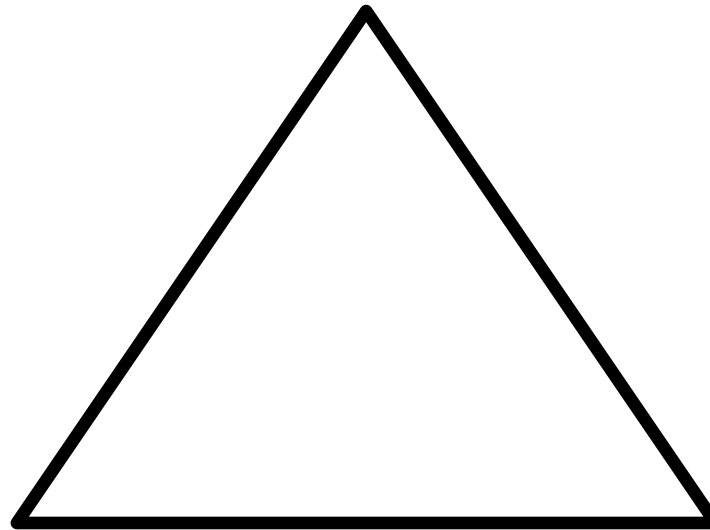
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Associate Dean

Director for Extension and Economic Development

Instruction

Research

Extension



UNIVERSITY OF ARIZONA

DIVISION of AGRICULTURE, LIFE and VETERINARY SCIENCES, and COOPERATIVE EXTENSION



College of
Agriculture
&
Life Sciences



College of
Veterinary
Medicine



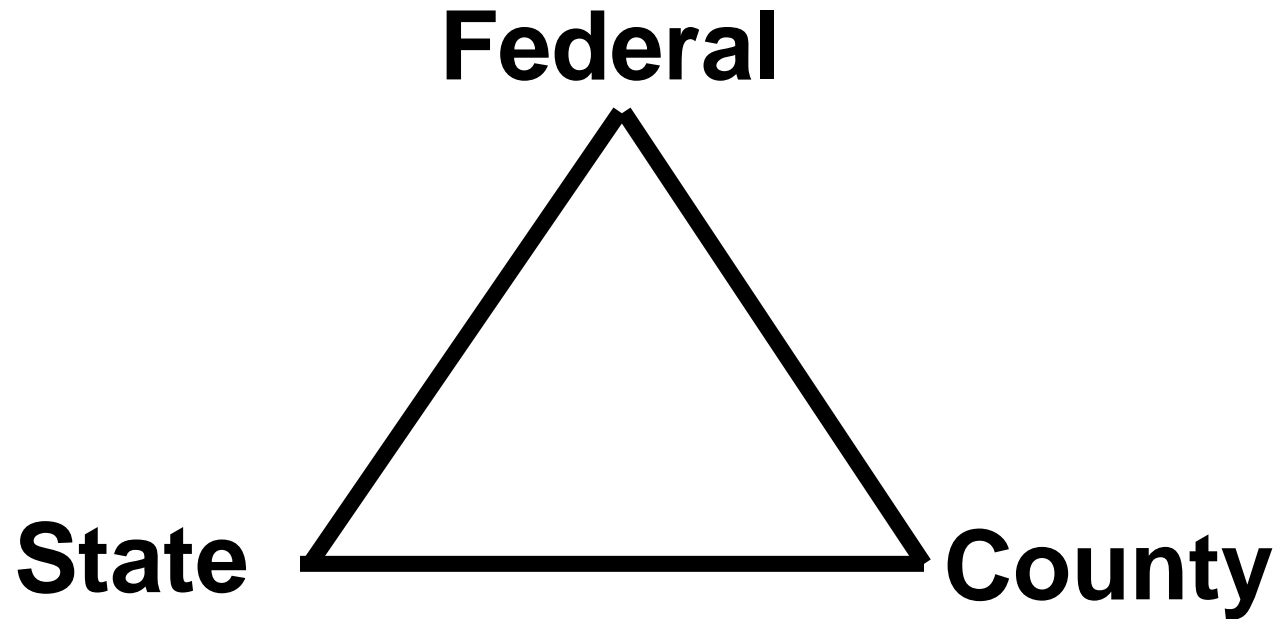
Cooperative
Extension



Arizona
Experiment
Station



Cooperative Arrangement

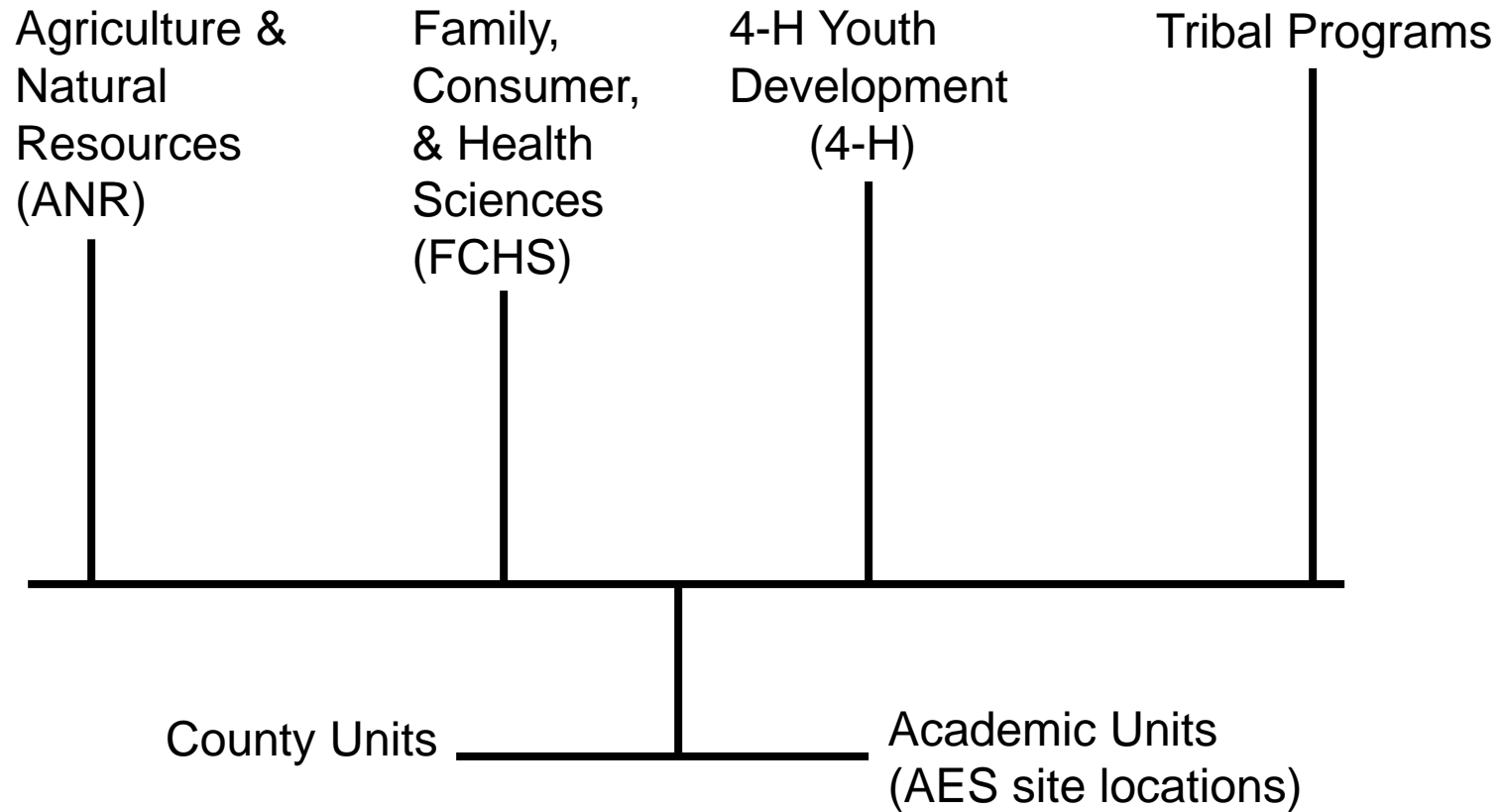


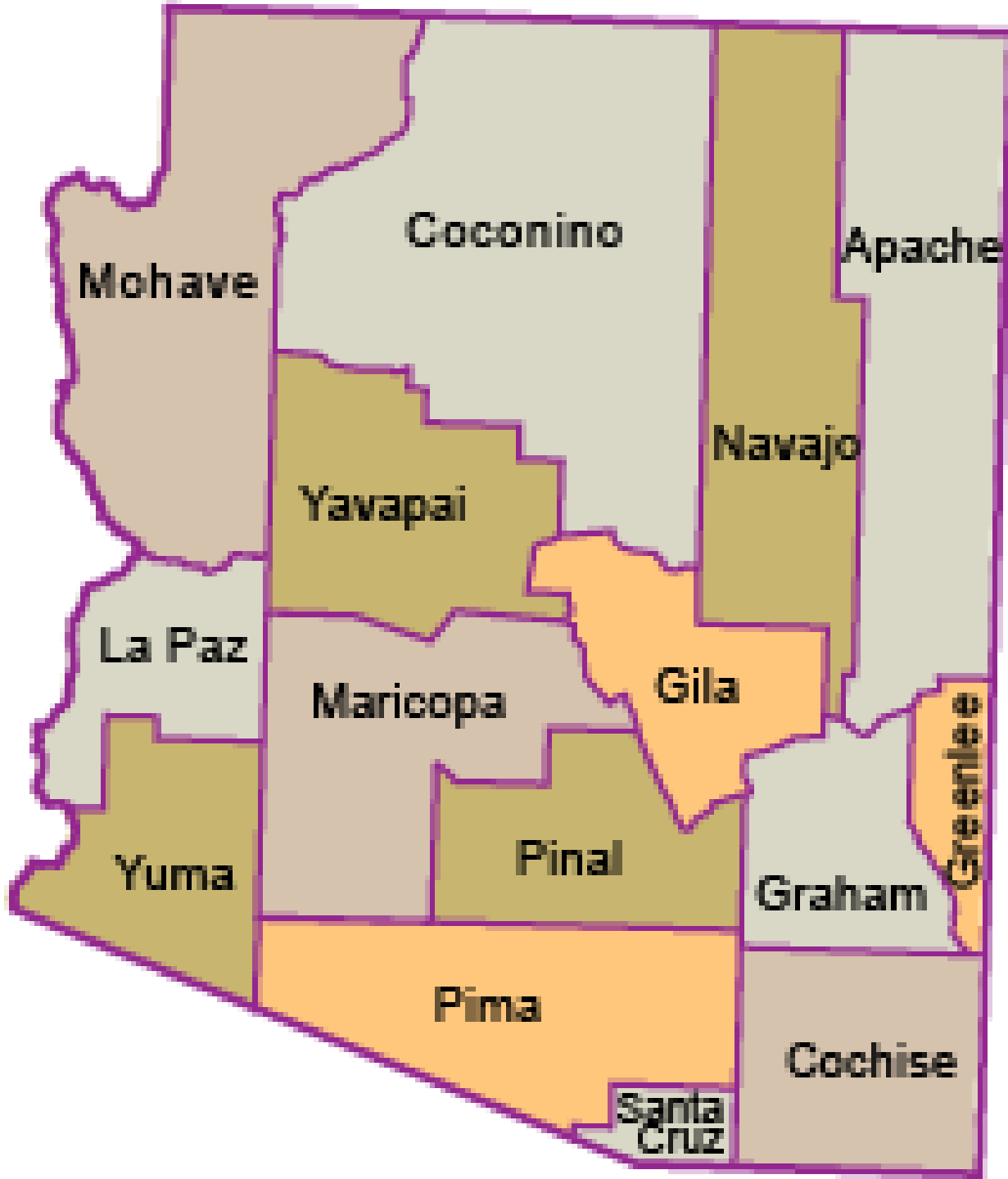
Arizona Cooperative Extension Mission

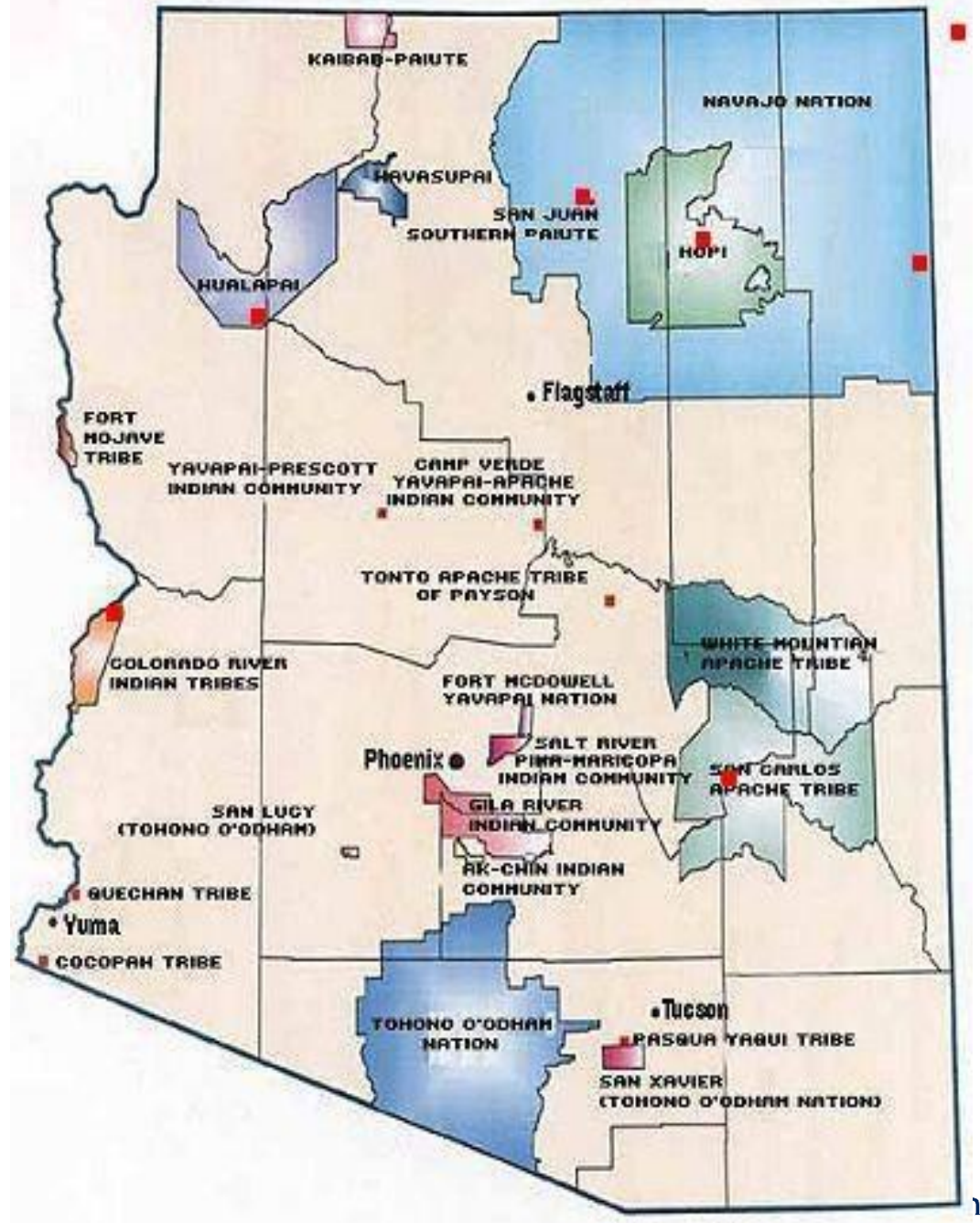


To engage with people through applied research and education to improve lives, families, communities, the environment, and economies in Arizona and beyond.

CES Programs







- CRIT--1993
- Hualapai--2002
- Hopi--1991
- Navajo-Tuba City--2007
- Navajo-Shiprock--1993
- Navajo-Tri State
 - Window Rock--1991
- San Carlos—1992

- Requested:
- Tohono O’odham (2)
- Gila River and Ak-Chin
- Salt River and Ft. McDowell
- White River
- Navajo (+3)

Objectives – CES Business

- What specific actions will be taken and by when to increase the state budget?
- Examples of the specific positions lost and programmatic degradation due to declining buying power of the state budget.
- Plan to invest Extension FTE in colleges outside of ALVSCE
- Priorities for the Extension hiring plan

CES Appropriated Budget

- **Smith-Lever Funds: \$ 1.9M**
(formula-based funding and contingent upon annual performance review)
 - **State of Arizona: \$14.5M**
(separate and specific line for the UA CES in the State of Arizona Budget)
- TOTAL: \$16.4M**

Total CES operational budget: \$34M

Cooperative Extension

adjusted for inflation

\$14.2M in 2015 = \$12.8M Today

- \$1.4M lost buying power from inflation
- \$1.3M: UA taxation and mandated spending reduce budget further
 - \$2.7M loss in 4 yrs.
- Requested SLT remove CES from RCM and AIB. Now approved. Thankfully!

State funding request plan for the UA CES.

Impact of Inflationary Costs CES Faculty Attrition FY16-20

- **Agents** all counties:

FY16, 48 FTE; FY20, 38 FTE;

21% decrease

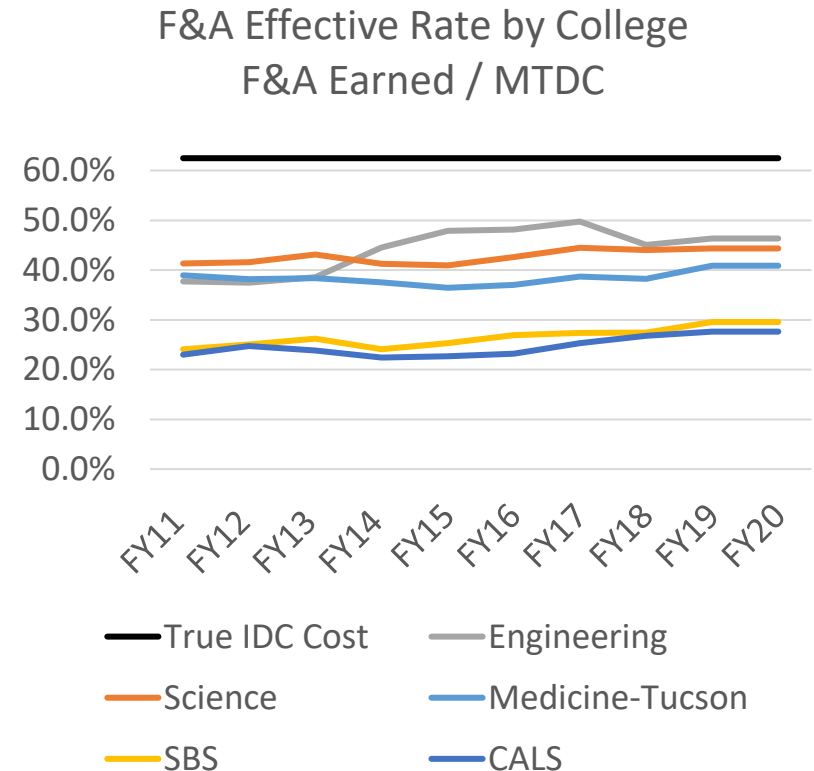
- **Specialists** located on campus or AES site:

FY16, 41 people; FY20, 34 people;

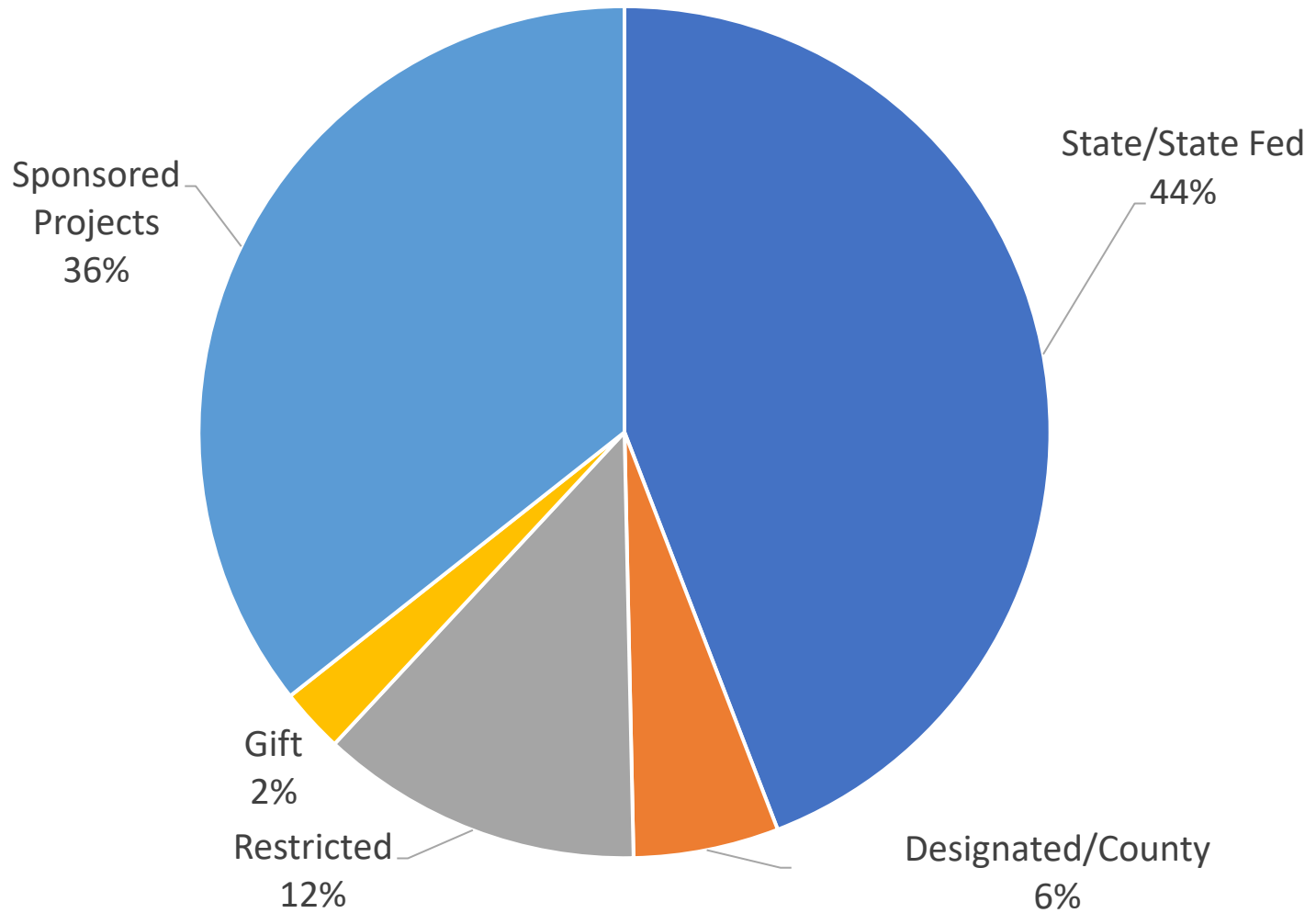
17% decrease

Teaching Funds Research

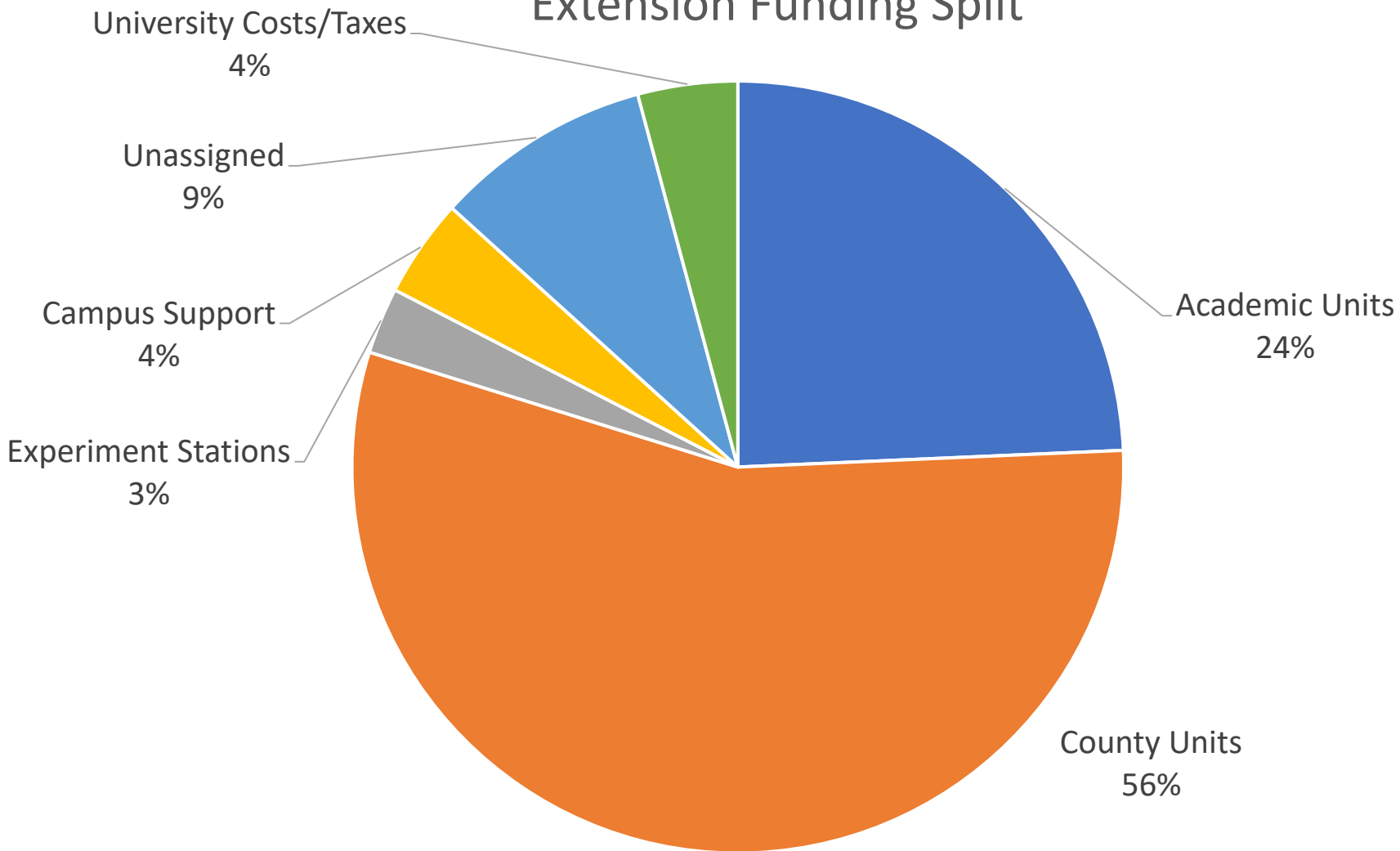
1. Real IDC Cost: 62.5%
 2. Effective CALS Rate: 27.7%
 3. \$11.5 million unrecovered (est.)
- Who pays \$11.5M? Teaching.
 - Without teaching revenues, research doesn't happen
 - Investing in teaching means more money for research



Extension Funding Breakdown



Extension Funding Split



Campus Support = ALVSCE Costs

Budgeted and Actual Financial Position as of May-04-2020

Budgeted and Actual Financial Position as of May-04-2020						
Operational Base Budget	FY20	FY21	FY22	FY23	FY24	
	Extension	Extension	Extension	Extension	Extension	Extension
Budgeted Balance Available	681,220	(1,293,198)	(1,366,850)	(1,492,897)	(1,700,712)	
BUDGETED ONE TIME						
	Extension	Extension	Extension	Extension	Extension	Extension
Budgeted Balance Available	3,437,588	3,831,028	2,280,434	689,505	(1,054,229)	



Review – CES Business

- What specific actions will be taken and by when to increase the state budget?
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Conclusions

1. Increasing costs from the UA.
 - Negative affects of RCM on the CES with no opportunities for additional revenue (**> \$500K lost in past two years**)
 - CES agrees to support essential UA services
 - CES is not an appropriate fit in RCM/AIB.
2. We are moving toward a smaller CES organization.
 - Translates to a (budget) reduction
3. Inability to replace positions being vacated.
 - Any new positions or programs require elimination of positions or programs elsewhere in the CES.
4. Need: Increase in legislative allocation to the CES.