Report to Strategic Alignment and Budget Reduction Review Committee

November 20, 2009

Budget Reductions Implemented:

- 09-11, November 2008 (1.095% State biennial funds) $494,560
- 09-11, March, 2009 (4% State biennial funds) $2,515,456
- FY10, Reduction in State appropriation (10% reduction State funds) $2,241,532

Strategies employed to manage budget reductions:

FY09 reductions-- Fund balances

FY10 reductions--Highlights

- Inability to fill more than 30 vacant positions
- Four 4-H positions lost-Polk, Jefferson, and two campus-based focused on Latino families
- Loss of financial literacy training in troubled economic times
- Critical research and extension vacancies in Hood River in plant pathology and post harvest management
- Elimination of North Coast position focusing on fisheries bycatch in lower Columbia River
- Decline in work on marine reserves
- Reduction in forestry emphasis on production and economic returns to management
- Loss of more than 7 FTE in insect identification Services, rangelands, tree fruits, weed and seed management, dairy, water quality and numerous other specialty positions supporting Oregon agriculture.
- Capacity to produce new or updated educational publications reduced by 35%. That means Oregonians will have much reduced access to information that can help them
through financial hard times or instruct them in food safety, positive youth development, healthy aging, developing a new business, or a host of other topics.

Detailed approaches by Program Area:

- **4-H Youth Development**: (FY10 reduction=$578,023) A 15% budget reduction would cause approximately 10 counties to lose 4-H faculty. The 4-H Youth Development Program will address budget shortfalls through a combination of (1) retirements, tenure relinquishments and attrition, (2) reduction of faculty and staff funded by state dollars, with new funding sources picking up some of the loss, and (3) member service fees. These strategies will allow the 4-H Youth Development program to maintain quality program throughout the state.

- **Agriculture and Natural Resources**: (FY10 reduction= $1,395,546) As a result of putting positions on hold, the program has developed some capacity against the EBL to absorb budget reductions (approximately $0.6 million per year). The gap between the Director's allocation that reflects a 15% reduction in state funds and our current recurring obligations is about $921,000. Given the possibility of additional cuts later in this new biennium and critical staffing gaps that might emerge, we propose an approximate 13% reduction in FY10 to the base budget of each college unit with Extension faculty and staff (generates $1.285 million total). This exceeds the budget reduction target in FY10. The second step, planned for FY11, is to replace the 13% unit reductions with a reduction of about 8 professorial ranked FTE by July 2010. This can be accomplished by retirements, natural attrition, reassignment to University General campus based teaching outside the college, and replacement of state revenues with grants and fees. As the staffing reductions occur, more regionally based program delivery will need to be designed to strategically align existing staff with the most important issues of the state/program. This redesign of staffing will be in cooperation with other Extension program areas and with the College of Agricultural Sciences restructuring plan. The reduction and or replacement of the state funding for 8 professorial FTE will significantly reduce educational programming and applied research. Our ability to serve the needs of urban and rural audiences with interests in natural resources and sustaining a safe food production and processing system at local and international scales will be compromised. These reductions will have a negative economic impact on communities in the range of 7 million dollars plus the loss of about one-half million dollars in grants and fee based programming.

- **Family and Community Health**: (FY10 reduction= $294,769) It is estimated that over 3 FTE will be lost due to termination or FTE reduction, while a reduction of almost 5 FTE
will be absorbed through retirement or moving to other funding sources, particularly the federal grant for Supplemental Nutrition Assistance Program Education (SNAP-Ed, formerly Food Stamp Nutrition Education). Several fixed-term faculty will have more of their FTE shifted to SNAP-Ed, with a corresponding decrease in their responsibilities for general FCH programming. Among other effects, this shift will decrease the amount of programming in the critical areas of housing and financial literacy.

- **Forestry and Natural Resources:** (FY10 reduction=$293,617) New sources of funding will be required to maintain the salary and OPE costs of faculty members with indefinite tenure and annual tenure within the FNR Extension program. The Harvest Tax revenue to offset salaries of Extension faculty who conduct applied research and technology transfer programs in support of small woodlands. Renewable Resources Extension Act (RREA) funds will replace state funds Extension faculty tasked with conducting and evaluating program that align with the RREA requirements. This result in a refocus for county-based forestry programs in six Eastern Oregon counties. In addition 1.4 FTEs will be required to teach courses on University Education and General funds.

- **Oregon Sea Grant:** (FY10 reduction=$101,902) One county-based marine fisheries Extension position, located in Clatsop County and vacated June 30, 2009, will not be filled. Focused work on reduction of bycatch form recreational and commercial marine and lower Columbia River fisheries will be lost and fisheries work on marine reserves will decline. The coast-wide marine fisheries specialist working out of Lincoln County, will assume some of the immediate committed needs of the vacated position.

- **Extension and Experiment Station Communications:** (FY10 reduction=$214,744) This critical program support unit will maintain support of for the Extension publishing responsibilities during a transition to new publishing opportunities and expectation. It will continue to provide the training needed for Extension faculty and staff to use the newly available tools that will help provide access to Extension programs for broader groups of learners. The unique Extension marketing efforts will be eliminated, moving the organization to rely to a greater degree on the centralized marketing capabilities of the University as a whole. In a two year period the total number of faculty and staff will be reduced, but this can be done in synch with the Outreach and Engagement transformation, moving a couple of key positions to be jointly funded by Extension and ECampus.

- **Extension Administration:** (FY10 reduction=$631,888) The reduction in 1.5 FTE is directly related to the formation and implementation of the University Administration
Business Center. Combining those salary savings with a 50% decrease in all non-mandated budget lines results in a fund balance for organizational and programmatic investments that will position the organization to be responsive and relevant for Oregon’s emerging needs.

### Personnel Impact Summary by Extension Program and Predicted Action

#### FTE Removed from State Appropriated Dollars

<table>
<thead>
<tr>
<th>Program</th>
<th>Voluntary Furlough</th>
<th>Retirement</th>
<th>Termination</th>
<th>Attrition</th>
<th>FTE Reductions</th>
<th>Tenure Relinquishments</th>
<th>New Funding Sources</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. 4H</td>
<td>0.37</td>
<td>1.82</td>
<td>2.00</td>
<td>0.25</td>
<td>2.40</td>
<td>0.75</td>
<td>2.75</td>
<td>10.34</td>
</tr>
<tr>
<td>2. Ag NR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>8.45</td>
</tr>
<tr>
<td>3. FCH</td>
<td>0.30</td>
<td>4.20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.44</td>
<td>5.94</td>
</tr>
<tr>
<td>4. Forestry NR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.2</td>
</tr>
<tr>
<td>5. Sea Grant</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.00</td>
</tr>
<tr>
<td>6. EESC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.00</td>
<td>4.00</td>
</tr>
<tr>
<td>7. Ext Admin</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.50</td>
</tr>
<tr>
<td>TOTAL</td>
<td>0.37</td>
<td>2.82</td>
<td>3.00</td>
<td>9.25</td>
<td>3.90</td>
<td>1.20</td>
<td></td>
<td>14.43</td>
</tr>
</tbody>
</table>


Position types impacted:

1. 10.34 FTE Fixed term
2. 8.45 FTE Tenure/Tenure-track (undetermined to central E&G, based upon attrition)
3. 1.3 FTE Tenure/tenure-track, 4.39 FTE Fixed term, 0.25 Classified
4. 3.2 FTE Tenure/tenuer-track (1.4 to central E&G)
5. 1.0 Tenure-track
6. 1.5 FTE Tenure/tenure-track, 2.5 FTE Fixed term
7. 1.5 FTE Classified