

## SENATE COMMITTEE ON OUTREACH

### Penn State Cooperative Extension Update

(Informational)

#### **Executive Summary**

At the December 2010 meeting of the University Faculty Senate, the Committee on Outreach shared an informational report on Penn State Cooperative Extension. Since the time of that report, Cooperative Extension has implemented major changes in both its administrative and program delivery structure. Extension has responded to the Provost's Core Council recommendations and our own internal change process (Reframing, Outreach "Reset 2020" and The College of Agricultural Sciences "Ag Futures"). Extension has established a set of core competencies and attributes as guiding principles to direct its restructuring process.

To address the core council recommendations and other restructuring needs, Extension has restructured county office administration into a district based administration, kept an office in every county to maximize local engagement, increased programmatic focus, strategically resized and positioned human resources, reorganized the total administrative and reporting structure, enhanced electronic-based delivery of programs and organizational management, began efforts to shift its financial model to one that relies less on tax payer appropriated funding and more on other sources, and enhanced branding and marketing of extension to increase value to its customers. While significant progress has been made in this reorganization of Extension, there is still considerable work that needs to be done. Feedback to date suggests that the new Extension model is being noticed across the state as a positive change.

To see a full copy of this report, please visit <http://extension.psu.edu/about>.

#### **SENATE COMMITTEE ON OUTREACH**

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## SENATE COMMITTEE ON OUTREACH

### Penn State Cooperative Extension Update

(Full Report)

#### **Background**

On December 7, 2010, Dr. Dennis Calvin, Director of Cooperative Extension/Associate Dean of Extension/Associate Vice President of Outreach, submitted and presented an informational report on the status of Cooperative Extension. This report presented the historic context for Cooperative Extension, and discussed how Cooperative Extension's role had evolved over the last 98 years, the current forces behind its continued evolution, how Cooperative Extension has been restructuring itself for success in the future, and its potential to help the University more fully realize the promise of the Kellogg Presidential Commission report. A secondary purpose of the report was to highlight why the primary mission of Cooperative Extension is not only *the scholarship of service*, but also the *scholarship of teaching and research*. The current report is a follow-up to the 2010 report and is intended to provide an update on the many changes that Cooperative Extension has made and is continuing to implement since the original report.

#### **Core Council Recommendations Affecting Cooperative Extension**

On November 22, 2010 the College of Agricultural Sciences received a memo from then Executive Vice President and Provost of the University, Dr. Rodney Erickson, on the University Core Council's recommendations. These recommendations were intended to help the College improve its organization and operations. Specific recommendations to the College focused on organizational structure, operations, and curricula issues:

- 1) Consolidate academic departments
- 2) Reduce under-enrolled courses
- 3) Engage in the university-wide reorganization of life-sciences graduate programs
- 4) Look for new revenue generation opportunities
- 5) Improve efficiency and use of college land and animal resources
- 6) Evaluate the need for change in Cooperative Extension traditional practices, administrative structure, and fiscal model.

The Core Council recognized that Cooperative Extension was a legitimate mission of the college and university but offered several areas for Cooperative Extension to examine closely and potentially change. These included:

- 1) Consider more innovative delivery models, such as consolidation of offices and moving to a regional model

- 2) Focus on a few key issues and include non-agricultural programming and academic partners from many colleges across the university
- 3) Seek to develop a budget model that is less dependent on state, federal and local funding
- 4) Make sure extension educational programming is closely aligned with solid research within Penn State
- 5) Reduce the number of Natural Work Group and program areas – prune those that are not central to the college and university mission
- 6) Develop a financial model and structure in collaboration with Outreach to stimulate extension activities of faculty in other areas of the university
- 7) Extension must remain a key part of the College of Agricultural Sciences mission

It is within the context of these Core Council recommendations and Extension's on-going restructuring efforts that this updated report is offered.

### **FY 2011/12 Budget**

Prior to the FY2011/12 budget cycle, Cooperative Extension and the College were working hard to reduce our permanent budget by ca. \$11 million (combination of increasing costs and the loss of the 6% stimulus funding). Numerous actions were implemented to reach this target, including a retirement buyout for faculty, staff and educators. These actions taken by the college lead to the recovery of about \$14.5 million. The College had hoped to use the \$3.5 million in funds recovered above the required permanent budget reduction to reinvest in strategic areas. When the College ultimately received a 19% reduction this opportunity was lost. Instead, the college and extension found themselves looking for ways to recapture an additional 13% from their permanent budget above the 6% budget reduction that was anticipated from the loss of federal stimulus funds. The budget action added an additional challenge to the already complex and difficult process of reorganizing the college and extension.

### **The New Extension**

While the budget environment made the reorganization more urgent and challenging, the restructuring of extension into a new business model was already underway. Based on input from within the extension organization and from external customers and stakeholders, the following five statements were developed to describe the attributes of a new extension organization:

- *A unified, agile organization focused on strategic areas of excellence*
- *With a team approach to research and educational program development and delivery*
- *Distributed through a county-based presence addressing local needs*
- *In collaboration with diverse, statewide partnerships*
- *Providing stakeholders with university access to research-based information through high quality, consistent educational programs delivered using diverse technologies and formats.*

In order to achieve these attributes, we built on our core competencies as described.

- Teaching and learning by doing
- Putting science to work
- Managing information/solutions distribution
- Focusing on the convergence of the food system
- Valuing and building diverse partnerships
- Leveraging a unique national networks

### **Actions taken to implement the Core Council recommendations and respond to budget realities**

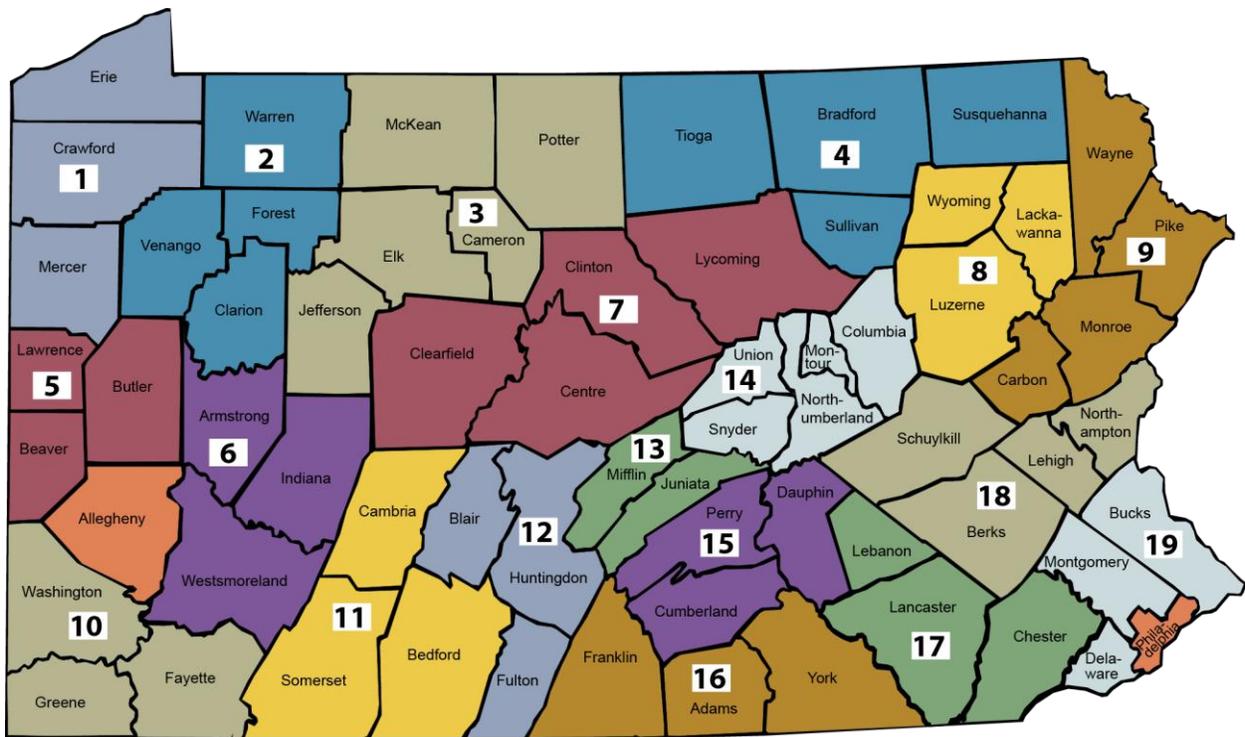
Since the 2011 report on Extension significant changes have been made and/or are in the process of being implemented. The transition is designed to stay true to our historic strengths, core competencies, and the type of organization extension strives to become. The following describes the on-going process of moving to a new extension model for educational programming.

#### Restructuring of our County Extension Office System

While the Core Council suggested that Extension consider consolidation of county offices into regional office as a cost savings measure, this model was not consistent with our historic strength of local engagement. Also, other states that had implemented a regional model found themselves looking for ways to re-imbed back into the local community.

As can be seen in bullet three of the New Extension, a key attribute of the new Extension is a distribution model through county-based presence. This attribute is one that makes Cooperative Extension unique from all other outreach units and outside competitors. While the Core Council cited the possibility of fiscal savings, the opposite was in fact true. Currently funding for county extension offices, the local staff, equipment and some educator positions are paid for by county budgets. State and federal funding that flows through Penn State is not paying for these offices. To withdraw into regional offices or even to Penn State Campuses would mean the potential of losing all or part of the \$13 million support provided through county budgets - not to mention at least \$5 million more provided by counties in in-kind support (heating, electric, etc.) If counties were to withdraw their funding, Extension would need to expend state and federal funds to rent space or invest in new building and their maintenance. Thus, not only would we lose access to significant funding provided by the counties, but funds would need to be redirected from dollars use to cover the salaries of current faculty, staff, and/or educators. This would lead to an even greater reduction in our human resource available to support educational programming.

While the idea of regionalization was not a practical solution at the time, an organizational change that was implemented to provide fiscal saving was the restructuring of administration for our county offices. In the new Extension model, we have consolidated leadership from 57 County Extension Directors to 19 District Directors and 2 Urban County Directors. This allowed Extension to shift 37 individuals into 100% educator role and allowed our leadership to focus solely on leadership and management of counties. Each District Director in the new model is responsible for 2 to 5 county offices (see Figure 1). Under this new model, additional fiscal efficiencies will be gained over time for both Penn State Extension and our county partners through consolidation of tasks (financial management, event registration, etc.). In the event of future major state and/or federal funding cuts, this new district configuration will help better position Extension for further consolidation, if necessary.



**Figure 1.** Cooperative Extension Administrative Districts and two Urban Extension County Offices are shown. Each District is managed by one District Director.

### Improved Program Focus

During the initial phase of Extension’s reframing effort, we organized our human resource into 19 Natural Work Groups that defined and delivered about 82 state extension programs. This was a reduction in number of programs from around 700. In keeping with the Core Council recommendations and our own intended evolutionary step, Extension has now restructured into 11 Penn State Extension Teams that will focus their educational efforts on 11 Program Priority

Initiatives. These teams are essentially renamed Natural Work Group and the Program Priority Initiative are renamed State Programs. The difference between the original 19 Natural Work Groups and 11 Penn State Extension Teams is some groups were eliminated, some were consolidated under other broader teams, and others become Program Priority Initiatives.

In the old model, state programs were developed and delivered within individual Natural Work Groups. Thus, there was considerable redundancy in the issues that our state programs were addressing with little or no cross coordination and collaboration between teams. In the new model, this redundancy has been eliminated by focusing on the 11 most critical needs of our customers and by requiring the 11 Penn State Extension Teams to work across teams to develop and deliver Program Priority Initiatives. Our new Extension Program Leaders are responsible for coordination across Program Priority Initiatives. The majority of Cooperative Extension's human resource and fiscal investment will be focused on the 11 teams and 11 Program Priority Initiatives. Additional programs can be developed and delivered by the teams, if there is a clear need that is not being addressed by a Program Priority Initiative. To keep from over extending our human and financial resource, additional program areas cannot exceed more than two programs per Penn State Extension Team beyond the Program Priority Initiatives. Thus, we anticipate not more than 20 or 30 total extension programs, a reduction of around 50 or 60 over the previous 82.

### **Human Resource Resizing**

As part of the restructuring of Cooperative Extension and in response to the budget realities, Cooperative Extension had to take personnel actions and reduce our staff size (faculty, educators, and support staff). The personnel downsizing was accomplished through attrition, layoffs, and a retirement buyout program. In the past, downsizing of Cooperative Extension staff came primarily from attrition. This attrition over time was not strategic and lead to an improper balance in educator and faculty alignment with key priority needs. Because of the restructuring of Cooperative Extension and the College of Agricultural Science, a much more strategic approach was required. Thus, the layoff decisions were based on business needs and a strategic redirection of human resource was implemented. As Cooperative Extension moves forward, it will be investing in educator and faculty positions that help it build toward strength in core business areas. These new positions will be assigned in strategic geographic locations (on campus or specific counties) that best align with the commodity or audience need.

### **Program Leadership and College Level Reorganization**

The 11 new extension teams along with their primary audience are shown in Figure 2. These teams will be lead by faculty and educators who report to the Extension Program Leader. The seven Extension Program Leader titles are shown in the left hand column. The Extension Program Leaders will have both the responsibility of making sure the teams are successful in the development, delivery and evaluation of programs and the authority to make it happen. This is a

major shift from the old administrative structure where the State Program leaders (precursor was the Extension Program Leader) had responsibility for programs but no supervisory authority over the Program Team members. In the old system extension educators reporting line was to the County Extension Director who reported to the Regional Director who reported to the Associate Director who reported to the Director of Cooperative Extension. Faculty and Extension Associates reported to their Academic Unit Leader who report to the Dean. Thus, individual members of a Natural Work Group (new Penn State Extension Teams) reported to either one of 57 County Extension Directors or one of 12 Academic Unit leaders. With the new Penn State Extension Team members reporting to seven Extension Program Leaders, all annual evaluations and promotion needs will be managed by the Extension Program Leader. The educators will report directly to the Extension Program Leader, while the Extension Program Leader will provide an assessment of the faculty and Extension Associate’s contribution to the success of the team to the appropriate Academic Unit leader (Department Head). The Department Head will provide the annual evaluation and assist with promotion and tenure of faculty and Extension Associates. This new model brings the focus of organizational success to Penn State Extension teams and assures that everyone on the team is being evaluated for their contribution to the team by a limited number of people. The Extension Program Leaders will report directly to the Director of Cooperative Extension and the District Directors to the Associate Director of Cooperative Extension.

<b>Program Leaders</b>	<b>Extension Teams</b>	<b>Primary Audiences</b>
<b>Animal Systems</b>	Dairy	Dairy
	Poultry	Poultry
	Equine	Equine
	Livestock	Livestock
<b>Plant Systems</b>	Field and Forage Crops	Field and Forage Crops Producers,/Allied Industries
	Renewable Natural Resources	Forest Industry/Landowners
<b>Plant Systems</b>	Horticulture	Tree/Small Fruits/grapes (wine)
		Vegetable/mushroom
		Green Industry
<b>Food &amp; Health Sciences</b>	Family Consumer Science	Families/Consumers
<b>Food &amp; Health Sciences</b>	Food Safety & Quality	Food Industry
<b>4-H Youth Development</b>	4-H Youth Development**	Youth, Youth Leaders
<b>Entrepreneurship, Ag, Business, and Economic and Community Dev.</b>	Ag Entrepreneurship and Economic, Community Dev.	Communities and Agricultural Businesses, Small Businesses

**Figure 2.** Illustrates the relationship between the 11 Penn State Extension Teams, their primary audience and program leadership

Below is the list of cross-cutting Program Priority Initiatives (Issues) that the 11 Penn State Extension Teams will need to be engaged.

- Animal Welfare and Environments
- Water
- Food Safety and Processing
- Sustainable Agricultural Businesses
- Pest Prediction/Response
- STEM education and positive youth development
- Rural Safety and Health
- Gas drilling (Marcellus Shale and other gas fields)
- Bio-based on-farm energy production and use
- Childhood Obesity
- Green Infrastructure

As can be seen in this list of Program Priority Initiatives there are many opportunities to partner and engage other Colleges and departments across the university in helping our customers deal with their most important issues and challenges. Cooperative Extension is currently working with the College of Health and Human Development, the College of Earth and Mineral Sciences, the College of Education, the College of Medicine, and the School of Law. There are many opportunities to expand engagement with faculty and staff in these colleges and other colleges.

### **New Delivery Models**

Cooperative Extension has always looked for new technology that enhances our ability to reach audiences. Technologies currently used by Extension include on-line webinars, web pages, blogs, tweets, second life, Facebook, e-learning, face-to-face meeting, on-line event registration system (CVENT), EPAS (Extension Reporting System), e-Data (reporting system for volunteerism and 4-H members), Share point (for in-house team and organization communication and management), etc. We are currently looking at ways to enhance these media tools by working closely with Penn State Public Broadcasting and linking better to other Outreach Units.

### **New Financial Model**

Cooperative Extension has begun an effort to shift the ratio of tax payer support to other sources (grants and contracts, Development funds, and other sources of revenue) from \$2 to \$1 to closer to 50:50 within the next five years. We are working closely with the Outreach Development Office to set development goals that will provide sponsorships for programs, endowments, etc. to

provide base funding for the major program initiatives. Since 2005, the development funding level has increased from \$17,000 to \$1.2 million in FY 2010/11. Our goal is to reach annual giving level of \$2 million within the next few years. The new team structure is also designed to enhance extension's ability to compete for major grant and contract support. Many USDA and other major grant/funding sources are asking more and more for outreach/extension objectives as part of research funding. They want to see the connection between research, its translation and implementation. They are also interested in making sure that stakeholders have input into whether the research and educational programs are relevant to their needs. By better connecting our Penn State Extension teams to research, resident education and our external stakeholders and partners we will be much better positioned to compete for external funding. Extension is also looking at new revenue generation approaches through appropriate cost recovery and charges associated with our educational and information based products.

### **Improving Extension's Brand Recognition and Value**

A survey conducted by ECOP (Extension Committee on Organization and Policy) within APLU (Association of Public and Land-Grant Universities) on the extension brand indicated that only 3% of the general public know about Cooperative Extension and less than 30% of the agricultural population is aware of Cooperative Extension. Many people talk about Extension as being the "best kept secret". However, being the best kept secret has not helped Extension in a time of limited public financial support. There are many reasons for this situation, but it is one that needed to be fixed. To help increase the recognition and value of the brand, Penn State Extension and other states have been working closely to consolidate our brand and make sure that all our products are branded under extension and not branded independently. For instance, many people recognize Master Gardeners and 4-H as separate brands when they are only available because Cooperative Extension exists. Both are better known than the Cooperative Extension brand, but if Cooperative Extension were to lose its state and federal support both would no longer exist. Over the years, faculty and educators have branded their own programs without making sure people understood the programs were extension products.

To correct this situation, Penn State Cooperative Extension has implemented its new brand, which is "Penn State Extension". This Brand is now prominent on all websites, publications, presentation materials, name tags, profession business cards, county offices, on-line event registration, etc. We have moved to a "One Extension" model. No longer will there be 67 county extension brands, 12 academic units, and individual program brands. The implementation of this new model is beginning to pay off with customers now recognizing the breadth of programs that extension provides to their community. It is hoped that this new recognition will also pay off in our state, local and federal appropriation process and in product lines designed for revenue generation.