



# College of Agricultural Sciences Budget History and Summary

Unlike other colleges at Penn State, the College of Agricultural Sciences relies on the 150-year-old land-grant partnership of federal, state, and county governments as the foundation of funding for its agricultural research and statewide extension programs. These programs are not supported by undergraduate tuition dollars.

Funding History State Appropriations	2007/08	2008/09	2009/10	2010/11	2011/12	Governor's Proposed 2012/13
Ag Research	\$25,595,000	\$25,594,000	\$25,252,000	\$25,252,000	\$20,454,000	\$20,454,000
Ag Extension	\$30,384,000	\$30,384,000	\$29,979,000	\$29,979,000	\$24,283,000	\$24,283,000

The FY 2011/12 state budget process resulted in two major changes in funding for the college's agricultural research and extension programs. Historically these programs were funded as line items in the Penn State non-preferred appropriations bill. In 2011, through an act of the legislature, the funding was shifted into the state's general fund—specifically into the Land Scrip Fund under the Pennsylvania Department of Agriculture—dedicating these lines to land-grant agricultural research and extension. This removed them from the higher education debate and more clearly aligned them with agriculture.

Also in FY 2011/12, state funding for these programs was reduced by 19 percent, returning them to FY 1998/99 funding levels.

### Embracing Change

The college has been very proactive in its planning. Recognizing more than two years ago the need for organizational change, the college began a process designed to develop and implement a new business model and address budget strategies. The initiative—called AG Futures—identified opportunities for strategic growth and resulted in an aggressive college strategy, which we now are implementing.

As a result, the college has taken bold measures to reduce costs, increase operational efficiencies, and maintain the highest possible level of services to our students and stakeholders. Specifically, to date, this effort includes the following:

- Consolidating the college's graduate/undergraduate degree programs under nine new departments from the current twelve academic units
- Shifting to a district model to provide administrative services to Penn State Extension county offices to

improve operational efficiency, eliminate duplication, and maximize productivity

- Shifting from a geographically based extension program model to a program-team approach structured around areas of excellence and expertise and agricultural sectors
- Basing program priorities on core mission areas of the college; identifying areas for disinvestment
- Evaluating all cost-saving options in programs, farms/facilities, extension, administration, and academic units
- Downsizing our workforce, with an overall, two-year permanent workforce reduction of almost 200 of the ± 800 employees

Decisions have been informed by the substantial consultation that has occurred around our strategic plan, the Ag Futures initiative, and extensive and ongoing conversations with diverse stakeholders. Although downsizing is difficult, we will emerge as a more focused and efficient operation concentrating in our areas of excellence and uniqueness where we can have the greatest impact addressing Pennsylvania's priorities. However, the budget pressures are reaching a tipping point. Another significant cut in extension funding certainly would lead to loss of county presence.

### FY 2012/13 Budget Process to Date

Funding for Penn State agricultural research and extension programs would remain at 2011/12 levels under Governor Tom Corbett's proposed state budget, unveiled February 7. His proposal, however, does make a significant change by shifting the revenue source from the state's general funds to the Race Horse Development Fund. This shift does not impact the use of the funds, only the source.

## New Program Teams

All Extension educators will participate on an Extension program team that will develop and deliver programs across the state and will report to an Extension program leader. The 11 Penn State Extension programs teams include:

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