



**MEMORANDUM**

**Date:** March 19, 2019  
**To:** Nancy Cox, Dean, College of Agriculture, Food and Environment;  
Tim West, Chief of Staff, College of Agriculture, Food and Environment;  
Christian Shotwell, College Business Analysis & Operations Director, College of Agriculture, Food and Environment;  
Sherri Goins, Employee Relations Director, Human Resources;  
T. Lynn Williamson, Deputy General Counsel, Office of Legal Counsel  
**CC:** University Administration and Risk Management

**From:** Joseph Reed, Chief Audit Executive, Internal Audit (UKIA)  
**Subject:** 2018FR03 College of Agriculture, Food and Environment/Cooperative Extension Services

University of Kentucky Internal Audit (UKIA) has completed its follow-up review of the University of Kentucky College of Agriculture, Food and Environment (CAFE) to assess its progress in remediating the findings noted during UKIA's initial review of Cooperative Extension Services. The following report, in presentation form, will serve as the final communication for this audit follow-up.

UKIA acknowledges that Cooperative Extension Services is a vast enterprise, with offices in every county in the Commonwealth, and that its structure and financial operations are particularly complex, as they are funded by their individual county governments, but fall under the management of the CAFE. Consequently, UKIA appreciates the care and attention that CAFE administration has put into developing a Management Action Plan (MAP) and the steps that have already been taken to remediate the findings, including the rollout of enhanced monitoring and communications tools, improved documentation procedures and a robust training program to support all of these changes.

Though the MAP will take time to roll out, once it is fully implemented, the risk exposure will be significantly decreased in the near term, with full remediation possible as training and adherence the new policies and procedures are achieved. Based on expected completion of many of the actions noted in the MAP, UKIA will check in with the CAFE in September 2019 to confirm progress with MAP execution.

Should you have any questions regarding this report, its format or the distribution process, please contact us at 859.257.3126.



# Internal Audit

**College of Agriculture, Food and Environment (CAFE) -  
Cooperative Extension Services (CES)**

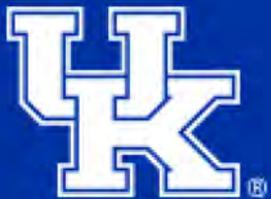
2018FR03

Closing Meeting  
August 1, 2018



# Table of Contents

- Objectives and Scope 4
- Organizational Structure 5
- Observations 6
  - i. Governance - CAFE 6
    - 1. Management Action Plan 9
  - ii. Communication and Information Flow – CES 10
    - 1. Management Action Plan 18
  - iii. Financial Operations – County Extension Offices 21
    - 1. Management Action Plan 37
- Appendices 40



# Objectives and Scope

## Objective

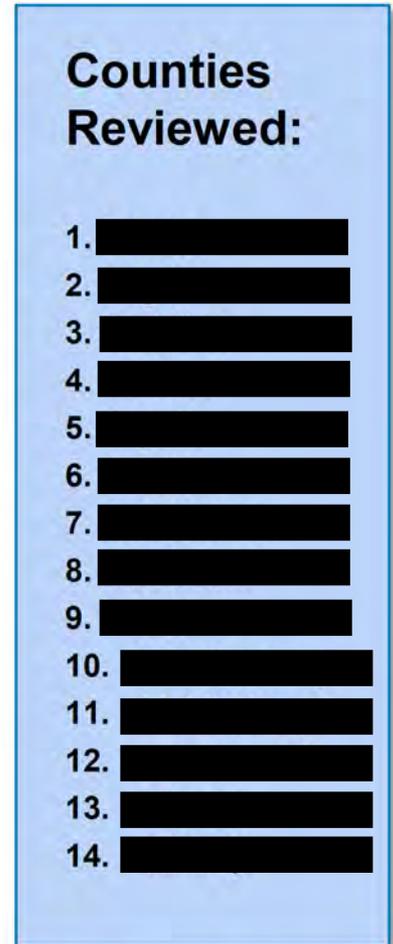
To assess the progress the CAFE has made with remediating the risks noted in the 2017 comprehensive review. Resolutions were evaluated in both CES (Central Office) and EOs (Units) for overall effectiveness, including:

- CAFE oversight of CES and its seven districts
- CES monitoring of the county extension offices (EO)
- CES communications to the county extension offices (EO)

Additionally, UKIA assessed the EOs by evaluating operational practices pertaining to financial operations. *See page 4 for the CES organizational structure.*

## Scope

Practices and procedures were reviewed for FY17 at 14 EO locations (sidebar).



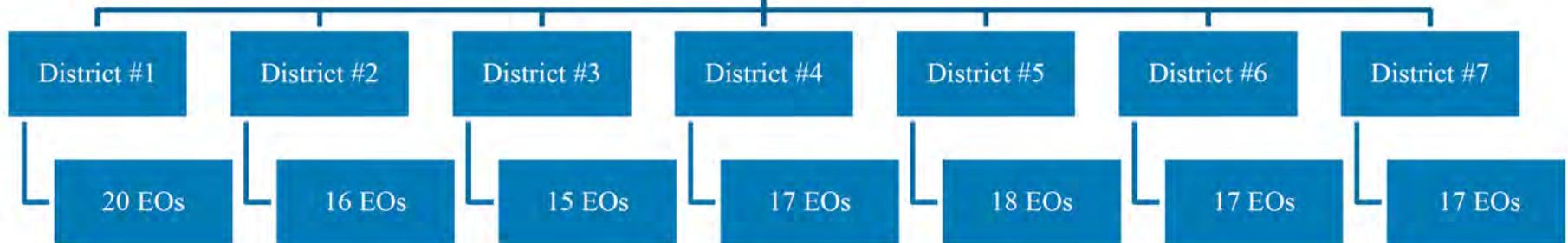
**BOLD:** Return visit

# Organizational Structure

College of Agriculture  
Food and Environment



Cooperative  
Extension  
Services



# Observation 1: Governance - CAFE

Denotes oversight and strategic plans created by CAFE.

## Content

1. Conflict of Interest
2. External Audit



This icon designates the concerns which would have likely been noticed had the check sheet UKIA provided the CAFE been implemented.

# 1.1 Reporting: Conflicts of Interest



CES employees did not follow proper procedures to disclose potential conflicts of interest with owning/operating businesses where personal benefit could be derived while working at the County Extension offices (1, 2, 3, 5, 6, 7, 9, 13, 14).

Example of potential conflict found at #7.

*The administrative assistant for ██████████ County owns the cleaning business with which the CES contracted to clean its offices. No conflict of interest form has been completed and the County did not follow proper procedures regarding personal service contracts.*

---

**RISK:** Poor publicity; loss of resources

## Legend:

1. ██████████
2. ██████████
3. ██████████
4. ██████████
5. ██████████
6. ██████████
7. ██████████
8. ██████████
9. ██████████
10. ██████████
11. ██████████
12. ██████████
13. ██████████
14. ██████████

# 1.2 External Audits



The annual external audits required by KRS are not being completed and/or are not being published on the Special Purpose Governmental Entities (SPGE) website as required by state regulations (2, 7, 8; 14 was added as of July 26).

---

**RISK:** fines and penalties

**Legend:**

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

## **Observation 1: Governance – CAFE**

Currently, the burden for managing operations in the county offices, including supervision of the roughly 400 County Extension Agents (“Agents”), falls on the seven District Directors, some of whom have as many as 60 Agents, spread out over as many as 20 counties, reporting directly to them. This organizational structure does not allow for effective oversight of the Agents or the county operations. With this in mind, the University of Kentucky Cooperative Extension Service (“CES”) recognized the need to install a layer of middle management to alleviate the overwhelming burden that is currently on the District Directors; to improve the supervisory ratios between District Directors and the employees they directly supervise; and to increase accountability and compliance in county offices.

Although the need for middle management is clear, CES has struggled to develop an effective implementation plan that will result in appropriate oversight of Agents and management of county offices. CES leadership considered a variety of strategies, but was unable to develop an effective plan. Recognizing that CES was not making sufficient progress in this area, the CAFE Dean recommended hiring a consultant with expertise in organizational design to study CES structure and make recommendations regarding how to appropriately supervise the Agents and manage county operations. In early January 2019, CES retained TEconomy Partners, LLC (“TEconomy”) to perform a structural analysis and make specific recommendations regarding management structure. See TEconomy proposal attached as Appendix A.

TEconomy has begun its work and will complete its analysis in mid-March. Upon completion, TEconomy will provide CES with a final report containing its recommendations regarding organizational design. See TEconomy proposal for specific deliverables. Upon receipt of the TEconomy report, CES will develop an implementation plan around the recommendations contained therein. CAFE will supplement this response with details of the implementation plan by April 1.

CES will require all middle managers to complete extensive training regarding their specific job duties. In addition to attending UK HR SuperVision training, these managers will be required to attend quarterly trainings sponsored by the CES administration specific to UK and CES business and human resources practices. These trainings will address both the on-boarding of newly-hired managers and recurring training for existing managers. Attendance records will be maintained to track completion of these trainings. See attached Appendix B.

### 1.1: Conflicts of Interest

CES is revising its existing Conflict of Interest Policy to assist employees in identifying real or perceived conflicts. The policy requires that CES employees to report any actual or potential conflicts of interest whenever such conflicts arise and complete an annual disclosure. The Conflict of Interest Disclosure is being posted to the Kentucky Extension Reporting System (KERS). The revised Conflict of Interest Policy will be posted on the CES Manuals website and employees will receive training on the updated policy requirements. Per University rules, a conflict management plan will be developed as necessary.

### 1.2: External Audits

To better monitor external audits, a dashboard will be created and posted on the Extension Financial Operations website detailing the compliance to the KRS statutes. In the event that an audit is not completed according to the statute and posted on the Special Purpose Government Entities (SPGE) – Department of Local Government (DLG) website as required, appropriate corrective action will be taken. With enhanced oversight in the form of County Managers, CES will be better able to monitor compliance with external audit requirements.

# Observation 2: Information Flow from CES

Denotes CES monitoring activities and practices in place to ensure strategic alliance and plan execution.

## Content

1. Communication
2. Training
3. Volunteers
4. KERS Reporting

# 2.1 Communication

The district directors (DDs) relay information from CES to the EOs. However, UKIA noted the following:

- Information coming from the DDs is often incomplete and/or not uniformly communicated (6).
- Communication is infrequent (7, 9)

---

**RISK:** Poor execution of policies and procedures, leading to operational inefficiencies and ineffectiveness

## Legend:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

## 2.2 Training



Staff in some EOs have not had the training necessary to perform their job duties in compliance with University and County policies:

- The administrative assistant who is performing the cash handling function, and for which poor separation of duties was noted, has not had appropriate training (7).
- No one has received cash handling training (1).
- The extension staff assistant has not received any training regarding financial operations (8).

---

**RISK:** Poor execution of policies and procedures, leading to operational inefficiencies and ineffectiveness

### Legend:

1. [Redacted]
2. [Redacted]
3. [Redacted]
4. [Redacted]
5. [Redacted]
6. [Redacted]
7. [Redacted]
8. [Redacted]
9. [Redacted]
10. [Redacted]
11. [Redacted]
12. [Redacted]
13. [Redacted]
14. [Redacted]

## 2.3 Vetting Volunteers

In violation of the CES' stringent *Client Protection Policy*, counties are not properly maintaining its volunteer files to ensure proper vetting of their volunteers. UKIA noted the following:

- Volunteer files do not consistently have all forms/documentation completed (1, 7, 8, 11).
- Some files lack supporting documentation, such as a driver's license, or the license may not be current (1, 3, 4, 6, 7, 8, 9, 10, 11, 13).
- Some volunteer files lack proper authorization by the supervisor (1, 3, 4, 6, 7, 8, 9, 10, 11, 13).
- One unit shows staff signatures that are not legible (6).
- Some files have a supervisor approval which appears to be a stamp (1).

### Legend:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

---

**RISK:** Inadequate vetting of volunteers could endanger the health and wellbeing of CES participants; lawsuits

## 2.4a-d KERS System

While a few counties have been selected for a pilot program using UK's TRIP system for documenting travel, most CES offices continue to use the KERS system. Noted exceptions are:

- Documentation
- Logs
- Reimbursements

*The KERS system is still being used as the federal reporting data tool, and continues to have the previously cited limitations.*

---

**RISK:** Loss of resources; noncompliance; data breach

## 2.4b Travel: Documentation



Travel is being reimbursed despite inaccurate, incomplete and/or inadequate documentation:

- Vague or missing destination descriptions on mileage reimbursement requests when a personal vehicle was used (4, 6, 9, 12).
- Lack of documentation in KERS (4).
- Missing business purpose (10).
- Different mileage indicated to same destination on separate trips (14).
- Duplicate days/payments on reimbursements (2).

---

**RISK:** Inappropriate reimbursements and/or overpayments

### Legend:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

## 2.4c Travel: Mileage Logs



The county fiscal coordinators are not reviewing travel documentation to ensure mileage is accurately reported and vehicle usage is appropriate:

- Mileage logs are not complete (2).
- Mileage logs are not maintained at all for county vehicles (10).

Additionally, one agent discards the supporting documentation for mileage reimbursements after submitting the requests (1).

---

**RISK:** inappropriate usage; excessive reimbursements

### Legend:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

# 2.4d Travel: Reimbursements



Inadequate monitoring has resulted in inappropriate reimbursements to employees:

- Meals related to travel are being reimbursed despite there being no evidence of a corresponding overnight stay, violating University policy (10).
- Travel-related expenses are being reimbursed without proper approvals (10, 14).
- Two to three months of reimbursements are being combined on one check (13).

CES employees are waiting as long as four months after the expenses are incurred to submit travel reimbursement requests, much longer than the 30 day deadline required in the *CES Policies and Procedures Manual* (4).

---

**RISK:** Inappropriate expenditures; loss of resources

## Legend:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

## **Observation 2: Communication and Information Flow – CES**

### **General**

CES will improve communications to make messaging standardized and consistent. The new Extension Marketing Manager position in Agricultural Communications has expanded to include internal communication with employees as well as external marketing (see 2.1 below).

UKIA provided a sample “Check Sheet” along with other documents detailing a recommended review program for Financial Operations. At the time it was presented, CAFE was still developing the Extension Financial Operations team and did not have resources available to implement the recommended changes. Instead, CAFE modified the prior financial review checklist and implemented a new financial operations self-assessment, a draft of which is attached as Appendix C, process into the existing County Program Review process.

### Monitoring (Check Sheet)

As stated above, a new financial checklist and self-assessment has been implemented in the County Program Review process, a draft of which is attached as Appendix D. The financial checklist contains additional detail, over and above what was contained in the list that UKIA provided and includes links to policies and procedures. The following additional steps are being considered to continue progress in the areas of training and compliance:

- CAFE will require that the new self-assessment be completed annually by all 120 counties
- CAFE will create a new County Financial Review Process completed by staff in EFO and/or district level staff.
- CAFE will recommend the implementation of QuickBooks Online in all counties and provide training for employees.

### 2.1: Communication

At District Staff meetings information from CES administration is shared with Extension county office employees. These District Staff meetings take place in February, March, May, September, November and December. Extension Agents are required to attend. Each District Director arranges the meeting with an accompanying presentation and agenda. To provide more consistent communication across the organization, CES has standardized the presentation and talking points for District Staff Meetings to increase communication uniformity among the seven District Directors. In addition, notes are sent to all employees after the District Staff meetings to ensure that support staff and assistants in county offices, who do not attend District Staff meetings, are receiving the same information.

In addition, a communication and marketing plan has been drafted and a synopsis of which is attached as Appendix D that includes communication with District Boards and other volunteers. A newsletter will be emailed to all District Board members in January 2019 and quarterly thereafter.

The Extension Marketing Manager is training employees to use new software and web-based applications to improve external marketing that is generated in county offices. Many changes have been made, including sunseting the Extension tagline and introducing a new tagline that follows the college’s marketing plan, the implementation of the community needs assessment process, new toolkits for employees, and an updated website.

## 2.2: Training

CES is incorporating more training offerings to all staff. Adequate policies and procedures are in place and numerous trainings have been completed at District Staff meetings, volunteer group meetings, District Support Staff meetings, etc.

In addition:

- CES is creating additional policy and procedure trainings for all staff with verification of attendance, with a rollout expected in Spring 2019.
- CES will distribute a newsletter across the state regarding various topics – including upcoming training dates and available resources.
- CES will distribute a monthly email across the state regarding and clarifying specific business procedures.
- CES is updating policies and procedures, the new Extension Financial Operations website and ensuring all staff statewide are using the resources provided.
- CES has created a training plan for local management (see Observation 1 above).

## 2.3: Volunteers

Volunteers are a fundamental component of all program areas (4-H, FCS, ANR, Horticulture and Fine Arts). Client Protection helps to assure the safety of clients, volunteers and staff.

Our current Client Protection Risk Management system involves collection of background checks, references, interviews, position descriptions, and other items. Routine training and development opportunities are provided to volunteers at the county, district and state levels. Kentucky 4-H hosts a biennial Volunteer Forum which provides additional training and recognition opportunities. Other program areas are routinely reminded and trained on the Client Protection Policy.

To further educate our agents and staff on the importance of Client Protection and proper procedure, the topic is addressed during new agent orientation, District Staff meetings and with quarterly webinars (January 11, 2019; March 29, 2019; August 2, 2019; and November 22, 2019).

County Managers, or County Contact Agents (who are designated to be the main contact until a County Manager is hired in each county) are responsible for ensuring that the Client Protection policy is followed. Corrective action will be used in cases where the policy is not being followed.

## 2.4: General

In response to the Internal Audit Report, CAFE has required that TRIP be used by all county offices as of October 1, 2018. TRIP training was conducted in-person, by district and completed on September 30, 2018. Additional training materials and guides have been developed and are available on the Extension Financial Operations website so that agents and staff can troubleshoot or resolve questions on their own. Extension Financial Operations is available to provide additional support, if needed. Any travel reimbursements made outside of the TRIP system after October 1, 2018 are strictly prohibited. With TRIP now being fully implemented across the state, issues that have persisted in regards to travel (documentation, mileage logs and reimbursements) will be resolved.

#### 2.4a: KERS System

Assuring data security in the system is a continuing process. It includes two facets: preventing unauthorized access and preventing data loss. Implemented access restriction measures are based on login against the university-wide active directory. The KERS system itself does not store any passwords. It relies upon the main campus authentication system to make access decisions. In addition, the system checks against the SAP database for assurance that new accounts are provided to only CAFE employees.

Data loss prevention is achieved by backups on multiple levels. Databases are backed up every evening at 8 p.m. Transaction logs are backed up every 4 hours. These backups are stored locally on the server. The server is then backed up nightly to TSM (Tivoli Storage Manager) as well as Crashplan. An in-house backup system is used for VmWare that runs nightly (Veeam software). It backs up the entire virtual server including data. These are stored in the Ag Data Center but then also copied to another location in a different building on campus.

The expense records in KERS have been discontinued now that TRIP is fully implemented.

The KERS system will continue to be used for programmatic reporting indefinitely. According to the National Institute of Food and Agriculture (NIFA), our system is one that could be modeled in other states in terms of programmatic reporting.

#### 2.4b: Travel: Documentation

Travel documentation will be addressed largely by the plans cited above in 2.4. With TRIP in place statewide, many of the issues that have persisted will be resolved. The following additional steps are being considered to further address the travel documentation issues:

- County Managers will be tasked with the supervisor review and will be held accountable if issues persist. Corrective action will be used to address any continuing problems.
- Until County Managers are implemented for all counties, fiscal contacts in each county office will fill this role by monitoring and reviewing all employee travel reimbursements.
- Staff in Extension Financial Operations will be tasked with conducting the business officer review and will reject any that are missing required documentation.
- Consideration will be given to keeping record of those that are rejected so we know who needs re-trained or for corrective action purposes.

#### 2.4c: Travel: Mileage Logs

See 2.4b above for response to travel documentation. The employee mileage logs and county vehicle logs would fall under travel documentation. Steps taken above will help to mitigate the issues found in this section.

#### 2.4d: Travel: Reimbursements

Travel reimbursements will be addressed largely by the plans cited above in 2.4. With TRIP in place statewide, many of the issues that have persisted should subside. For employees who are unable to follow policies and procedures, corrective action will be used.

# Observation 3: Financial Operations

Denotes EOs transactional execution to carry out and comply with CES guidance

## Content

1. Time Reporting
2. Disbursements
3. Authorization
4. Asset Management
5. Accounting
6. Cash Handling



## 3.1 Time Reporting

A full-time, non-exempt employee (extension staff assistant) comes in early and stays late, working more hours than are being reported. Consequently, she is not being properly compensated for hours worked, violating the Fair Labor Standards Act (FLSA) (8).

---

**RISK:** fines and/or penalties; having to compensate the employee for back pay.

### Legend:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

# 3.2a-b Disbursements: Documentation



There is inadequate and/or inappropriate documentation for expenditures and purchase approvals:

- Payments to 'CASH' to replenish postage (4).
- Agents make copies of a signed, blank payment request form to use to complete payment requests (4).
- Payment was made based on a credit card statement that did not provide purchase details, rather than an invoice (4).
- Request forms lack supporting receipts (2, 4, 11).

Unallowable state sales tax

- Paid on some purchases (2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 13, 14)

---

**RISK:** loss of resources

## Legend:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

## 3.2b Disbursements: Credit Cards



The fiscal coordinators are not appropriately monitoring expenditures for the EOs. As a result, several EOs are incurring interest charges and/or late fees on credit card purchases (3, 6, 8, 11, 14).

Additionally, one EO exceeded its credit card limit (14).

---

**RISK:** loss of resources

### Legend:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

# 3.3a-b Authorizations: Expenditures



Purchases are being approved without proper authorization:

- Payment request forms and expense voucher forms are not being signed by the appropriate parties (treasurer, extension district board representatives, fiscal coordinators) to authorize payment.  
*(2: 27 of 46 transactions; 3: 17 of 17 transactions; 4: 17 of 46 transactions; 6: 25 of 25 transactions; 9: 8 of 32 transactions; 11: 45 of 45 transactions; 13: 3 of 29 transactions)*
- Expense voucher forms are being initialed rather than signed and are often missing dates and the approver's name.  
*(2: 46 of 46 transactions; 13: 17 of 29 transactions)*

## Legend:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

**RISK:** loss of resources

## 3.3b Authorizations: Separation of Duties



Staff are approving their own requests for reimbursements and other transactions:

- County Manager is approving his own disbursement requests (1) *(32 of 32 transactions)*.
- The fiscal coordinator is approving her own transactions (2) (12 of 12 transactions).
- Extension agents are approving their own expenses, including travel-related expenses *(10: 1 of 1 transactions; 13: 1 of 1 transactions)*.

### Legend:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

---

**RISK:** loss of resources

## 3.4 Asset Management



EOs are not properly managing their assets.

- Newly purchased equipment (a \$249 hay moisture tester) was shipped to an agent's home (12).
- The asset list is not being properly maintained (14).
- The asset list is missing items (3, 7, 11).

---

**RISK:** loss of resources

### Legend:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

# 3.5a-c Accounting: Expense Classification

CES office are not properly classifying expenses to ensure proper accounting of disbursements and expenditures

(2, 8, 12, 13, 14). Examples include:

- Travel expenses misclassified as professional development
- Food classified as an office supply
- An ax and flowers were purchased, though documentation was for a fire pit

---

**RISK:** noncompliance; inaccurate forecasting/projections

## Legend:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]



## 3.5b Accounting: Disbursements

The EO is comingling funds to supplement payments for some transactions, paying for items partially from county funds and partially from 4-H Council funds (7).

One CES paid for an employee's professional membership out of the employee's professional development funds, which is unallowable (10).

---

**RISK:** noncompliance; inaccurate forecasting/projections

### Legend:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

## 3.5c Reconciliations: Receipt Logs



Receipt logs in two EOs are not being properly maintained and reconciled:

- The fiscal coordinator is not ensuring cash on hand matches the receipt log. Consequently, cash amounts for two different funds did not tie to the receipt log (4).
- The cash handler does not perform formal reconciliations of cash received (2).
- Money handling procedures stipulate that logs must be maintained for all funds, including petty cash, yet the EO maintains a coin jar to pay for postage and does not account for these transactions. Funds in the jar totaled \$9.57 (7).

### Legend:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

---

**RISK:** loss of resources

# 3.6a-f Cash Handling Separation of Duties:



There is inadequate separation of cash handling duties, with the same employee handling many or all such tasks:

- The administrative assistant handles all the cash inflow, writes receipts, performs reconciliations, and prepares deposits (7).
- Staff assistant handles cash inflow, prepares the deposits and has access to the safe (8).

---

**RISK:** loss of resources

## Legend:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

## 3.6b Cash Handling: Check Endorsements



Upon receipt, checks are supposed to be endorsed immediately with the name of the fund and marked “For Deposit Only.”

However, UKIA observed checks that had not been properly endorsed prior to being placed in the safe or desk drawer for safe keeping (5, 6, 7, 12).

---

**RISK:** loss of resources

### Legend:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

## 3.6c Cash Handling: Accounting for Cash



While receipts are supposed to be issued for all sales, and receipt books maintained to track sales, UKIA noted the following:

- Receipts are not issued for all transactions (7, 8).
- In some cases, receipts are issued for all payments except those received by mail (1).
- Some receipts for payments could not be located (2).
- Separate receipt books are not maintained for each program (12).
- The receipt books do not contain receipts to match all cash and checks on hand (12).

---

**RISK:** loss of resources

### Legend:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

## 3.6d Cash Handling: Comingling Funds



Though imprest funds should not be comingled with other University funds, monies from the Soil Test Fund are being used to purchase items unrelated to soil tests (13). Some of the items noted were:

- Soft drinks
- 4-H camp needs
- Postage stamps

### Legend:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

---

**RISK:** loss of resources

## 3.6e Cash Handling: Safeguarding Cash



Though all cash is required to be kept in a safekeeping device, EOs are not adequately safeguarding their cash:

- Money is being kept out on a desk after events (5).
- The safe is sitting on a table and is not bolted down (12).
- Money is stored in a locking desk drawer, but the key to the desk is stored in the same work area (2, 7).
- The key to the file cabinet where money is stored is kept in the administrative assistant's desk, which is not always locked (1).
- People with access to the safe have both the key and the combination (8).

### Legend:

1. [Redacted]
2. [Redacted]
3. [Redacted]
4. [Redacted]
5. [Redacted]
6. [Redacted]
7. [Redacted]
8. [Redacted]
9. [Redacted]
10. [Redacted]
11. [Redacted]
12. [Redacted]
13. [Redacted]
14. [Redacted]

---

**RISK:** loss of resources

# 3.6f Cash Handling: Timely Deposits



Though County office procedures stipulate that deposits should be made when receipts total more than \$500, UKIA found that cash and checks in some EOs are not being deposited on a timely basis:

- Unit only makes deposits once a month. Cash and checks on hand totaled \$21,693.73 (5).
- A unit had one check that was nearly four months old. Cash and checks on hand totaled \$2,344 (14).
- Several checks that were three months old, as well as two stale checks from 2016. Cash and checks on hand totaled \$2,459.21 (3).
- Unit had a check that was three months old. Cash & checks on hand totaled \$7,582.15 (6).
- Two EOs had checks that were one month old. Cash and checks on hand totaled \$9,005.00 (8) and \$2,246.42 (11).
- One unit had checks that were up to two months old and cash in the soil test fund that was more than a year old. Cash and checks on hand totaled \$7,048.50 (1).
- One unit had a check that was nearly three weeks old. Cash and checks on hand totaled \$5,288.78 (2).
- One unit had \$2,404.92 in cash and checks on hand (13).
- One unit held checks due to a class cancellation, as they were waiting on a new class to come available before cashing (5).
- One EO was holding \$6,010 in checks, many of which were for campers on waiting lists (7).

## Legend:

1. [Redacted]
2. [Redacted]
3. [Redacted]
4. [Redacted]
5. [Redacted]
6. [Redacted]
7. [Redacted]
8. [Redacted]
9. [Redacted]
10. [Redacted]
11. [Redacted]
12. [Redacted]
13. [Redacted]
14. [Redacted]

**RISK:** loss of resources

## **Observation 3: Financial Operations - CES**

### **General**

CAFE is advocating for a large-scale cultural change within CES. Compliance with all fiscal and human resources policies will underpin all county operations. Organizational redesign will result in a better management structure and greater accountability at all levels throughout CES. As stated above, the following steps will be considered to address these issues:

- Additional staffing for county management to address compliance issues locally.
- Additional training offerings for all staff.
- Additional modifications to the County Program Review process have been implemented.
- Additional resources have been added to the EFO website and it will continue to be updated.
- Additional communications will be distributed statewide.
- Corrective action will be used against any employee who fails to comply with related policies.

### 3.1: Time Reporting

CAFE will communicate across the state that all time worked must be paid and that supervisors must manage non-exempt employees appropriately. Any supervisor found to be out of compliance with these policies will be placed into corrective action and/or terminated.

### 3.2a: Disbursements: Documentation

CAFE will continue to increase awareness of the resources provided on the EFO website and will also continue to offer trainings in this area. The following additional steps are being considered to further address the documentation issues:

- A standardized expense voucher will be implemented across the state requiring appropriate signatures from employees and fiscal contacts in the county office.
- Additional trainings for related policies and procedures will be offered to all staff.
- A new policy disallowing any reimbursement of sales tax to any employee will be implemented.
- Corrective action will be used against any employee who fails to comply with related policies.

### 3.2b: Disbursements: Credit Cards

CAFE will continue to offer credit card policy and procedure trainings across the state. The following additional steps are being considered to further address the issues with credit cards:

- A standardized expense voucher will be implemented across the state requiring appropriate signatures.
- Additional trainings for related policies and procedures will be offered to all staff.
- Corrective action will be used against any employee who fails to comply with related policies.

### 3.3a: Authorizations: Expenditures

See 3.2a and 3.2b above as the actions already taken, or those that will be taken, will address these issues.

### 3.3b: Authorizations: Separation of Duties

See 3.2a and 3.2b above as the actions already taken, or those that will be taken, will address these issues.

### 3.4: Asset Management

CAFE will continue to train and communicate policies and procedures related to asset management. The following additional steps are being recommended to further address the issues with asset management:

- A standardized system for maintaining and monitoring asset inventories.
- A minor equipment inventory policy for county offices
- A system to monitor annual inventory reconciliations
- Additional trainings for related policies and procedures for all staff.

### 3.5a: Accounting: Expense Classification

With the implementation of QuickBooks Online, we will be able to designate a set chart of accounts with descriptions of each account for use by county staff. We will also be able to better monitor expense classifications since access to QuickBooks will be provided to District Directors and pertinent EFO staff. Training will also be provided to help improve upon expense classification.

### 3.5b: Accounting: Disbursements

Consideration will be given to the inclusion of council funds in the QuickBooks Online system. In doing so, we will be able to better track any split payments which may occur due to funding of certain programs being limited. It is not uncommon to find purchases split funded especially for 4-H programs. However, better documentation and tracking of these split funded expenditures will be the goal.

### 3.5c: Accounting: Receipt Logs

CAFE will continue to provide cash handling training to all staff and will also ensure all staff are aware of the resources that exist on the EFO website. Corrective action will be used against any employee who fails to comply with related policies.

### 3.6a: Cash Handling: Separation of Duties

CAFE will continue to provide cash handling training and stress the importance of separating duties in the local office. CAFE will also provide recommendations when requested as to how best to separate duties in small offices with small staffs. The following additional steps are being considered to further address the issues with cash handling:

- Additional trainings for related policies and procedures will be offered to all staff.
- Additional communications will be developed and distributed statewide.
- Additional policies and procedures will be considered regarding the use of safes.
- New policies regarding the commingling of funds will be developed and implemented.
- Corrective action will be used against any employee who fails to comply with related policies.

3.6b: Cash Handling: Check Endorsements

See 3.6a above as the actions already taken, or those that will be taken, will address these issues.

3.6c: Cash Handling: Accounting for Cash

See 3.6a above as the actions already taken, or those that will be taken, will address these issues.

3.6d: Cash Handling: Comingling Funds

See 3.6a above as the actions already taken, or those that will be taken, will address these issues.

3.6e: Cash Handling: Safeguarding Cash

See 3.6a above as the actions already taken, or those that will be taken, will address these issues.

3.6f: Cash Handling: Timely Deposits

See 3.6a above as the actions already taken, or those that will be taken, will address these issues.

## Appendices

## Appendix A



December 5, 2018

Proposal No. 201848

Timothy West  
Director of Operations  
University of Kentucky  
College of Agriculture, Food and Environment  
S-123 Ag Science Bldg. North  
Lexington, KY 40546-0091

Dear Mr. West,

**Re: Organizational Structure Analysis of the University of Kentucky Cooperative Extension Service**

TEconomy Partners, LLC (TEconomy) is pleased to submit the enclosed proposal to undertake an organizational structure analysis of the University of Kentucky Cooperative Extension Service (UK Extension). The enclosed proposal outlines our methodology, time frame, and qualifications to develop the analysis.

TEconomy proposes to conduct the services outlined in Proposal 201848 for a fixed price of \$24,970.00 inclusive of all labor, travel, and project-related costs. We anticipate being able to complete this project within ten (10) weeks of commencement. This proposal is valid for sixty (60) days from the date of this letter.

TEconomy proposes to perform this project as an amendment to our existing Technical Services Agreement 201839. We look forward to the opportunity to work with UK Extension on this exciting effort.

Sincerely,

A handwritten signature in cursive script that reads "Deborah E. Cummings".

Deborah E. Cummings  
Principal and Senior Director

Enclosures

Innovating Tomorrow's Economic Landscape

TEconomy Partners, LLC | 1355 Oakview Drive, Columbus, Ohio 43235 | 1.800.TEC.1296 | [www.teconomypartners.com](http://www.teconomypartners.com)

**TEconomy Proposal 201848**

**Organizational Structure  
Analysis of Kentucky  
Cooperative Extension  
Service**

Provide to:

**UK College of Agriculture,  
Food and Environment**

December 5, 2018



Innovating Tommorow's Economic Landscape

## Introduction

Farmers, agribusinesses, families, and communities across Kentucky have a professional resource to which they turn for advice, analysis, and access to the very latest in applied research—the University of Kentucky’s Cooperative Extension Service (UK Extension). Since its founding in 1865, the University of Kentucky (UK) has been an essential source of leadership and support for Kentucky agriculture and the families and communities that it supports and feeds. UK Extension empowers people to make better-informed decisions and improve their lives through its mission: “to make a difference in the lives of Kentucky citizens through research-based education. We take the University to the people in their local communities, addressing issues of importance of all Kentuckians.”

UK Extension is organized to deploy the know-how, knowledge, and research findings of the University of Kentucky’s College of Agriculture, Food and Environment to benefit all Kentuckians across the state. With a presence in all 120 counties, UK Extension is a large-scale organization with major initiatives and programs spanning numerous areas of focus, including the food and agriculture value-chain; community and economic development; health and family well-being; and, youth education and development.

Given the size and scope of UK Extension, UK’s College of Agriculture, Food and Environment has determined that it would like to have a third-party analysis undertaken of UK Extension to review the current management model and advise on how county-level management might be deployed most effectively across the state. To this end, TEconomy Partners, LLC (TEconomy) has developed the following proposal to undertake an organizational structure analysis of UK Extension.

## Scope-of-Work

TEconomy proposes to conduct an analysis of the current organizational structure of the University of Kentucky’s Cooperative Extension Service (UK Extension), and develop recommendations for potential areas of improvement. The analysis and subsequent recommendations will focus on:

- A modified organizational chart that will meet the needs of delivering Extension Services across the state
- Appropriate supervisory ratios
- Optimal usage of time for the current District Directors
- Potential development of a multi-county managerial oversight model, and
- Best practices for implementing a new organizational structure.

### Task 1: Project Orientation

TEconomy project leadership will meet by webinar or conference call with the University of Kentucky’s College of Agriculture, Food and Environment leadership team to review the scope-of-work and discuss access to information required for completion of the project. During the meeting, we will discuss:

- The goals and objectives of the analysis
- The work plan, including making any changes or adjustments required

- The current organizational structure and the issues it is presenting
- Other Land-grant University's Cooperative Extension organizational models that might serve as best practices for this effort.

**Deliverables:** Finalized Statement of Work

**Principals:** Cummings, Trautner

**Time Frame:** First 2 weeks of project.

## **Task 2: Organizational Model Analysis**

Working with the College of Agriculture, Food and Environment leadership team, TEconomy will collect data and information required as inputs to the organizational structure analysis. The primary data required includes:

- Number of personnel employed in each county
- Job titles and descriptions for all roles in each county
- Annual payroll budget
- Annual Training budget
- Explanation of current performance management system
- Current organizational chart

TEconomy may also request to speak to approximately 20 Extension personnel (including, College and Extension leadership, District Directors, and a sampling of agents) to gain their insights on the positives and negatives of the current structure and common HR issues they encounter.

**Deliverables:** Organizational Model Situational Analysis

**Principals:** Cummings, Trautner, Tripp

**Time Frame:** Weeks 2 through 7

## **Task 3: Evaluation of Structures from Best Practices and other State's Cooperative Extension Services**

Organizational redesign involves the integration of structure, processes, and people to support the implementation of strategy, and therefore goes beyond the traditional tinkering with "lines and boxes." It comprises the processes that people follow, the management of individual performance, the recruitment of talent, and the development of employees' skills. When the organizational redesign matches the organization's strategic intentions, everyone will be primed to execute and deliver on its mission.

To better understand how UK Extension can best be organized as a professional services delivery organization, TEconomy will review and analyze best practices in organizational design and bring cutting-edge thinking to our recommendations. In addition, TEconomy will examine the organizational structures of up to four other Land-grant University's Cooperative Extension Services identified in Task 1 and compare Kentucky's current structure against those structures. We will evaluate what aspects from

the other states might be applied to Kentucky’s organizational structure. If feasible, we will interview someone from their leadership team to learn more about best practices from those states.

**Deliverables:** Summary of best practices

**Principals:** Cummings, Trautner

**Time Frame:** Weeks 4 through 8

**Task 4: Final Report and Presentation Services**

After reviewing the data collected, feedback received from the qualitative interviews, and organizational design research, TEconomy will develop a recommended organizational chart that displays the new multi-county regions and how the staff will be placed in this structure. This will most likely include the development of another level of management between the current District Directors and the Extension Agents and support staff. The narrative accompanying this organizational chart will provide the rationale for this structure. We will also provide talking points that will help to facilitate positive and productive discussions when explaining the new structure to the Extension Agents and support staff. TEconomy will present the proposed recommendations to the leadership team in-person to solicit comments and feedback. Based on the input received, the analysis will be finalized.

**Deliverables:** Draft analysis by Week 8.

Final Organizational Chart for new staffing model, narrative to support the new structure, and talking points to assist with employee discussions by Week 10.

**Principals:** Cummings, Trautner, Tripp

**Time Frame:** Weeks 7 through 10

**Project Timeline**

TEconomy proposes to undertake this study on behalf of the University of Kentucky’s College of Agriculture, Food and Environment over a ten (10) week period. Assuming timely authorization, we propose beginning December 10, 2018 and ending February 15, 2019.

Project Task	1	2	3	4	5	6	7	8	9	10
Task 1: Project Orientation										
Task 2: Organizational Model Analysis										
Task 3: Best Practices Evaluation										
Task 4: Final Report and Presentation Services										

**Cost of Services**

TEconomy proposes to conduct the services outlined in Proposal 201848 for a fixed price of \$24,970.00 inclusive of all labor, travel, and project-related costs.

## Firm Experience

In 2015, TEconomy Partners, LLC was launched as an independent company, transitioning the complete staff and capabilities of the Technology Partnership Practice from Battelle Memorial Institute, one of the world's largest non-profit research organizations. TEconomy comprises key senior staff from Battelle's Technology Partnership Practice who have worked together for over 15 years, operating as a full-service assessment and strategy group. Our principals have a 25-year record of accomplishment developing strategic plans and providing our clients with rigorous research and economic analyses of issues and industries important to them. Our clients include industry associations, state and local governments, universities, non-profits organizations, business development groups, and foundations around the world.

What sets TEconomy apart from other consulting organizations is that we understand and appreciate the data and communication needs of our clients, which span industry, higher education, non-profit organizations, and government. Many in our group having worked in and across these sectors. The principals of TEconomy have a proven track record of delivering high-quality analysis, findings and recommendations to our clients.

## Relevant Staff Experience and Qualifications

TEconomy will have overall responsibility for managing the project, developing and implementing the methodology, analyzing the data, and preparing the final reports and presentations. TEconomy includes leading analysts and practitioners. TEconomy will be under the direction of Ms. Deborah Cummings, who will serve as Project Director, with the specific responsibilities for:

- Supervising project staff on all aspects of the project
- Being a part of the project work (including field work) on all aspects of the project
- Ensuring high quality and timely completion of work
- Providing regular status updates to UK Leadership.

Primary TEconomy personnel to be assigned to this project will include:

**Deborah Cummings, MBA** is a Principal and Senior Director at TEconomy Partners and was formerly Senior Program Manager at Battelle. Ms. Cummings has more than 20 years of experience in state and regional technology-based economic development, both as a consultant and government official. Her business career has encompassed both the private and public sectors, and has been comprised of strategic planning activities, cluster development, economic impact analyses, program assessments, best practice methodology, and science and technology policy. In her work for the State of Ohio, Ms. Cummings originally conceived of Ohio's Third Frontier initiative, a widely acclaimed \$2.2 billion economic development investment, as a consultant to the State, and then had the responsibility for implementing, evolving and renewing that strategy as Assistant Director at the Ohio Department of Development. For TEconomy, and previously at Battelle TPP, Ms. Cummings has had a particularly

focused practice in analysis and reports pertaining to agricultural sciences, extension operations, and major Land-Grant University development projects. She recently led multiple working groups at North Carolina State University in advancing the development of the \$180 million NC State Plant Sciences Initiative. She also recently completed a number of significant economic impact assessment, including for the University of Missouri Extension and the Mayo Clinic. Ms. Cummings received her M.B.A. at The Ohio State University, and both a Bachelor's in Business Administration and a B.A. in Political Science from Ohio University's Honors Tutorial College

**Gwen Trautner, MBA** is an HR Business Consultant at TEconomy Partners and is responsible for all of their HR functions. She has a plethora of experience in organizational development and staffing at organizations such as PricewaterhouseCoopers and Capgemini Ernst & Young. In her HR roles she has worked in the areas of employee relations, recruiting, staffing, training, performance management, policy and procedure development, benefits and payroll. Ms. Trautner received her M.B.A. at Cleveland State University, and a Bachelor's in Business Administration, with a dual major in Human Resource Management and Marketing from Ohio University's College of Business.

**Simon Tripp, MA** is a Principal and Senior Director at TEconomy Partners and was formerly Senior Director of the Battelle Technology Partnership Practice. At TEconomy, Mr. Tripp is responsible for project team leadership in technology-based economic development, regional economic strategies and impact assessment. Mr. Tripp has led major technology-based economic development projects and economic and functional impact assessments in states and regions throughout the U.S. and internationally. Prior to joining Battelle and then TEconomy, Mr. Tripp served as Senior Partner of Impact Economics, LP a consultancy providing specialized economic impact and strategic planning services for government, higher education institutions and bioscience organizations. Simon founded Impact Economics in 2000, following on from his position as co-founder, President and CEO of the Pittsburgh-based research and planning company Tripp Umbach & Associates, Inc. (which he led from 1991 through 2000). A native of the United Kingdom, Mr. Tripp has also held positions as a Director of U.S. Operations for the British Government's West Midlands Development Agency and as Vice President of North American Business Development for the Welsh Development Agency. He received his M.A. in Geography (Regional Economics) at West Virginia University where he worked at the Regional Research Institute, and his B.A. from the University of Portsmouth in the United Kingdom.

# DEBORAH CUMMINGS



## PRINCIPAL AND SENIOR DIRECTOR

### EDUCATION

**M.B.A. The Ohio State University**

**B.B.A. and B.A. Summa Cum Laude,  
Ohio University's Honors Tutorial College**

### QUALIFICATIONS

Ms. Cummings has more than 25 years of experience in state and regional technology-based economic development, both as a consultant and practitioner. Her business career has included significant activities in the areas of strategic planning, entrepreneurial development, economic impact analyses, and program assessments. Ms. Cummings, as a consultant to the State of Ohio, had the unique experience of helping conceive Ohio's Third Frontier initiative, a widely acclaimed \$2.2 billion economic development investment, and then had the responsibility for implementing, evolving, and renewing that strategy as Assistant Director at the Ohio Department of Development.

### RELEVANT EXPERIENCE

#### PRINCIPAL AND SENIOR DIRECTOR

*TEconomy Partners, LLC*

- Develops state and regional innovation strategies, which have been successfully implemented into robust economic development initiatives.
- Analyzes business community and research assets to determine what factors best contribute to an area's competitive advantage upon which the region can position itself for future development.
- Assesses a region's economic position in relation to peers and draws upon observed best practices from programs around the nation to tailor specific initiatives to meet a region's unique needs.
- Conducts economic impact assessments of leading innovation programs/initiatives/research entities across the nation.

#### SENIOR PROJECT MANAGER

*Battelle, Technology Partnership Practice*

- Spent nearly 15 years leading projects representing all areas of technology-based economic development, including:
  - Evaluation of the Michigan Economic Development Corporation's Entrepreneurship and Commercialization Programs.
  - Creation of the Southwest Central Indiana Economic Development Strategy.
  - Design of the North Carolina Food Processing and Manufacturing Initiative.
  - Assessment of economic and functional impacts of leading academic research institutions, including The Ohio State University, the University of Nebraska, and the University of Oklahoma.
  - Development of the Minnesota agriculture and agbioscience-based economic development strategy.

#### ASSISTANT DIRECTOR

*Ohio Department of Development, Technology and Innovation Division*

- Managed the strategic development and administration of the Ohio Third Frontier, Ohio's Thomas Edison Program, the Ohio Venture Capital Authority, and Ohio's Technology Investment Tax Credit Program.
- Helped lead the successful economic impact assessment of the Ohio Third Frontier that led to the eventual renewal before the citizens of Ohio.

#### POLICY ANALYST

*State Science and Technology Institute (SSTI)*

- Conducted policy research focused primarily on federal/state collaborative science and technology development initiatives.
- Compiled a comprehensive resource guide for performance benchmarking, analyzed trends in venture capital distribution, and facilitated professional dialogues, conferences, and meetings.

# GWEN TRAUTNER



## HUMAN RESOURCES BUSINESS CONSULTANT

### EDUCATION

**M.B.A. Cleveland State University**

**B.B.A. Summa Cum Laude,  
Ohio University's College of Business**

### QUALIFICATIONS

Ms. Trautner has more than 25 years of experience in the field of Human Resources Management. She brings expertise in strategic planning and organizational design, which includes recruiting and determining staffing needs. Other key areas of demonstrated success include employee relations, performance management, training, compensation, benefits, succession planning, leadership development, and policy and procedure development. Ms. Trautner is a detail oriented professional with strong communication, project management, client relations, facilitation, and problem solving skills.

### RELEVANT EXPERIENCE

#### HUMAN RESOURCES BUSINESS CONSULTANT

*TEconomy Partners, LLC*

- Responsible for the entire HR function of the company, which includes benefits administration, payroll, performance management, policy development, and recruiting.
- Consults the partners on employee development and succession planning.

#### HUMAN RESOURCES MANAGER

*Asurint*

- Built an entire HR department as the company grew from 40 to 200 employees in eight years.
- Advised the Leadership Team on all aspects of HR, including department structure and staffing, career paths, employee relations, and company performance goals.
- Developed and facilitated training programs such as Leadership Development, Effective Communication, Diversity, and Harassment.
- Responsible for payroll, benefits, and onboarding/offboarding of all staff.

#### HUMAN RESOURCES MANAGER

*PricewaterhouseCoopers, LLP*

- Advised five Partner Site Leaders on a consistent basis on HR related matters such as employee relation issues, compliance status, employee trends, and upcoming HR related events.
- Worked with managers and staff on deployment that allowed us to meet client commitments as well as focus on staff development needs. Led bi-weekly scheduling calls with key managers.
- Coordinated with recruiting groups to support interviews and provided recommendations on candidate selection and placement.

#### HUMAN RESOURCES GENERALIST

*Capgemini Ernst & Young*

- Provided HR support in areas of employee relations, performance management, benefits, orientation, HR projects, compensation, and training to approximately 1,000 employees.
- Coached delivery of corrective action plans improving employee performance and contributions.
- Teamed with Capacity Managers to review workforce plans to determine necessary reductions. Compiled adverse impact data, conducted exit discussions, and provided ongoing HR support post termination, which allowed for smooth transitions from the company.
- Led Performance Management Team, which included deliverables of expectations and differentiators tailored for the sector, 360 degree feedback process giving supervisors feedback from subordinates, and clarification of career paths that focused career goals for employees.

# SIMON TRIPP



## PRINCIPAL AND SENIOR DIRECTOR

### EDUCATION

**M.A. Geography (Regional Science),  
West Virginia University**

**B.A. Geography,  
University of Portsmouth (UK)**

### QUALIFICATIONS

Mr. Tripp has more than 25 years of direct experience in designing and managing research, strategy, and implementation projects for business development. He founded and led two consulting firms providing customized market research, strategy, and economic analysis services. Mr. Tripp has grown a blue chip national and international client base, comprising a wide range of business, government, institutional and non-profit groups. He has extensive experience in cluster-based and technology-based economic development, leading major state and regional projects across the globe. Mr. Tripp has broad and deep experience in economic analysis, having conducted comprehensive economics studies and impact analyses for government, higher education, corporate and non-profit clients.

### RELEVANT EXPERIENCE

#### PRINCIPAL AND SENIOR DIRECTOR

*TEconomy Partners, LLC*

- Responsible for project team leadership in technology-based economic development, regional economic strategies, and impact assessments.
- Leads major technology-based economic development projects in states and regions throughout the U.S. and internationally.
- At TEconomy and throughout his career, has served clients ranging from national and state governments to individual communities, from the largest academic health systems to small community hospitals, from Ivy League and Big 10 universities to small colleges, and from Fortune 500 corporations to emerging technology business enterprises.

#### SENIOR DIRECTOR

*Battelle, Technology Partnership Practice*

- Led many advanced technology-based development strategies and economic impact projects for public and private sector clients. Some examples of project categories include:
  - Economic and functional impact analyses
  - Biomedical development strategies
  - Biotechnology and agricultural biotechnology development strategies
  - Corporate strategic planning and market assessments
  - Core competency assessments across multiple technology platforms
  - International assignments in West Africa, Jordan, Turkey, Australia, Italy, Indonesia, Japan, and Brazil.

#### SENIOR PARTNER

*Impact Economics LP*

- Co-founded this research, planning, and strategy corporation to leverage his expertise in research methodology design and the application of research and strategic planning to business, cultural, social, and development issues.
- Acted as a special consultant leading business development and impact analysis projects.

#### PRESIDENT AND CO-FOUNDER

*Tripp, Umbach & Associates*

- Grew into a leading provider of customized market and development research services.

#### PRINCIPAL CONSULTANT

*Deckmann Associates*

- Conducted economic development and industrial market research.

## Appendix B

County Manager Professional Development consists of University of Kentucky developed trainings and Extension-specific trainings.

The following are required trainings for all Extension County Managers:

1. UK HR SuperVision
  - UK Overview
  - UK HR Policy and Procedures
  - Performance Evaluation
  - Corrective Action and Coaching
  - Preventing Discrimination, Harrassment and Bullying
  - Managing a Safe Workplace
  - Supervisor's Toolkit
  - Americans with Disabilities Act
  - Fundamentals of Diversity
  - Hiring and Interviewing
  - Key Skills for Delegation
  - Creating Effective Teams
  - Personality Differences
  - Compensation
  
2. Quarterly Trainings (2 modules per quarter of ongoing training) – July 2018 – March 2019 listed below
  - Module 1: Manager Roles and Responsibilities
    - What is expected of a County Manager?
      - Outline of roles and responsibilities
      - Involvement in other agents' programs in the County Extension Office
      - Understanding both bosses: UK CES and County (moving from co-worker to supervisor/ dealing with local officials and their concerns)
      - Balancing administrative responsibilities of both UK CES and County
      - Working relationship with Extension Administrators (DDs, Program Leaders, etc.)
  - Module 2: Managing the County Office
    - How should the County Extension Office be managed?
      - Understanding and organizing your resources
      - Approving time
      - MOUs
      - Sunshine Law
      - Affirmative Action & Equal Opportunity
      - Effective staff meeting protocols (Mercer Co. Example)
      - Program Mapping – (Jefferson Co. Example)
  - Module 3: Financial Operations
    - How does the Manager insure accountability and transparency?
      - Budgeting
      - Revenue Enhancement
      - Other Extension accounts (4-H, MGs, HCE, etc.)

- Financial Accountability
  - Communication expectation with District Director
  - Financial record keeping systems
  - Working with treasurers
  - Audits, Accountability and Transparency
- Module 4: Policies and Procedures
  - What policies exist, and where do I find them?
    - UK CES and County hierarchical structures
    - Chain of command (process for contacting officials/administrators)
    - UK CES and County policies and Managers
    - IT policies
    - How county protocol "works"
    - Process for hiring replacement Extension agents (all the HR details)
    - Process for justifying and creating a new county agent position (dialoguing between UK CES and Extension District Boards)
    - Financial Guidelines/Procedures and Expectations
- Module 5: Supervising Agents and Staff
  - How does a Manager supervise agents and staff in his/her office?
    - General Personnel Management
    - CES Disciplinary Manager
    - How to handle personnel issues
    - Faculty & staff expectations
    - How to give timely constructive and positive feedback
    - How to manage employees effectively
    - Leadership: personality, coaching, mentoring, etc.
    - Communicating closely with District Directors on HR related matters
    - Chain of command
- Module 6: Organizational Accountability
  - What deadlines and reporting measures is a manager accountable for?
    - A basic timeline of dates
    - MOA/POW & PS&D deadlines
    - What reports/forms/documents are required (county reporting, Workload, etc.)
    - Payroll and Leave Reporting/ Deadlines
    - Extension Travel Guidelines
- Module 7: Establishing and Maintaining Relationships with Local Officials and County Leaders
  - Who are the important people in my county, and how should a manager interact with them?
    - Interact with key leaders and clientele
    - How to be a liaison to the Extension District Boards
    - Network and partner with organizations and agencies
    - Build and foster positive relationships
- Module 8: Available Resources for County Managers

- What resources are available, and where can they be found?
  - District Director – First point of contact with your questions
  - How to find experts/specialists
  - HR information
  - Mentors
  - Evaluation resources
  - DLG/SPGE Website
  - Supervision Training – UK HR
  - Supervision Training – Extension HR

**DRAFT**

## Appendix C

---

### County Financial Operations - Self Assessment

#### Survey Introduction

Welcome to the County Financial Operations Self-Assessment Survey. This survey has 7 sections (see below) and must be filled out as part of the County Program Review Process. Any questions related to this survey should be directed to the Team Leader for your respective review team or to staff in Extension Financial Operations.

#### Sections in the survey:

1. General
2. Budget Management
3. Cash Management
4. Procurement & Disbursement Management
5. Financial Reporting & Audits
6. Inventory Management
7. Other

The information provided by this survey will enable the review team to more readily assess the financial operations of the county office. Team members responsible for this portion of the process will review the information provided and will ask related follow-up questions during their visit.

The survey will be completed by the Fiscal Coordinator for the office and should be submitted in advance of the review team's visit. Thank you for completing the County Financial Operations Self-Assessment survey.

#### 1. General

County

Fiscal Coordinator Name

Number of UK Employees in the office (headcount)

# of Agents

# of Program Assistants

# of Support Staff

# of Other Staff

Total

Does the county have a written delegated authority schedule?

Note: Written documentation detailing all delegated authority in the office (e.g. check signers, document review, mileage log approvals, etc).

Yes

No

Does the county contract with a bookkeeper or CPA?

Yes

No

If yes, what is the annual cost of the bookkeeper?

Are financial records maintained in a computer based accounting system?

- Yes
- No

If yes, what system is being used? (Quick-Books, Quicken, Peachtree, etc)

If no, how are financial records maintained and tracked?

## 2. Budget Management

What is the estimated income for the current year?

What is District Board's current year annual operating budget?

Is there an Extension District Tax?

- Yes
- No

If yes, what year was the tax passed?

If yes, is there a copy of the fiscal court minutes approving the tax?

- Yes  
 No

How much is currently in District Board reserves?

Are there current and written 5 & 10 year plans for the use of these reserves?

- Yes  
 No

What is the travel budget per agent/assistant/staff support?

What is the professional improvement budget per agent/assistant/staff support?

What is the program support budget per agent/assistant/staff support?

How are travel, professional improvement and program support budgets monitored? Who monitors? How often? Does the district board allow for overages in any of these categories?

Describe the budget planning and preparation process in the county.

Does the District Board provide cell phones or a stipend for cell phones for employees?

- 100% County Paid Cell phones  
 Stipend to employees  
 No

How much is the cell phone stipend per month?

Who receives a cell phone stipend? (check all that apply)

- |   |   |
|---|---|
| <input type="checkbox"/> Agent(s)             | <input type="checkbox"/> Nutrition Assistant(s) |
| <input type="checkbox"/> Program Assistant(s) | <input type="checkbox"/> Other                  |
| <input type="checkbox"/> Staff Assistant(s)   |   |

What is the average monthly bill per phone?

How many cell phones are in the name of the District Board?

Was the current year budget signed, approved and submitted to the District Office and DLG?

- Yes  
 No

### 3. Cash Management

Rate the entire staff's knowledge of cash handling policies and procedures.

- Extremely knowledgeable  
 Very knowledgeable  
 Moderately knowledgeable  
 Slightly knowledgeable  
 Not knowledgeable at all

Is there an office safe?

- Yes  
 No

If so where is it located?

Who has access to the safe?

Is there a log of entry into the safe?

- Yes  
 No

Are receipts issued for all payments received? (i.e. 4-H Camp, root-stock orders, Homemaker's dues, etc.)

- Yes  
 No

Describe how Extension District Board deposits are made.

Who makes the Extension District Board deposits?

Is the district board treasurer bonded?

- Yes  
 No

If so, what is the bond value?

What company was the bond purchased from?

Who reconciles the district board's bank accounts? What is their title?

Does the office have a petty cash fund?

- Yes  
 No

If so, where is it located?

What is the balance of the petty cash fund?

Is there an accurate ledger of the petty cash fund?

- Yes  
 No

Do all councils present the district board with a written budget on a yearly basis?

- Always
- Most of the time
- About half the time
- Sometimes
- Never

Do all councils present the district board with an annual audit?

- Always
- Most of the time
- About half the time
- Sometimes
- Never

Do all councils present the district board with an annual financial statement?

- Always
- Most of the time
- About half the time
- Sometimes
- Never

Are all council reports up to date in KERS?

- Yes
- Some are
- No

What are the following council balances as of today? Please list all that apply.

Ag Council fund balance

Ag Development fund council balance

Homemakers Council balance

FCS Council balance

4-H Council balance

Other (please list) council balance

Other (please list) council balance

Other (please list) council balance

#### 4. Procurement & Disbursement Management

Rate the entire staff's knowledge of proper procurement policies and procedures.

- Extremely knowledgeable
- Very knowledgeable
- Moderately knowledgeable
- Slightly knowledgeable
- Not knowledgeable at all

Who writes the checks for the District Board? What is their position/title?

Who signs the checks for the District Board? What is their position/title?

Does the office provide credit cards?

- Yes  
 No

Are credit cards issued in the name of the district board or the agents?

- District Board  
 Agents  
 Other

Where are credit cards kept when not in use?

Briefly describe the process of tracking and paying credit card balances? (is there a voucher system)

What are credit cards used for?

Briefly describe the steps of your bill paying process.

Does the fiscal coordinator review all of the bills before they are submitted to be paid?

- Yes  
 No

Do all employees make use of tax exemption on all purchases?

- Always  
 Most of the time  
 About half the time  
 Sometimes  
 Never

## 5. Financial Reporting & Audits

Who completes the required financial reports? What is their title? ( UFIR, Offset Voucher, Actual expenses, DLG budget amendments)

How often is your district board required to be audited?

- Every Year  
 Every 4 years  
 Other

Are all audits presented to the district board?

- Yes  
 No

Are all audits presented to the County Extension Council?

- Yes  
 No

Were there any audit findings or recommendations in the last audit completed?

- Yes  
 No

Describe how the findings or recommendations were resolved?

## 6. Inventory Management

Is there an up to date inventory list on file?

- Yes

No

How often is the inventory updated?

- Yearly
- Twice a year
- Quarterly
- Monthly
- Never
- As needed

Who conducts the annual inventory verification?

Describe the process of adding items to the inventory list. (values, timing of additions, etc.)

Describe the process of surplussing items off of the inventory list. (i.e. capitalization policy, who authorizes removal, etc.)

Does the district board own vehicles?

- Yes
- No

Are mileage logs kept for each vehicle?

- Yes
- No

Who reviews mileage logs? How often?

**7. Other**

Any additional comments or notes

## Appendix D

### University of Kentucky Cooperative Extension Service Marketing & Communication Plan

#### The vision

The University of Kentucky Cooperative Extension Service (UKCES) provides educational resources for all Kentuckians and serves as a catalyst to build better communities and improve quality of life.

#### The mission

UKCES provides practical education you can trust to help people, businesses, and communities solve problems, develop skills, and build a better future.

#### Key values

UKCES values:

- Diversity
- Local, flexible, responsive programs
- High priority statewide programs
- Educating people to solve problems, make decisions and embrace change
- Applying knowledge and researched-based information
- Collaboration, volunteerism and leadership development
- Fostering empowered people
- Developing youth, families and communities
- Fostering the use natural resources

#### Internal brand statement

To Kentuckians Extension is the educational resource that provides practical information that helps people make healthier decisions, improve their businesses, increase yields, develop life skills and live sustainably.

#### Goals and Objectives

##### Goal:

1. Increase positive perceptions of UKCES and decrease negative perceptions of UKCES
2. Increase involvement in UKCES
3. Increase funding for UKCES

##### Objective:

- Persuade our target audiences that UKCES is accountable, effective and responsive
  - Increase positive perceptions, increase involvement
- Persuade our internal target audiences that the UKCES action plan is worthy of enthusiastic support
  - Increase positive perceptions
- Persuade our external target audiences that UKCES is important in their communities
  - Increase positive perceptions, increase involvement, increase funding

- Persuade our external target audience on “main” campus that UKCES is open and willing to collaborate
  - Increase positive perceptions, increase funding

**Belief Objective:**

Our target audiences must believe the following:

1. That the UKCES action plan will be implemented and will be successful in restructuring and redirecting UKCES
2. That UKCES provides practical, trustworthy information that Kentuckians need and want
3. That UKCES cares about their lives, their families and their communities
4. That UKCES believes in its programs and offerings
5. That UKCES is accountable, trustworthy, and a good steward of public resources
6. That UKCES is a beneficial partner and easy to work with

Goals	Strategies	Tactics
<ul style="list-style-type: none"> <li>• Increase positive perceptions of UKCES</li> <li>• Increase involvement in UKCES</li> <li>• Increase funding for UKCES</li> </ul>	<ul style="list-style-type: none"> <li>• Control the message</li> <li>• Strengthen branding of content</li> <li>• Promote a positive change narrative across the organization</li> <li>• Increase communication and diversify communication vehicles and deliverers</li> <li>• Improve content look/feel</li> <li>• Utilize new tagline (It starts with us) to update look/feel</li> </ul>	<ul style="list-style-type: none"> <li>• Monthly message from Dr. Palmer (via email/video)</li> <li>• Share action plan updates using multiple communication vehicles</li> <li>• Talking points for administration (training for those unfamiliar with talking points and utilization) and manage flow of information – delineate who delivers what messages, to who, and how</li> <li>• Promotion of needs assessment process by professional committees</li> <li>• Reinforce messages consistently across platforms, deliverers</li> <li>• Develop toolkits for marketing local programs, internal initiatives</li> <li>• Update Extension website consistently</li> <li>• Audit current communication platforms</li> </ul>

		<ul style="list-style-type: none"><li>• Empower agents, staff, and volunteers to share Extension's story with training on social media, other platforms</li><li>• Develop FAQs to explain review, action plan, needs assessment, etc.</li><li>• Focused messages that support the vision, mission, internal brand statement – utilizing AgComm news, exclusives, videos, etc.</li><li>• Recognize volunteers through social media, news, etc.</li><li>• Spotlight successful partnerships through social media, news, etc.</li></ul>
--	--	--

DRAFT

University of Kentucky Cooperative Extension Service  
Marketing and Communication Plan  
February 2, 2018

# Vision and Mission

- Vision statement of University of Kentucky Cooperative Extension Service (UKCES)

The University of Kentucky Cooperative Extension Service provides educational resources for all Kentuckians and serves as a catalyst to build better communities and improve quality of life.

- Mission statement of UKCES

The University of Kentucky Cooperative Extension Service provides practical education you can trust to help people, businesses, and communities solve problems, develop skills and build a better future.

# Values

## UKCES values:

- Diversity
- Local, flexible, responsive programs
- High priority statewide programs
- Educating people to solve problems, make decisions and embrace change
- Applying knowledge and researched-based information
- Fostering empowered people
- Developing youth, families and communities
- Fostering the use of natural resources

# Internal Brand Statement

To Kentuckians Extension is the educational resource that provides practical information that helps people make healthier decisions, improve their business, increase yields, develop life skills and live sustainably.

# Goals

- Increase positive perceptions of UKCES and decrease negative perceptions of UKCES
- Increase involvement in UKCES
- Increase funding for UKCES

# Objectives

- Persuade our target audiences that UKCES is accountable, effective and responsive
  - Increase positive perceptions, increase involvement
- Persuade our internal target audiences that the UKCES action plan is worthy of enthusiastic support
  - Increase positive perceptions
- Persuade our external target audiences that UKCES is important in their communities
  - Increase positive perceptions, increase involvement, increase funding
- Persuade our external target audience on “main” campus that UKCES is open and willing to collaborate
  - Increase positive perceptions, increase funding

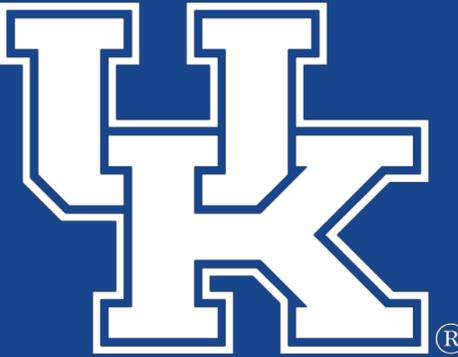
# Audience Beliefs

Our audiences must believe:

1. That the UKCES action plan will be implemented and will be successful in restructuring and redirecting UKCES
2. That UKCES provides practical, trustworthy information that Kentuckians need and want
3. That UKCES cares about their lives, their families and their communities
4. That UKCES believes in its programs and offerings
5. That UKCES is accountable, trustworthy, and a good steward of public resources
6. That UKCES is a beneficial partner and easy to work with

# Goals, Strategies, and Tactics

Goals	Strategies	Tactics
<ul style="list-style-type: none"> <li>• Increase positive perceptions of UKCES</li> <li>• Increase involvement in UKCES</li> <li>• Increase funding for UKCES</li> </ul>	<ul style="list-style-type: none"> <li>• Control the message</li> <li>• Strengthen branding of content</li> <li>• Promote a positive change narrative across the organization</li> <li>• Increase communication and diversify communication vehicles and deliverers</li> <li>• Improve content look/feel</li> <li>• Utilize new tagline (It starts with us) to update look/feel</li> </ul>	<ul style="list-style-type: none"> <li>• Monthly message from Dr. Palmer (via email/video)</li> <li>• Share action plan updates using multiple communication vehicles</li> <li>• Talking points for administration (training for those unfamiliar with talking points and utilization) and manage flow of information – delineate who delivers what messages, to who, and how</li> <li>• Promotion of needs assessment process by professional committees</li> <li>• Reinforce messages consistently across platforms, deliverers</li> <li>• Develop toolkits for marketing local programs, internal initiatives</li> <li>• Update Extension website consistently</li> <li>• Audit current communication platforms</li> <li>• Empower agents, staff, and volunteers to share Extension’s story with training on social media, other platforms</li> <li>• Develop FAQs to explain review, action plan, needs assessment, etc.</li> <li>• Focused messages that support the vision, mission, internal brand statement – utilizing AgComm news, exclusives, videos, etc.</li> <li>• Recognize volunteers through social media, news, etc.</li> <li>• Spotlight successful partnerships through social media, news, etc.</li> </ul>

 Cooperative  
Extension Service



# Internal Audit

1500 Bull Lea Road, Suite 200

Lexington, KY 40511

Phone: 859.257.3126

Fax: 859.257.3566

<http://www.uky.edu/InternalAudit/>

## **UKIA Mission Statement**

*To support UK in its pursuit of excellence by providing expert analyses and advice to champion the achievement of management objectives.*

