

Introduction and Charge to the Committee

The purpose of this review is to conduct a comprehensive analysis of all aspects of the University of Kentucky Cooperative Extension Service (“Extension”). Specifically, the review will examine:

1. **Organization** - How Extension is structured, including how it is staffed both administratively and at the county level;
2. **Financial Accountability** - How Extension handles fiscal management of both state and county funds;
3. **Programming** - How Extension establishes programmatic priorities and delivers its programming; and
4. **Marketing/External Relations** - How Extension defines its return on investment and communicates its successes to its stakeholders.
5. **Communication**- How we effectively disseminate information throughout the organization, e.g. programming, compliance, diversity, business practices, etc.

Overarching questions to be considered in addressing the topics above:

- If we started Extension today, how would it look? What would you do with a blank slate?
- How do we tailor programming for the highest impact on the communities we serve?
- How do we promote/reward innovation within Extension?
- Does Extension use technology effectively?
- Who should Extension be collaborating with?
- Does the current organizational structure promote:
 - Optimum programming aligned with county priorities?
 - A culture of ethics and accountability throughout the organization?
 - Transparent communication throughout the organization?

Stakeholder Groups to be interviewed and/or surveyed:

1. Other states that have reorganized
2. Judge Executives
3. Clientele
 - a. Commodity Leadership (e.g. Livestock, Crops, Forestry)
 - b. Kentucky Farm Bureau
 - c. Agency Partners (NRCS, FSA, Rural Development)
 - d. Extension Homemakers
 - e. 4-H Foundation
 - f. State Extension Advisory Councils
4. Kentucky State University
5. Agent Associations

6. Current middle management, program leaders, administration (Extension and College)
7. County support staff representation (Chi Epsilon Sigma)
8. Ag Communications/IT
9. Extension Personnel, and Program and Staff Development office
10. Office of Diversity

Support Documents

1. CAFE Strategic Plan
2. Re-Envisioning Report
3. Creating Our Future Report
4. 2012 Extension Field Programs Self Study
5. Legislative Documents
 - Morrill Act
 - Smith Lever
 - Relevant KRS statutes (KRS 164.600 to 164.675)

Oversight Committee

Tim West (Chair)
Roger Rennekamp
Frankie Gould
Drew Graham
Quentin Tyler

Subcommittees

Programming

- Quentin Tyler, Chair, CAFE Assistant Dean for Diversity
- Allison Davis, Executive Director, CEDIK
- Jennifer Hunter, CAFE Associate Professor, Family Science
- Roger Thomas, former Executive Director, Governor's Office of Ag Policy
- Nick Carter, Fayette Co. ANR
- Thays Flores, Estill Co. FCS
- Lee Ann McCuiston, Todd Co. 4-H

Organization

- Roger Rennekamp, Chair, Associate Dean and Director, Ohio State Extension
- Robin Shepard, Chair, Executive Director, North Central Extension Directors
- Gregg Hadley, ANR/CD Program Leader, Kansas State
- Richard Coffey, CAFE Chair, Animal and Food Science
- Steve Isaacs, CAFE Professor, Ag Economics

- Laura Stephenson, FCS Program Leader, University of Tennessee
- Mary McCarty, Menifee Co. ANR/4-H
- Gae Broadwater, Kentucky State University

Financial Accountability

- Whitney Stith, CPA, Northern Kentucky and AgHES Alumni
- Steve Kleiber, Virginia Tech, Director of Finance, CALS
- Anne Cook, Mississippi, Assistant Director, Financial Services
- Chris Shotwell, CAFE Business Office
- Stephen Sizemore, CAFE Business Office
- Angie Martin, UK Vice President for Financial Planning
- Jerry Brown, Boone Co. Extension County Manager

Marketing and External Relations

- Drew Graham, Chair, CAFE Senior Assistant Dean, Director of Government Relations
- Warren Beeler, Governor's Office of Ag Policy
- Paul Hornback, Chair, Senate Agriculture Committee
- Tom McKee, Chair, House Agriculture Committee
- Alex Barnett, Judge-Executive, Harrison County
- Laura Knoth, Executive Director, Kentucky Corn Grower's Association
- Dave Maples, Executive Director, Kentucky Cattleman's Association
- Mark Haney, President, Kentucky Farm Bureau
- Bobby Foree, CARET delegate

Communication

- Frankie Gould, Chair, Director of Communications, LSU AgCenter
- Faith Peppers, Director of Public Affairs, UGA
- Joanna Coles, Warren Co. ANR
- Dayna Parrett, Hardin Co. FCS
- Haley Pierce, Jefferson Co. Communications

Extension Review Executive Summary

The University of Kentucky Cooperative Extension Service (“CES”) is a leader in innovative service involving a wide variety of partners within UK and beyond. This partnership is anchored by a strong relationship with 1890 land-grant Kentucky State University. This system serves the people of the Commonwealth by maintaining a physical presence in all 120 counties and delivering innovative programs designed to address needs related to agriculture, natural resources, youth development, family and consumer sciences, and economic development. It does this by engaging constituents and community leaders to ensure that programmatic priorities align with community needs. CES specialists and agents seek to collaborate with partners to bring appropriate expertise, and teamwork is a feature of almost all programs. These collaborations ensure that CES maximizes the value and impact of its programs by bringing additional resources to the table and incorporating the expertise of its many partners. CES fosters creativity and discovery by being inclusive and open-minded to new ideas and developing innovative and multi-disciplinary solutions to complex problems. Through this work, CES continues to grow and serve the citizens of Kentucky improving lives, strengthening communities and creating a sustainable future for generations to come.

In November 2016, Provost Tim Tracy charged the College of Agriculture, Food and Environment (“CAFE”) with conducting a comprehensive review of the Cooperative Extension Service (“CES”). The review follows a recurring budget cut of \$2.6 million budget from CES field programs and coincided with the completion of an audit of CES county operations by UK’s Internal Audit Division. This review addresses the financial accountability issues identified by the audit and examines the impact of the budget cut on programming, organizational structure, government/stakeholder relations and communications.

This is a summary of the review team’s recommendations.

Organization

- The role of district director must be clarified to focus their effort on mentoring, program support and development, evaluation and accountability, and personnel management. Fiscal responsibilities should largely be reassigned to the newly created financial oversight team, although district directors should continue to be part of the checks and balances for overall accountability.
- There is need for at least one statewide position with extension to focus on Human Resources and a district liaison should be considered to assist district directors in mentoring and program development matters. These positions would not have personnel responsibilities.
- County managers should be utilized in larger counties to provide mentoring and guidance in programming efforts for agents and program assistants. They would be expected to manage facilities and assist district boards and county judge executives with budget development. Sharing with another county or deploying the County Manager across a multi-county group may be options for smaller counties.

- CAFE should name a “lead agent” in counties that do not have a county managers and should be part of the district director’s management team. Case should be taken to specifically define the lead agent’s role.
 - Lead agents are peer leaders, in some instances mentors, in the local/county office.
 - Those agents provide a point of contact for the District Director and/or State Fiscal Staff.
 - Lead Agents might be more analogous to team leaders.
 - As a point of contact for the office they ensure that routine administrative functions have, or are occurring, but are not in oversight roles for other agents.
- The College administration should look closely at the number of District Director positions. Some flexibility or re-alignment may be necessary once lead agents and/or county manager positions are identified throughout the state. Strategic deployment of current and additional District Directors should be revisited as the roll-out of accountability measures occurs.
- Counties should be encouraged to write integrated plans of work that incorporate individual agent work plans in each county. These plans should be biennial or longer in duration and should also call attention to cross program area needs and integrated agent approaches to problem-solving.
- Campus-based departments should reach out to districts and to listen to ideas about where future expertise is needed on campus.
- Field agents should be trained on how to work effectively with leaders of county district boards, extension councils and program councils to foster a culture of mutual respect and collaboration.
- District directors should become more engaged in supporting counties in the development of meaningful program plans.
- There should be enhanced collaboration between University of Kentucky and Kentucky State University to align a way that maximizes efficiencies and impact.
- Attention should be given to implementing change in the system. It is important to have a strategy for each recommendation and it is imperative that the CES have a plan that helps employees understand and deal with the changes that occur in their jobs, with their colleagues and in stakeholder relations.

See Organization Committee Report attached as Exhibit A

Financial accountability

- Financial management will be consolidated with CAFE overall business operations and will cease running a separate financial operation
- CAFE will build a dedicated financial team within Extension to provide enhanced fiscal oversight for county operations.
- CAFE will define set of job responsibilities for field agents serving as county fiscal coordinators and provide comprehensive training with respect to those responsibilities. Agents serving as fiscal coordinators should receive compensation for serving in that

role and should be evaluated on their performance of those duties as part of their annual performance evaluation.

- CAFE will develop financial reports to be provided to county leadership to assist them in monitoring their budgets and making strategic financial decisions regarding the funds used to support county operations and programming.
- CAFE will identify opportunities to bring more consistency to how the 120 counties manage their fiscal affairs, including mandating a uniform accounting system to be used in all 120 counties and retaining a single auditing firm to perform the audits required by KRS 65A.030(2)(b).
- CAFE will develop a process for disclosure of financial interests to be used to identify and manage potential conflicts of interest.

See Summary of College Response to Audit attached as Exhibit B

Programming

- CAFE should conduct community needs assessments and trainings with Extension for the 2018 fiscal year.
- The needs assessment should be designed by a State Steering Committee that will include the state program leader for each of the respective areas of FCS, ANR, CEDIK and 4H (or a designee appointed by the program leader) and a minimum of two agents per program area. The Steering Committee will also be responsible for creating an implementation plan to conduct the needs assessment process in all 120 counties.
- Once needs are prioritized, the Extension Service will identify existing college and university resources available for programming as well as highlighting the gaps between needs and resources. The CAFE should explore opportunities for campus-wide partnerships, funding and support across the university for CES. Needs assessments should be done in each county every 5-7 years.
- Following the needs assessment, county extension councils will be provided 6-8 job descriptions and will recommend in order of preference the positions that best address the needs in their community. The job descriptions will not be determined until the assessments are under way and community needs begin to emerge. It is expected that field agents will need to be more generalists, allowing for CES to address emerging needs.
- Counties should have the option of maintaining or increasing the number of agents, utilizing district board funding. Additional hires should reflect emerging or high priority needs/audiences and county population. Counties opting to hire additional agents on district board funds must also contribute funding to the CAFE to cover the cost of providing administrative support for those additional employees.
- Based on available budget, a number of field specialists be hired and placed throughout the state to fill in the gaps between county staff and local and regional needs after counties select their agent positions. The positions will provide direct support to counties.

See Programming Committee Report attached as Exhibit C

Marketing/External relations

- CES should develop strategies for engaging with legislators and other leaders from urban areas to improve awareness of CES and what programs it can offer in urban communities.
- Field agents should be trained by extension administration and CAFE government relations on the importance of and proper ways to build relationships with elected officials including county judge executives, fiscal courts and state legislators.
- CAFE needs to educate the fiscal courts on how funding is appropriated by the CAFE back to the counties, with a view towards improved fiscal management.
- CAFE, working through CES leadership, should have formal visits with county leadership on a scheduled basis, with the goal of visiting each county at least once within a three-year period.
- CAFE and CES administration should seek opportunities to take part in annual meetings of judge executives and magistrates. Judge executives and magistrates should be invited to extension activities and be given opportunities to participate as appropriate.
- CAFE and CES administrators should continue to engage external partners and commodity groups to ensure their needs are being met.
- County extension employees working the front desk should be given training in addressing the needs of citizens visiting the local offices.

See Marketing/External Relations Committee Report attached as Exhibit D

Communications

- CAFE should add an extension marketing position to include internal communication responsibilities with Agricultural Communications with a dotted line report to Extension administration.
- CAFE should establish area communicators (3) when funds become available to work with district directors and counties on success stories/impact statements, how to work with media and appropriate use of social media. These communicators should assist with training on these topics and serve as a conduit to central communications.
- CES administrators should develop better standards for extension numbered publications process.
- CES administrators should develop monthly or at least quarterly email program/extension update.
- CES administrators should set up a communications advisory committee made up of a cross section of faculty, agents and staff. This committee should meet at least twice a year.

- CAFE should require alumni, student success and extension materials to undergo same review and editing processes as other college undergo through Agricultural Communications to ensure appropriate editing, design and compliance with branding guidelines.

See Communications Committee Report attached as Exhibit E

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Exhibit A

July 7, 2017

TO: Tim West, Director of Operations, Associate General Counsel, University of Kentucky

FR: **Members of the Subcommittee on Organization**

– Review of University of Kentucky Cooperative Extension Service

Co-Chair: Roger Rennekamp – Director, The Ohio State University

Co-Chair: Robin Shepard – Executive Director, North Central Cooperative Extension Association (NCCEA)

Gregg Hadley – Kansas State University

Richard Coffey – CAFE Chair, Animal and Food Science

Steve Isaacs – CAFE Professor of Ag Economics

Laura Stephenson – Assistant Dean, FCS Program Leader, University of Tennessee

Mary McCarty – Menifee County (ANR/4H)

Gae Broadwater – Kentucky State University

SUBJ: Report From The Subcommittee on Organization

The following recommendations come from the Subcommittee on Organization.

A. The Role of District Directors

- There is need to clarify the responsibilities of District Directors with the goal of enhancing their role in mentoring, program support and development, evaluation and accountability, and personnel (HR) management.
- The current job responsibilities for a District Director can be overwhelming in the amount of work and the wide-range of tasks they become involved with (e.g., the general areas of work span fiscal, personnel, stakeholder relations, and programming). The Subcommittee held discussions with current and past District Directors which indicated a need to clarify responsibilities and functions. Better describing their role should enhance organizational effectiveness, improve local and district accountability, and also reduce the workload on the individuals in those positions.
 - Fiscal: This area of responsibility could be dramatically reduced as a new (state-wide) model is implemented which will include regional positions staffed by the Office of Financial Operations and Analysis. The goal of new financial staff positions (within the Office of Fiscal Operations and Analysis) should be to handle most of the fiscal accountability and mentorship within counties during the annual budgeting process and on-going tracking of expenditures. However, it seems unrealistic to remove the District Director from all financial matters and questions because they will continue in the consultation and mentoring of agents, and supporting good accountability practices. District Directors should remain part of the “checks and

balances” for overall accountability, and they should work as a team with the new positions assigned to the Office of Financial Operations and Analysis.

- Personnel: There is need for at least one state-wide position within Cooperative Extension to focus on Human Resources (HR). Such a position would be to support District Directors in personnel matters. Currently, support staff within the College of Agriculture perform this function. The Subcommittee feels more attention is needed to assist District Directors in agent performance issues (e.g., those specific requirements of Cooperative Extension employees). This would provide HR expertise to multiple levels and types of personnel management situations (e.g., exempt, non-exempt, contract labor, student interns, county support staff, etc.). Additional staffing would allow for a more proactive approaches to addressing issues before they become problems.
- Agent mentoring and supporting programming: As the role of the District Director is realigned it is recommended that a District Liaison be considered to assist in mentoring and program development matters. *(NOTE: Increasing the number of District Directors and/or adding Assistant District Directors were considered by the Subcommittee but are not recommended.)* However, a District Liaison position could be a partial appointment that utilizes experienced agents, perhaps 1-2 per district (or possibly one for each program area within a district) depending on the need, and staffing numbers in a District. These positions would focus on program development and mentoring new faculty. They would not have personnel (HR) responsibilities for accountability and disciplinary matters. These District Liaisons positions also offer opportunities for leadership and/or advancement to agents who are looking to take on more responsibility.

B. County Leadership Models

- County Managers: These positions offer an effective management structure for larger counties. County Managers can provide mentoring and guidance in programming efforts of agents and program assistants within the county. They would also have some personnel (HR) responsibilities, however, HR roles would need to be clarified in consultation with the District Director. These positions could function as an “assistant” District Director, only their focus would be on a specific county. They would be accountable to both the County and to the District Director, and fiscal matters would require direct coordination with the Office of Financial Operations and Analysis. The level of fiscal oversight would ultimately need to reflect any increases in regional staffing-support by the Office Fiscal Operations and Analysis.
 - The goal is to shift workload from District Directors to County Managers in large counties.
 - County Managers would also have some duties of working with the District Board and county judges on budget development. These positions are also more likely have responsibilities for managing county facilities (infrastructure).
 - County Managers must function as a team with the District Director, and district fiscal officers.

- County Managers are “managers,” and therefore should have limited to no programming responsibility.
- The size of the county would be the determining factor in the deployment of County Managers. For example, County Managers are most useful in larger counties (Tier 1) with greater than \$800,000 of yearly tax income.
- Lead Agents: Bolster and/or enhance the role and identification of lead agents in a county. This is especially important for small and medium size counties (e.g., those counties who do not have a County Manager).
 - The designation of lead agents within a county has been very beneficial in the past. However, lead agents need a better understanding of the responsibilities that come with the role.
 - Further, clarity and statewide uniformity is recommended.
 - Lead County Agents should be part of the District Director’s management team. However, role clarity and coaching by the District Director would be necessary to ensure that Lead Agents understand when issues are elevated to the District Director, and when issues remain in their purview. On-going training in both management and leadership for Lead Agents is also needed.
- County Facilitators: These positions are not considered an effective model because they do not have enough authority to clarify their role within either local agent leadership, nor in how they assist in reducing the workload of District Directors. By clarifying the roles of a Lead County Agent, the County Facilitator model may not be necessary (e.g., these positions may even add confusion due to having too many administrative layers.)

C. Concepts for Enhancing Program Priority Sharing

- Counties should be encouraged to write integrated plans that incorporate individual agent work plans (e.g., program area focus) in each county. It is noted that some already do this, however, more uniformity is encouraged. Such integrated county plans may be biennial or longer in duration. These plans should also call attention to cross-program area needs and integrated agent approaches to problem solving.
- County level priorities are at times disconnected from state specialist support. More should be done to enhance integration of campus expertise within community-based programming. All states have this consternation between county needs and the staffing patterns of campus departments. However, as changes are being instituted in Kentucky there will be new opportunities for campus-based departments to find ways of reaching out to districts, and to listen to ideas about where future expertise is needed on campus. Furthermore, there is the expectation that state specialists should link local needs to the “big picture” of statewide needs, and help anticipate trends by being proactive to community-based problem solving.

D. Enhancing the Role and Function of the Extension Board, County Councils and Program Councils

- Councils and committees are important mechanisms for gathering constituent feedback regarding local program direction. They also play a key role in mobilizing resources in

support of Extension. However, without centralized support for the creation and management of such entities, issues around their roles and responsibilities often arise.

- Extension agents need ongoing training in how to work effectively with the leaders of these groups and how to effectively manage dialogue in ways that foster a culture of mutual respect. Such training should also reflect introductory-to-advance levels of skill development, thereby allowing for continued growth in ability and confidence that is needed to work in the dynamic area of civic engagement. The Subcommittee sees a strong need to increase the emphasis on agent training that allows more effective advisory councils and committees.
- As part of clarifying the role of Lead Agents in a county, it is important to assign responsibility for supporting the County Councils (e.g., this maybe the role of the Lead Agent in a county).
- With District Boards, the District Director may also need additional support with training on process and civic engagement.

E. Training, Professional Development and Support

- Several years ago, Extensions services across the nation invested significant resources on conducting training on developing program logic models. These trainings resulted in transformational change in how Extension approaches program planning. Frequently however, program planning focuses more on getting a plan on paper rather than the process to produce the plan. If responsibility for fiscal affairs is removed from their portfolio of responsibilities, it is possible that District Directors could become more engaged in supporting counties in the development of meaningful program plans.
- The Subcommittee recognizes the increased needs for staff development and training. While the current Program and Staff Development Unit is supporting faculty and staff, the needs are greater than the current staffing in the unit can meet. The Subcommittee encourages consideration for additional statewide staff, particularly in areas of: (1) program evaluation and impact assessment; and (2) stakeholder and Extension Council training on civic engagement principles.

F. Enhancing the Collaboration Between University of Kentucky and Kentucky State University

- Scarce resources make it more important than ever for the University of Kentucky and Kentucky State University to work together to ensure that Extension programs of the two institutions align in a way that maximizes efficiencies and impact. The two institutions should explore areas where: (a) they can appropriately differentiate roles and responsibilities that they fulfill independently; and (b) they both contribute resources to mutually agreed upon projects that they jointly undertake. It is important that the two universities continue to consult with each other on issues of mutual concern. Area for collaboration include:
 - Plan for program development, implementation, and reporting that are coordinated and balanced based on needs and available resources of both institutions and reflects their respective missions.

- Renew efforts to broaden the diversity of council memberships in a way that reflects the multiple constituencies of the local communities.
- Expand opportunities to coordinate staff development with emphasis on onboarding for new county-based staff, program evaluation and impact assessment, issue-based programming, and working with stakeholders and advisory groups.
- Expand collaboration between specialists at KSU and UK for developing resources, agent training, publications, and grants, in addition to the potential for shared positions

G. Addressing Institutional Change

- As the work of the Subcommittee is aggregated within a broader statewide framework for recommendations, attention should be given to implementing “change” in Kentucky’s Cooperative Extension System. Implementing change in Kentucky Cooperative Extension requires a cultural re-orientation for faculty and staff. Attention needs to be given to maintaining and nurturing trust within our organization.
- In the process of its discussions the Subcommittee observed many instances of stress and uncertainty in faculty, agents and staff. If those feelings (some real and some based on misperceptions) are left unattended they will erode organizational trust – making many recommendations difficult or even impossible to implement.
- It is important to have a strategy for each recommendation, and it is imperative that Cooperative Extension have a plan that helps its employees understand and deal with the dramatic changes that occur in their jobs, with their colleagues, and in stakeholder relations.

Addendum

- In response to the feedback gathered during the statewide listening sessions, members of the Subcommittee on Organization met via conference call on November 16, 2017 and agreed on the following secondary recommendations that pertain to the role of lead agents.
 - The role of the lead agent is not envisioned as that of a boss, supervisor or even what has previously been described as a county facilitator. In the roll-out and listening sessions, the lead agent concept may have been misinterpreted as having much more supervisory role than necessary (at least as intended by this Subcommittee). The Organization Subcommittee considers lead agents as peer leaders, in some instances mentors, in the local/county office. Those agents provide a point of contact for the District Director and/or State Fiscal Staff. Lead Agents might be more analogous to team leaders. As a point of contact for the office they ensure that routine administrative functions have, or are occurring, but are not in oversight roles for other agents.
 - *(NOTE: State Extension leaders should clarify the scope of such “routine functions” to focus on lower level tasks that ensure basic fairness, transparency and that a positive team environment exists in a county. The Organization Subcommittee does not feel that lead agents should be given direct supervisory responsibilities over other agents. Furthermore, lead agents are not designated in that role for life, and therefore the county should succession planning in place*

to mentor others in the county office to share ownership for some “routine functions.”)

- In small, limited resource counties with low staff numbers there are other options for identifying lead agents and/or ensuring those routine administrative functions are carried out. Sharing with another county or deploying the County Manager across a multi-county group may be options. *(NOTE: The Subcommittee recognizes there may be fiscal and political implications for cross-county work that make this challenging.)* The Subcommittee encourages flexibility in assessing any alternatives to single county-based lead agent models. However, we caution that structural solutions may not address underlying personnel issues.
- We encourage Extension and University administration to look closely at the number of District Director positions. We do not recommend significant increases in the number of District Directors, however, some flexibility or re-alignment may be necessary once lead agents and county manager positions are identified throughout the state. Strategic deployment of current and additional District Directors should be revisited as the roll-out of accountability measures occur (e.g., as locations are identified, and the number of lead agents and county managers are determined).

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Exhibit B

1. Create dedicated financial structure within CES to provide enhanced fiscal oversight for county operations.

Historically, CES has not had an employee exclusively dedicated to oversight and management of Extension's financial affairs. The responsibility for fiscal oversight was shared by numerous individuals and, as such, was lacking in consistency and strategic leadership. Fiscal problems were addressed in a reactive manner and rarely resulted in necessary organizational changes.

On January 1, 2017, the Dean of the CAFE created a new position called Extension Director of Financial Operations ("EDFO"). This position has assumed leadership of all aspects of CES financial operations and has been charged with developing a financial team (the "EDFO Team") to serve CES, improving CES business processes and establishing more robust and effective fiscal oversight of CES operations. The EDFO will report to the CAFE CFO, codifying direct financial oversight of CES by CAFE Administration.

The EDFO Team should be comprised of at least one business analyst and at least three regional fiscal compliance officers who will oversee the fiscal affairs in their districts and provide support to county leadership and field personnel. The EDFO, business analyst and regional compliance officers should utilize CES District Director support staff to assist in the oversight of county business procedures and serve as a liaison to the county fiscal coordinators.

Collectively, the EDFO Team should be responsible for:

- Providing a resource for all financial and business management mentoring to ensure polices are followed and that both UK and local funds are used effectively and appropriately;
- Providing payroll management and related reports ensuring all HR policies and procedures are followed;
- Providing financial and business management training reflecting UK business procedures and GAAP to CES employees in all 120 CES county offices;
- Providing continuous improvement activities for all processes and services provided by seeking innovative and more efficient ways for conducting business;
- Conducting scheduled financial reviews in all 120 CES county offices on a recurring and rotating basis;
- Conducting spot compliance audits in the CES county offices as necessary;
- Reviewing travel vouchers and providing other transactional support to all 120 CES county offices;
- Along with the District Directors, coordinating fiscal oversight with the Extension District Boards and other county-based leadership to ensure that they are partners in fiscal compliance, including, but not limited to:
 - providing periodic financial reports to the EDBs on at least a quarterly basis;
 - providing relevant training to EDB treasurers;

- monitoring the audit process required by KRS 65A.030(2)(b) and ensuring that there is appropriate follow-up with respect to any identified deficiencies;
 - Monitoring that all financial reports are reviewed and submitted to the Department of Local Government as required; and
 - Providing guidance to the Dean, Director of Extension and CFO regarding fiscal policies to ensure maximum efficiency, effectiveness and proper allocation of all CES fiscal, human, and physical resources.
2. Create a defined set of job responsibilities for field agents serving as county fiscal coordinators.

Currently, certain county fiscal oversight responsibilities are assigned to a field agent serving as the county fiscal coordinator. That role is meant to be a liaison between the local county leadership and the CES administration. However, at the present time, that role is loosely defined and there is not consistency statewide in how that function is handled. The EDFO should also develop a uniform set of duties for county fiscal coordinators and provide comprehensive training with respect to those responsibilities. Agents serving as fiscal coordinators should receive a stipend or some other form of compensation for serving in that role and, they should be evaluated on their performance of those duties as part of their annual performance evaluation. Fiscal coordinators should serve a defined term and their eligibility to continue in that role should be dependent on satisfactory performance of those duties.

3. Develop and provide financial reports to county leadership to assist them in monitoring their budgets and making strategic financial decisions regarding the funds used to support county operations and programming.

Currently, CES administration does not provide county leadership with much in the way of budgetary reports that demonstrate, in real time, how the county is spending its money. Under the leadership of the EDFO, CES administration should develop a system of monthly or quarterly financial reporting that provides county leaders with a comprehensive snapshot of the accounts used to support operations, which will allow them to become more effective in their oversight of those funds. These reports should be tailored to the needs of the county leadership and provide them with information necessary to make strategic budgetary decision with respect to program and operational funds.

4. Under the Leadership of the EDFO, look for opportunities to bring more consistency to how the 120 counties manage their funds.

In its recent audit of CES, the University of Kentucky's internal audit division found CES operations to be "disjointed" in many ways, with a lack of consistency in how certain functions were handled at the county level. The EDFO should look for all opportunities to bring more uniformity to the fiscal management of county funds.

For example, there is no uniform system of accounting in place that is utilized in the counties. Each county has its own system of managing the various accounts that are used for operating expenses and for programmatic support. This lack of consistency makes fiscal oversight more difficult and provides opportunities for malfeasance or mismanagement. Under the guidance of the EDFO, CES administration should identify an accounting system that can be used in all 120 counties and mandate that it be implemented statewide.

Similarly, there is no uniform system for performing the audits required by KRS 65A.030(2)(b). That statute requires each county to have a periodic audit that addresses defined criteria. Currently, each county hires its own auditor to perform those audits which, again, results in a lack of consistency across the state. Under the guidance of the EDFO, CES administration should explore the feasibility of hiring a single auditing firm that can provide service to all 120 counties. This will bring a consistency in the audit reports and perhaps provide an opportunity for preferential pricing based on the volume of business.

5. Create a form for disclosure of financial interests to be used to identify and manage potential conflicts of interest.

In its recent audit of CES, the University of Kentucky's internal audit division found that CES employees owned or operated businesses which could create conflicts of interest with their CES responsibilities. Those business interests were not being disclosed as required by University regulations and, as such, there was no meaningful management of the potential conflicts of interest.

CES Administration should provide comprehensive training regarding all aspects of conflicts of interest issues as part of its new employee orientation program. At the conclusion of orientation, new employees will be required to sign the CAFE Ethics Manual, which addresses, among other things, conflicts of interest. Consistent with UK policies and procedures, CES employees will be required to disclose personal business ventures at that time and annually at the time of their performance evaluations. Records of these disclosures will be maintained by District Directors for all employees in their district.

To the extent that outside business ventures create a potential or actual conflict of interest for CES employees, the CAFE Director of Operations should work with the University legal office and the Ethics Committee to address those conflicts.

Exhibit C

Recommendation from Extension Review Programming Committee

If funding dictates that the University support for agents is based upon a different model than the programming committee recommends the following occur to ensure the optimal breadth and depth of programming is available.

1) This approach will formalize a State Steering Committee that would be charged with guiding the Cooperative Extension Service County Needs Assessment Process in the areas of trainings, implementation, facilitation/priority setting, and communication.

A diverse and uniquely skilled team will be identified to serve as the State Steering Committee for the County Extension Review County Needs Assessment. The team will include the state program leader for each of the respective areas of FCS, ANR, CEDIK and 4H or a designee appointed by the program leader. In addition, the team will consist of a minimum of two agents per program area. Further, the State Steering committee will identify the components of the local steering committee such as survey questions, focus group protocol, community forums, and sources of secondary data to be used to identify needs of each particular county. In addition, the State Steering Committee will identify constituents that must be included in data gathering and determine a list of entities that should be represented on the local steering committee (education, healthcare, bank, health department, public housing, farmer, small business owner, etc.) Further, the State Steering Committee will guide the respective county local steering committees in a process that will solicit input from different audiences, explore secondary data, utilize existing local and regional needs assessments, county Plans of Work and highlight existing non-CES resources and programming. The State Steering Committee will conduct trainings with agents to discuss a dissemination strategy and the creation of local steering teams to assist with data collection and prioritizing of needs along with training in secondary data collection and interpretation.

As a result of the respective County Needs Assessments, needs will be prioritized based on scope, magnitude of the issue as well as if the audience is low-income/disadvantaged, and accessibility. Prioritized needs will also be used to assist in the creation of new programs, refinement of existing programs, provision of existing services to both traditional and new audiences, identifying new partners and preparing for job descriptions for future hires. Prioritized needs will also be used by Program Leaders and State Specialists to assist in the development of new programs and refinement of existing programs that can be disseminated statewide. Implementation strategies will be selected and measurable outcomes will be determined. State Steering Committee will also be responsible for identifying existing CAFE and non-CAFE resources in colleges across campus available for programming as well as highlighting the gaps between needs and resources. Additionally, the top identified needs that CAFE does not have the capacity to address will be opened up campus wide, leading to increased partnerships, funding, and support across the university for Cooperative Extension Service. An

enhanced marketing platform/informational will be developed to inform prospective campus partners on the mission, vision, and role of Cooperative Extension Service in our local communities and invite colleges to cover the gaps identified by the community needs assessment. It is important that this marketing piece target individuals within a university setting.

2) At the end of each County Needs Assessment, the CEC will be provided job descriptions (county agents) by the local steering committee that will best address the needs in their community. These job descriptions might include but not limited to health and nutrition, family living, production agriculture, agricultural marketing, 4-H and Youth Development, economic and community development, leadership development, local food systems/small farms, urban agriculture, etc. To ensure clarity and understanding throughout the selection of the county positions, agents, district directors, State and Local Steering Committees, and UKCES Administration will serve as a resource in the decision making process upon request from the CEC. It is important that there is consensus among the county, the results of the county needs assessment, and the University of Kentucky in selecting the county positions. We do expect that the existing agents will be open to expanding their current position descriptions allowing Cooperative Extension Service to address emerging needs. Assume that NEP and EFNEP will remain at the same level and the structure will not change.

3) After the County Needs Assessments and selection of agent positions, counties still have the option of maintaining or increasing the number of agents, utilizing district board funding. Any additional hires (county agents) should reflect emerging or high priority needs/audiences and county population. In addition, a reasonable contribution must also be made to provide additional administrative support, i.e. someone who works with the District Directors. These "Assistant District Directors" could focus on agent mentoring, county cross-programmatic initiatives, and/or evaluation support. For large offices (>six agents), the additional administrative contributions could be used to hire a county manager, but this county manager would serve as an administrator not as someone who delivers programs. Counties could also be allowed to partner or agent share with contiguous counties if they would like to hire an additional agent to work in two counties.

4) Based on the available budget, a number of Field Associates will be hired and placed throughout the state. Field Associates are subject matter experts, similar to state specialists at the MS or PhD level. However, the Field Associates would work in conjunction with the state specialists to develop and deliver programming in areas of vacancy but also in areas to add value in their subject matter expertise. Further, they will be hired on the gaps between county staff and local and regional needs, after counties select their agent positions. Additionally, the Field Associate positions can and will provide direct support to the counties. The position should increase response time to emerging local and regional needs, while also meeting the subject matter knowledge gaps identified by the County Need Assessments. These Field Associates could cover areas including the programs listed in #2 above as well as livestock production and/or marketing, urban extension, financial literacy, youth development, substance abuse prevention and recovery, education, etc. Again, these positions will not be

created until county positions are determined. These Field Associates would provide direct programming to communities as well as training for agents. These Field Associates would be regional and ideally would provide meaningful contribution for agent evaluations regarding programming. These Field Associates would be hired by an academic department or Extension program but would be housed in the region that they serve. Having more Field Associates working in communities will lead to a more nimble, responsive, and innovative Extension system. We expect there to be improved collaborative and synergistic behavior between Associates and agents that might lead to new research, educational programming, and external funding.

5) This process would allow the counties to have enough time to get their budgets in order if they wanted to maintain current staff patterns. Changes to the staffing model are not likely to occur for most counties until FY 2019 after the County needs assessment process is complete. We will reach this plan through retirements and resignations but agents should be prepared to be flexible. Things to consider:

- In 2015, there are 21 counties with a population under 10,000 people. US Census predicts that in 2025 there will be 23 counties with population under 10,000 people. In 2030, that number increases to 29 counties. Is CES going to provide two agents to counties with fewer than 10,000 individuals, particularly if the smaller counties are clustered together (four Mississippi River Counties, (Nicholas, Robertson, Bracken), as examples)?
- Jefferson County: Given the largest share of Kentucky population lives in Jefferson County, and there is no county tax, the 2-agent model (traditional agent) might not be sufficient. In fact, it might be worthwhile to fund a Faculty Director who could be charged with attracting external funds. However, given the wide array of resources in the County, it is imperative that CES finds its niche and goes all in on one or two initiatives and does not try to be everything to everyone.
- CEC task force document should be revisited. There needs to be a more defined and accountable role for the CEC to enable this process to work fairly and efficiently.

Pros:

- Still a significant county presence
- Responding to local needs (more grassroots than before)
- Access to more programming
- Field Associates can provide expert programming and support
- Reaching new audiences

Cons:

- Change is difficult. There will be a learning curve. Communication is essential to a smooth transition.

- Audiences may have to share some Extension resources with newly identified high-priority needs and programs.
- Some counties will stick with two agents, which will mean there is a smaller CES presence. Must ensure that Extension Specialists and future Field Associates are responsive.
- Inequitable distribution of resources. UK must continue to support counties with both large and small populations.

DRAFT

Exhibit D

GOVERNMENT/EXTERNAL RELATIONS

The committee on Government/External Relations have found over the course of the past several months that Cooperative Extension has an overall very positive and beneficial impact on local communities throughout the Commonwealth of Kentucky. There are some areas of concern pointed out in the following observations.

The Chair, Dean and Director of Operations for the college had opportunities to meet with several legislators during the review period.

Kentucky legislators who know their local extension agents tend to have a high opinion of them and the service they provide. Legislators who represent rural areas of the state seem to grasp the importance of the programs offered through extension and the information, education and activities provided through them for adults and youth within the communities. Urban legislators do not seem to be as well informed. It is our recommendation that extension personnel in urban areas establish priorities to visit with urban policymakers and educate them on what extension offers and what it can mean to their district. We also recommend that an effort is made by all agents to meet and build relationships with their respective legislators. In many cases it seems only one agent has that relationship. Training and support should be given by Extension Administration and College Government Relations on the importance of and proper ways to build relationships with elected officials. This would be a recommendation for County Judge Executives and fiscal courts as well.

Legislators understand the need for accountability and transparency in relation to extension finances and support our restructuring financial and staffing models in the wake of budget cuts and internal audit recommendations.

The Chair, Dean and Director for College Operations also had opportunities to visit with several county judge executives during the course of the review. The chair has visited over 45 counties during this time.

It is obvious to us that county judge executives are very supportive of cooperative extension, its programs and personnel within their respective counties. Most are active members of their district boards and attend meetings. It their opinion that extension offers county residents access to information and provides programs not provided elsewhere in the communities. Counties have shown their commitment to extension by establishing a local taxing district in support of extension in almost all Kentucky's 120 counties.

A better job needs to be done explaining to fiscal courts on how money is appropriated by the college back to the counties. This can probably be done as we administer a new financial and

staffing model as requested by internal audit. Judge Executives and fiscal courts also understand the need for transparency and accountability in regard to finances.

It seems judge executives and fiscal courts have had little interaction with extension or college administration in the past. We recommend a plan is developed for a representative of college administration and extension administration to visit a set number of counties each year, with goals of visiting all within a three year period. Extension and college administration should also request opportunities to take part in annual meetings of Judge Executives and Magistrates. College and extension administration took part in a panel discussion in June at the Judge Executive/Magistrates summer meeting which proved beneficial to both the college and elected officials.

Judge Executives and fiscal courts should be invited to extension activities and be given opportunities to participate where appropriate.

Almost all interaction with our external partners/commodity organizations was very positive. County offices are seen as an essential resource for information sharing and meetings throughout Kentucky. Many agents and specialists serve on external boards such as, Farm Bureau, Cattlemen, Corn Growers etc., Research and information supported and disseminated by agents and specialist are considered unbiased and accurate. Agents and specialists are relied upon during the Kentucky State Fair, North American Livestock Expo and other venues to serve as superintendents and judges. They work very closely with Department of Agriculture Staff at these events. Agents also serve in many counties as administrators for Agriculture Development funds. Agents also play a vital role as consultants in helping disperse Master Settlement funds. They are used as auditors and consultants in energy programs, environmental programs and are used in an advisory capacity in many others.

An additional recommendation would be for extension personnel to refrain when possible from being engaged in partisan political activity, especially where seen as college interaction. We do think it is important to stay informed and participate in the process.

It is also a recommendation that county extension employees working at the front desk are given the training they need in addressing the needs of citizens visiting the local offices. They should know who to refer individuals to in reference to their needs in the absence of the particular agent who would normally handle a request.

Our committee looks forward to meeting again after all recommendations by all committees have been compiled into a working document. Recommendations from other committees, especially those in relation to staffing and programming will be of great importance to elected officials and external partners. With over 60% of extension budgets coming from county commitment it is crucial that we do what we can to keep programming and services strong.

Exhibit E

UK Extension Communications Committee Review Team

Committee's Charge

Communication: How UK Extension effectively disseminates information throughout the organization, such as programming, compliance, diversity, business practices.

Responsibility added in April

Added the review of the CAFÉ Communication unit for effectiveness of extension communications services and marketing.

Members:

Frankie Gould, Committee Chair, Communications Director, LSU AgCenter

Faith Peppers, Public Affairs Director, UGA College of Agriculture

Haley Pierce, Extension Associate for Strategic Communications, Jefferson County, UK Extension

Dayna Parrett, FCS Agent, Hardin County, UK Extension

Joana Coles, Extension Agent-ANR, Warren County, UK Extension

Structure for cultivation of information – interview questions

1. What works well?
2. Is there a good flow of communication?
 - a. Internally?
 - b. Locally?
 - c. From administration?
 - d. Externally to clientele?
3. What need to be better communicated?
4. Are there gaps?
5. What should you stop doing?
6. Does there need to be more training?
 - a. Compliance?
 - b. Diversity?
 - c. Business practices?
7. Is there transparent communication throughout the organization?
8. Does communication cause faculty and staff to be proactive or reactive?
9. Is technology used effectively?
10. How are priorities communicated? Local level and up? Are they different by district?

Interview Assignments

Ken Jones – Programming – Hayley

Gary Palmer – ANR – Joanna

Ann Vail – FCS – Dayna

Mark Mains – 4-H – Charlene outgoing – Hayley
Jeff Young – county compliance – Frankie
Laura Skillman – Communications - Faith
Jimmy Henning – Former Extension Director- Faith and Frankie
Dean Craft - District Board member in Knott County –Hayley
2 District Directors - Dayna

CAFÉ' Communications & Marketing

Extension Marketing – Laura Skillman, Director

The following text is an overview of the extension communications/marketing efforts as reported by Ms. Skillman.

Success stories/public value pieces developed in program and staff development. They are also used by counties to build their annual report to the people.

- 32 public value pieces are currently on the Extension web site.
- 3 are sent each week through Extension social media channels. They are reposted on college social media.
- Extension annual report – posted on web, YouTube, social media. Printed copies are handed out at the Kentucky Association of Counties and at district forums. Each county has copies of the brochure, plus a poster is available online.

Extension garnered more than \$750,000 in earned (free) media in 2016. This does not count agent columns and many local county paper/TV/radio spots.

Ag Com 2016 numbers:

- 107 news releases related to extension have been produced.
- 13 extension-related stories in the last two issues of The Ag Magazine. That's 13 out of 27 articles.
- 16 news videos
- 55 educational/promotional videos
- 52 photo shoots
- Updated and deployed new web site designs for all 120 county offices.
- More than 140 Extension personnel were trained on marketing and logo usage. Trainings are offered throughout the year for annual conferences, department level meetings and specific groups with focus on marketing as well as are part of agent core training (for agents 1 year or less in the field)
- 78 agent exclusives (ghost written columns)
- 31 **From the Ground Up** radio programs for WUKY using area horticulture agents.

Marketing web site includes:

- 17 customizable banners are available for state and county extension personnel to use.
- Templates for newsletters and all daily office templates
- Instructions for counties ordering of outdoor signs and working with vendors

- Outreach email subscription for extension staff to communicate with marketing
- Photo tips
- Brand guides and quick tips
- Social media tips and templates for Facebook, Twitter, Flickr, Instagram, Pinterest and YouTube

Findings from Interview Questions

Here are the basic threads that were conveyed in the interviews:

- We have good flow of communication using technology: email, skype for business, zoom, but what we still excel at is face to face communication.
- Regular staff meetings every other month -- so 6 a year allows the same message to be delivered to all districts even though the relevance to each district might be different
- We need to work on message consistency from administration and a better mechanism for message delivery.
- Agents and Staff like the ideas of a **monthly newsletter** (lately every other month) – from the Extension Director, this is to communicate with all 7 districts – all 120 counties about what is happening in Extension
 - Reflections
 - Personnel changes
 - Organization Updates
 - Grants
 - Marketing
- Communication flow among administration needs improvement.
- Agent and clientele communication is good and strong county programs have been a key to our success.
- Agents do a good job of communicating program area information with clients, but we need to be reaching a broader audience. Some of this can be achieved through social media.
- New specialist have trouble getting numbered pubs approved in a timely manner and give up on the process due to timeliness and functionality.
- Good flow of information from the local office, especially in keeping Board and Council members aware of what is going on.
- Needs to be better communications from departments to other areas of extension.
- Instead of working with the program directors, everything is communicated directly with the DDs, skipping the program directors.
- We need to listen to our grassroots leaders more and preach to them less. We need to listen to their concerns and deliver accordingly. We also need to communicate and empower local leaders to effectively communicate extensions needs to stakeholders.
- Need more digestible content that can be shared across the state (good story, photo, not lengthy, link to the research) and possibly localized.

Gaps?

- Need more templates for digital newsletters, presentation materials- Power point templates. (Ag Com has these but maybe county staff are not made aware of what is available).
 - Guidelines for publication development , plagiarism issues
 - Social media guidelines and training – get information to the clientele faster
 - Too many people hiring their own department communication people with no line back to Laura and Communications and they don't know the guidelines or strategic priorities.
- n. We should stop building walls individually and across program areas. We need to work more in a team fashion across the board.
- o. Where it is possible, be more transparent and honest with agents explaining decisions and policy changes, this will make people feel invested.
- p. We need to do more, especially with social media.
- q. We have conducted a lot of training, but keeping agents up to date on business practices, diversity and compliance is a good idea.
- r. More training on how to communicate verbally.
- s. How do we do a better job of reaching more diverse audiences?
- t. We need more training as board members. More compliance and business training. Especially for new board members and when there are major changes.
- u. ethics – diversity – sexual harassment – need online courses
- v. **Compliance?** Yes – we have difficulty with compliance – counties are often autonomous
- w. **Diversity?** All Civil rights and diversity training is given every 4 years
- x. **Business practices?** Ongoing – need consistent Best business practices
- y. Need more technology training – we have 7 district techs paid for by extension but managed by Ag Communications there is some disconnect.
- z. Need a communications/public affairs person in the Extension Director's Office (*this may be the marketing person recommended by Ms. Skillman*)
--To help frame messaging
--Communications curriculum for training
- aa. Need more impact reports that show the value of the extension work in counties and districts
These success stories/impacts are used to tell extension's story and the rubrics to support the value and should be distributed through social media.

Recommendations

- **Add Extension marketing position** (*Ms. Skillman put together the job outline*)
Realign exhibit position to become extension marketing focused position likely summer 2017. Add exhibit installation/contact with venues to stores supervisor position (already assists when needed in unofficial capacity).

- Work with Ag Com director and Extension admin to develop marketing strategy in line with overall college marketing strategy and messaging.
 - Develop marketing/promotional materials for extension on state, program and county level in collaboration with college marketing manager.
 - Train agents/support staff on use of marketing materials.
 - Assist Program and Staff Development with impact statement writing training so they can be more fully utilized for various venues.
 - Assist with extension social media and training
- Concerns about the **responsibilities for the marketing position**. First, add some internal communication responsibility to the Extension Marketing position. Maybe a 70/30 or 60/40 split? That would solve both the marketing, messaging and internal communication struggles that Dr. Henning, Dr. Young and others mentioned, while only adding one position. Since middle management seems to be the focus right now, a position with Ag Communications that covered both sides (internal and external/marketing) and a reporting/dotted line to Dr. Young or the Extension Director would allow for the creation of the position without a pull on resources. And Laura's description is already adding in some internal communication with the training piece. This person could easily help to frame broader messaging within the director's office and DDs.
 - When funds are available, establish **area communicators (3)** that work with DDs and Counties to develop success/impact stories, work with media and tell the UK extension story through social media. These could be repurposed agents. They also serve as a conduit to the Central communications office. These positions can also help with agent training related to communications and technology.
 - As important as communication is to the long term success of Kentucky Extension, **accountability** seems to be the bigger issue at the moment. So the concern is that while a communication position is needed in the director's office, administration would forgo that in favor of hiring either more DDs, assistant DDs, or accounting specialists, which would mean more lapses in communication. The idea is solid and adding in a little more detail to that description and creating a strong tie to Extension administration makes it a huge win.
 - Development of better standards to the **extension numbered publication process**. That should help to cut down on the time they sit with Ag Comm. Some of the pieces obviously needed a lot of work and strict standards would help to solve problems before they ever land at Ag Comm's door. Checking for plagiarism and proper citing is part of these standards.
 - Monthly or at least quarterly, **email program/extension update**. The Dean's new monthly college newsletter is a step in a positive direction, but have one specific to Extension as well. One that tells us what administration is working on, how we're

keeping our elected officials updated on a state level, what we're working on to be relevant, what new curriculums are being considered, etc. District Directors could also repurpose the content by adding District specific information. These should be short paragraphs with links to more information or the complete story/website.

- Suggestions for topics:
 - Program updates:
 - ANR
 - FCS
 - 4-H
 - CRD
 - Government updates
 - New printed and/or online publications or curriculums
 - Recent News/video/radio stories or programs
 - Events – contact, links, phone numbers
 - Technology tips
 - Staffing changes
 - Goals of the organization
 - Suggested tactics to reach goals
- **Setup a communications advisory committee** made up of a cross section of faculty, agents and staff. This committee should meet at least twice a year. They would serve as a conduit for Campus, District and county employees. Communications would share updates, new directions, trainings, etc. Committee members would give feedback on services and bring to the table new needs or issues. The committee members would be on a 2- 3 year rotation for consistency and fresh ideas. The meetings would be documented and posted for others to view. The committee would select a chair that conducts the meetings. The meetings would not be conducted by communications.
- **Other potential changes in communications services** - Require alumni, student success and extension materials to undergo same editing process that Equine and other college level materials undergo through Ag Comm. Keeps communication materials centralized and ensures appropriate editing/design and branding guidelines.