

Guidelines for County Budget Shortfalls

A financial crisis is a time of high stress for everyone involved. The best solution to this problem is not to have it happen. Creating a situation where local OSU Extension programs are so highly valued that reduction or elimination of county funding is not a consideration is our goal. However, the reality is that situations occur where a County Board of Commissioners may face funding shortfalls that they are left with no choice but to consider cuts. Other issues may also cause Commissioners to cut funding, so investigation of the cause and what is happening with other county agencies is important.

During times of uncertainty, it is important that the County Director and staff develop strategies for communicating with each other as well as stakeholders and elected officials. The Regional Director will be your guide in proposing strategies. Final decisions related to downsizing remain with the Director and Executive Committee. Seek information and support from OSU Extension Human Resources, the Business Office, Government Relations and other administrators, but develop plans and strategies in conjunction with your Regional Director.

Part I -Working with Elected Officials and Stakeholders to Restore Funding

Although prevention is the most desirable situation, here are guidelines to follow when a county budget shortfall occurs.

Communicate

The most important point to make through this process is that you must communicate frequently, effectively, and with many people. The first step is to determine who needs to be informed about the budget shortfall or potential shortfall, and to contact those individuals. A basic list of people to be contacted immediately should include:

1. Other personnel in your county office
2. Extension administrators, including your Regional Director, Director's office and Government Relations office
3. Program volunteers, clients and stakeholders

The key thing to communicate is facts. Budget reductions are very emotional. As the County Director, you must function as a leader and a manager, and provide the example to the rest of the office as to how to work through the situation. We all need time to vent, and to deal with our feelings. Allow time for yourself, and for your county staff, to do this in private. Then move forward. Identify the things that you can do that will make a difference in the current situation. Create a role for everyone in the office to play in your campaign to reinstate funding.

Plan and Act

Identify as many options as possible for actions that can be taken to remedy the situation. Each case is unique, but some options include:

1. Activate volunteers, stakeholders and program participants to let County Commissioners know how much they value Extension programs.
2. Provide documentation of program impact and effectiveness for your high profile programs.
3. Talk about how you leverage dollars. For more information about how to do this, see the fact sheet “Leveraging Money for Impact.”
4. Explain ways in which you cooperate with other entities to save money and prevent expenses through both programming and office management.
5. Consider public meetings where large groups of people can come together to show their support.
6. Consider a media campaign. Budget cuts are newsworthy events. Involve staff from Communications and Technology to provide assistance. Tell your story through both staff and volunteers. Provide information in writing so that you have a paper trail and increase the chances for accurate reporting. Encourage volunteers to play the role of speaking “from the heart” about why the program matters to them. If you are in a more rural county, the media market that serves your county may still be interested in the story. Don’t count yourself out of media coverage, use all available media.

Other key points throughout the process include

- State facts, but put the most positive “spin” on them that is possible.
- Involve the Government Relations office, who can assist with the political aspects of the issue.
- Think politically. To whom will the County Commissioners be most inclined to listen? Can you find a way to have those individuals speak on your behalf?
- Put yourself in the place of your Commissioners. They are probably not enjoying cutting your budget. If they can be an ally, give them ways to help.
- Find ways to create an outcome where everyone wins. Find ways for the Commissioners to change their mind about the cuts without making them look ineffective.
- Don’t get bogged down in the details. Strengths of each program area probably need to be shared. However, don’t try and educate people about every single thing that your office does. Emphasize the high impact, highly supported efforts within each program and talk about why your county can’t afford to be without them.

Know the Options

It is important to know what the law allows and requires. The portions of the Ohio Revised Code (ORC) that discuss OSU Extension are sections 3335.35 – 3335.37. Basically, the County Commissioners are required to provide, “offices ...in which bulletins and other educational materials of value to the people may be consulted and through which the employees may be reached.” The complete text of these documents is available on line at: <http://onlinedocs.andersonpublishing.com/oh/lpExt.dll?f=templates&fn=main-h.htm&cp=PORC> .

The content of the ORC make OSU Extension an entity that is not mandated to be funded by law at any greater level than what is quoted in the preceding paragraph. However, the ORC also provides the option of a tax levy to fund OSU Extension. This is considered by Extension to be desirable only as a final step prior to loss of the county’s entire Extension program. Support from the county’s General Revenue Fund is always preferable to levy funding when it is available. The levy can only be used for OSU Extension, and it continues

for five years. Every five years, the levy must be returned to the ballot for a vote of the citizenry.

Another resource that may be helpful is the County Commissioner's Association Handbook. The final chapter of the book explains OSU Extension to County Commissioners and is available at: <http://www.ccao.org/06.htm> . At this site, click on "County Commissioners Handbook" and scroll down to Chapter 136.

Part II – Strategies for Down Sizing & Prioritizing Programs

Every county's situation will be different. As a result, this guide outlines only general principles that need to be followed. Remember the importance of communication and working with your Regional Director (RD) in developing a strategic plan for program/staffing and a budget plan.

A Strategic Plan should be developed: (within 30 days) it is anticipated that this will be a dynamic tool whose development begins with the first indication of concern and evolves over time. The Program Development unit has experience and can help you customize planning techniques to your needs and time line.

1. Skills and competencies of program staff most needed in rebuilding the county program and budget support
 - RD will be asked to assess performance history and depth of experience of staff.
2. Report of programming priorities identified by local stakeholders through rapid assessment process
3. Commentary on status of current/future interdisciplinary themes and initiatives established by OSUE
4. Report of priorities expressed by political or special interest groups
5. Summary of priorities of funders
6. Actions planned to:
 - handle short term issues identified
 - facilitate re-establishment of program and funding
7. Specific recommendations by County Director
8. Overview and staffing/program recommendations by Regional Director to Director and Executive Committee

A Budget Plan should be developed and updated as new information becomes available, this should start within the first 10 days of awareness of budget problems.

1. Planned expenditure of funds available
2. Funding history and current assets (including checking account, carry over, grants and contracts, and liabilities)
3. Funds needed for reduction in force
4. County fiscal situation, tax levy or other anticipated changes

Reality Check –

1. Meetings with Commissioners/Director and Associate Director to expedite restoration of funding can be arranged at any time that a County Director/RD determine it is necessary.
2. Director/Associate Director will want to meet with Commissioners to be certain all options have been explored before all personnel are removed from the county.
3. There will be no membership programs (i.e. 4-H, Master Gardeners, etc.) in a county where no county/local funding is provided for Extension Educators.
4. County clientele will be welcomed at Extension educational programs in other counties or at centers, but may be charged a variable fee. Specialist visits to the county will be curtailed until funding is restored.
5. Budget cuts can occur for numerous reasons, assess the causes for the cut before developing strategies.
6. Competitiveness between local staff is likely to emerge during this process, Faculty and Staff Assistance and the OSU Extension Human Resources unit can provide support and assistance.

Part III – Current Policies and Guidelines

The following policy's are in place and should be reviewed and followed:

1. Guidelines for County Budget Shortfall (2003) – <http://www.ag.ohio-state.edu/~admin/handbook/section2.htm> , clicking on item 15
2. Procedures for Counties if the County is Anticipating a Budget Shortfall <http://osuebusiness.ag.ohio-state.edu/faqs.php#Gen>
3. Faculty Changes within OSU Based on Financial Considerations – <http://www.ag.ohio-state.edu/~admin/handbook/section3.htm> , click on item 9
4. Current HR Policy and Procedures – Contact HR Leader for the latest information. We have a culture of caring for people and making every effort to place employees in another position when staff reduction is needed
5. Reduction in Workforce: http://hr.ag.ohio-state.edu/payroll/payroll_forms.html
6. OSU University policies guide our actions:
 - Policy 2.40 Staff Severance
 - Policy 9.15 Reduction in Workforce: Unclassified Staff
 - Faculty positions are not given priority within the county; faculty appointments are departmental
 - Faculty may be reassigned during a reduction action
 - Policy 9.20 Reduction in Workforce: Classified Civil Service Staff
 - Seniority is used in classified civil service displacement issues
 - Rules for Classified Civil Service employees apply:
<http://hr.osu.edu/ccsrules/ccsrule1.htm>
7. Ohio Revised Code:
<http://onlinedocs.andersonpublishing.com/oh/lpExt.dll?f=templates&fn=main-h.htm&cp=PORC>
8. County Commissioner's Handbook: <http://www.ccao.org/06.htm> . At this site, click on "County Commissioners Handbook" and scroll down to Chapter 136.
9. Current Mission, Vision and Values: <http://www-bos.ag.ohio-state.edu/admin/mission.htm>