Operations Talking Points and FAQ

GENERAL TALKING POINTS

* The MU Office of Extension and Engagement is making a $2.7 million budget reduction for FY21, representing 12.5% of our general revenue allocation. All units at MU have been asked to make a 12.5% reduction as a result of the impact of COVID-19 on the financial condition of the state of MO and the university.
* In making these difficult decisions, we focused on three guiding principles:
* Maintaining our statewide presence
* Being an engaged university that represents land-grant university mission and values
* Prioritizing effectiveness, efficiency and stewardship
* The actions we’re taking are hard. But they’re also strategic. We’re positioning ourselves for long-term growth. We will continue to meet our mission to serve Missourians while respecting the need for an overall expense reduction.
* These decisions are the first wave of what we anticipate will be more difficult financial decisions before the pandemic and its effects subside.

ADMINISTRATION

* Administration and Support Units will take the following actions:
* Consolidating administrative support and leadership.
* Reducing our physical space to reduce our costs
* Renegotiating and reducing cost commitments with external vendors
* Increasing efficiencies

EXTENSION-WIDE

* Across MU Extension, we will reduce the four core program areas and continuing education units by an average of 11%
* Most on- and off-campus open positions will be held open except in cases of impact to statewide coverage or external funding is secured.
* We will implement payroll reduction measures for all benefit eligible faculty and staff as follows:
* Exempt (salaried) on-campus employees will take a temporary 10% pay reduction for 3 consecutive months in August, September and October 2020
* Non-exempt (hourly) employees will take a one-week unpaid non-working furlough during the month of August or September 2020.
* Off-campus faculty will have a **permanent** FTE adjustment. At this time, those who take **permanent** FTE reductions will not take further temporary pay reductions or furloughs.
* This is subject to change if additional budget cuts become necessary in the coming months.

OFF CAMPUS FACULTY

* In order to maintain our statewide presence, we need to think differently about our roles. We have talked for some time about a more entrepreneurial mindset, and now is our opportunity to embrace a new model for HOW we serve our state.
* Effective Sept. 1, all off-campus faculty will see **permanent** changes in their appointments. This applies to Field Specialist, CES & Instructor positions that are primarily county-based and not considered state specialists.
* Off-campus faculty will have an opportunity to increase their FTE by seeking grant funding and working with program directors and educational directors in growing fee-based revenue.
* These positions remain 12-month non-tenure track faculty appointments
* At the heart of this change is an opportunity. We’re all thinking now about how many counties our faculty serve, how much programming is expected. We’re going to work through these questions together.
* We will fill open off-campus positions where coverage is needed and when external funding is secured.
* We will work with the university to create clearer pathways for entrepreneurial activity.
* Our approach, our commitment to serving all 6 million Missourians, our role as an engaged university, all remain constant.

MOVING FORWARD

* We are planning now for what we know, while acknowledging there is still much we don’t know. No one can predict how this global situation will resolve.
* FY21 will hold additional challenges and we will make additional difficult decisions.
* MU Extension is full of innovators – together we will find a way to not just survive, but thrive, as a model of service to our state and its citizens.
* We are grateful for the dedication, talent and resilience of the people in MU Extension.
* We’re in the middle of some of the most challenging times we have experienced in our professional careers, and we are proud of how we have responded in the last 60 days.
* Together we will face our new normal with strength and courage.

**FAQ:**

**Q: Now that we’ve taken these steps are we protected? Will there be any more actions taken?**

A: I wish I could tell you that this was all we’ll need to do. The truth is that no one knows what more we’ll have to do. Additional withholds from the state and other circumstances beyond our control are possible – even likely. We’re planning as best we can for those now, but additional budget cuts and staffing changes are a possibility.

**Q: When you say the four core program areas and continuing education units are reduced by an average of 11% what does that mean? Does this include the temporary payroll reduction strategies or are these separate cuts?**

A: These are cuts to the on-campus programs and continuing education units that DO NOT reflect the payroll reduction measures. At this time, temporary payroll reduction measures are one-time cuts, whereas for program areas and continuing education units, each director made recommendations for ongoing budget cuts in those units.

**Q: What is the difference between exempt and non-exempt employees?**

A: Exempt employees are monthly paid faculty and staff; non-exempt employees are hourly, bi-weekly paid employees.

**Q: Will counties have the same coverage?**

**Q: Will we still have the same amount of programming in my area?**

A: We will work with counties to determine program priorities that are appropriately aligned with these changes.

**Q: Will there be a reduction of the amount of support MU gives to county offices?**

At this time we plan to continue to support the councils through supplying computers and internet access, accounting software and support, educational liability coverage, and 30% of local travel.  We have invested in a small number of counties to get to a ¾ time office.  The CES and RD have been notified when the funding will end for those counties.

**Q: Will there be any changes in charging mileage for traveling for programming?**

A: At this time, the university plans to continue to apply the state mileage rate and MU Extension plans to continue the shared costs with counties (70% county, 30% MU). The amount billed to the county is set annually based on a 3-years rolling average, so if less travel occurs, a reset will happen in the next calendar year.

**Q: Can an Extension Council offer to pitch in more money to cover the one week furlough for a non-exempt employee so they don’t have to take a week without pay?**

A: No.

**Q: If our pay is split between MU and the county, can the county still pay us during the furlough?**

A: No.