

**UNH Cooperative Extension**  
**Summary of State, County, and Federal Funding Issues**  
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**July, 2004**

**Overview**

Cooperative Extension is a partnership program which relies primarily on three-way funding through annual appropriations from the state, county and federal government. Grants, contracts, program fees and private contributions supplement core funds. A memorandum of understanding between the U.S. Dept. of Agriculture/Extension Service and UNH defines the University's responsibilities for program leadership and management. Memoranda of understanding exist between the University System of New Hampshire and County Commissioners to carry out the provisions of state law as reflected in RSA 24:10a: In addition to RSA 24:10a, there are two additional references in New Hampshire's RSAs pertaining to UNH Cooperative Extension including Chapter 24:10 and Chapter 187-A:6.

**State and County Funding**

State funding is provided through state legislative appropriations to the University of New Hampshire. Within the University System of New Hampshire's 04-05 biennial budget are twelve Program Appropriation Units (PAUs). Two of the PAUs in the budget pertain specifically to Cooperative Extension:

PAU 06-06-09 UNH Cooperative Extension (for State Extension work)  
FY 05: \$4,372,021

PAU 06-06-11 Extension Work in Counties (for County Extension work)  
FY 05: \$2,471,084

The total appropriation for these two PAUs combined is \$6,843,105 for FY 05.

Prior to 1987, county legislative delegations were routinely asked by UNH CE to pick up the increased salary costs for Extension employees. These increased costs were the result of USNH salary guidelines coupled with level federal funding. Recognizing that legislators wear "two hats" (i.e., legislators at both the "county" and "state" levels), their attention focused on whether the costs for salary increases should be provided by the county legislative delegations or through the state legislature. This question was the impetus behind creation of the "Legislative Study Committee on UNH Cooperative Extension," (established on May 25, 1987 – Chapter 315:1 laws of 1987 – HB #367FN-A). The conclusion of this study was that fringe benefits and the cost of future salary increases (including the county and federal share) would be funded by the state through the University System budget. Consequently, this resulted in a cap on appropriations by the county legislative delegations for their level of salary support for professional

Extension personnel in counties. This cap totaled \$758,472 which was the level of funding from counties for partial support of professional salaries in 1988.

In 1994, another Legislative Study Committee was established (Chapter 157 of the laws of 1994). One of the key charges to the committee was to determine the extent to which recommendations of the 1987 legislative study committee were implemented. The 1994 legislative committee concluded that the cost of salary increases for UNH Cooperative Extension employees had been provided by USNH/UNH since 1988. The committee recommended continuation of the "1988 agreement," that the cost of salary increases be provided by USNH/UNH through its state appropriation.

In 1995, new memoranda of understanding (MOUs) were negotiated in all ten counties. It was further understood through these MOUs between County Commissioners, UNH, and USNH, that the University of New Hampshire would provide salary increases and all fringe benefits. In turn, county government supports the operating costs associated with the ten field offices as well as the 1988 capped amount in salary dollars for County Extension Educators. The MOUs were renewed in 2000 and are scheduled to be reviewed every six years. The MOUs are similar in all ten counties.

The MOUs recognize the establishment of a County Extension Advisory Council in each of the ten counties for the purpose of sponsoring, guiding and advising Extension work in accordance with a Statement of Operating Procedures filed with the county commissioners and with the Board of Trustees of the USNH. The county Extension councils operate in every county and are each comprised of 14 members. In addition to the 12 citizen volunteers, one member of the county delegation and a representative of the county commissioners serve on the council.

Funding amounts vary in each of the 10 counties. Each county legislative delegation appropriates county funds to supplement state and federal funds. Typically, each county appropriates a portion of the professional salaries and provides for all support costs (such as, office space, secretarial, program support). Total appropriations from counties in 2004 totaled \$2,639,902.

When the state biennial budget for FY 04-05 was signed into law and provided for flat funding in FY 04 for the University System of New Hampshire, Cooperative Extension faced a deficit of over \$780,000. This deficit took into consideration all revenue sources and fixed expenses for Cooperative Extension including increased fringe benefit rates and salary increases. In addition to level state funding, federal appropriations (Smith-Lever) for Extension have had no significant increase for approximately ten years. Finally, counties had not been asked to increase their level of county educator salary support since 1988 as previously explained. These factors, combined with minimal FY 03 savings through staff vacancies, created the budget deficit.

Consequently, in FY 04 Cooperative Extension (CE) reduced its budget base through a combined salary and associated fringe reduction of \$780,000. The reduction was accomplished through a salary separation incentive plan and twelve staff voluntarily

decided to separate. This helped the budget situation but cut deeply into CE's staffing levels. Of the twelve individuals, seven were county and five were campus-based staff. Given these reductions and no other funding source to turn to, some counties increased their budgets for salary support to partially fill some county-based positions (e.g., \$25,000 in Sullivan County for the Extension forester position).

### **Federal Funding (Smith-Lever)**

Federal funding for Cooperative Extension is provided primarily through the Smith-Lever Act which was the legislation establishing Cooperative Extension in 1914. New Hampshire receives \$1.9 million in federal funding (Smith-Lever).