

Assessing and Improving Cost Recovery and Revenue Generation Efforts at the University Of Maryland Extension

Lisa Carolina Gonzalez, MS
University of Maryland Extension
lisacgo@umd.edu

Outline

- UME Cost Recovery Review Process
- The Value and Need for Revenue Generation in Extension
- Best Practices
- Challenges and Successes
- Strategies for Communication
- Ideas for Collaboration



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PARTNERSHIPS AND FUNDING

Objective 2.2 Strengthen existing and establish new partnerships and funding streams to maximize achievement of UME's mission and vision.

Strategy 2.2.1 Foster partnerships with government agencies, not-for-profit organizations, other state Extension services, and faculty and staff from UMD, UMES, and other USM institutions to increase multidisciplinary programs

Strategy 2.2.2 Diversify revenue sources including fee-based programming, cost recovery, endowments, and new public funding

Strategy 2.2.3 Enhance relationships with national, state, and local elected officials



UME Cost Recovery Review Process

- Form Cost Recovery Workgroup
- Survey faculty, staff and administration
- Review efforts from other states
- Connect with other states for mentoring
- Develop recommendations for UME administration
- Edit Cost Recovery Guidelines
- Educate faculty, staff and stakeholders

What is the value of and need for revenue generation/cost recovery efforts?

Have you read the cost-recovery guidelines within the past two years?

#	Answer	Bar	Response	%
1	Yes		26	37.68%
2	No		43	62.32%
	Total		69	100.00%

Once you've collected cost recovery funds, do you know how to handle/allocate that money back to the proper accounts?

#	Answer	Bar	Response	%
4	Yes		38	62.30%
5	Maybe		11	18.03%
6	No		12	19.67%
	Total		61	100.00%

Other Trends:

- All administrators would like training for faculty/staff
- Cost recovery guidelines needs to be more user-friendly and program specific
- Differing faculty concerns related to audience ability to pay and public value
- Educators concerned about “mandating cost recovery”

Other Trends:

- Educators bring in funds through a variety of methods
- Inconsistencies across state and across program areas
- Money is not always handled properly
- Program fees and no-shows
- *What trends are you seeing in your states?*

What are some best practices for implementation of cost recovery policies?

Best Practices

- Assess current practices
- Approach from a holistic perspective
- Provide training and resources related to a variety revenue generation practices
- Have a web-based site for resources
- Make the process user friendly

APPENDIX B Cost Recovery Worksheet
(Located on the Administrative Services Web Site under "Forms")

PROGRAM/SERVICE _____

STAFF MEMBER (S) _____

DATE _____

COST RECOVERY OPTIONS
 No Cost Recovery _____ # of Anticipated Participants _____
 Partial-Cost Recovery _____
 Full Cost Recovery _____

Program and Service Costs

	Notes	Budget
Equipment/Depreciation		
Honorariums (food, mileage, fee & etc.)		
Planning costs/Development		
Postage and Advertisement		
Publications and Handouts		
Refreshments/Meals		
Room Rental		
Supplies and Materials		
Telephone		
Travel (Mileage and Transportation)		
Other Costs		
Total Program Costs		\$0.00

Salary/Benefits and Other Costs

Support Personnel	Hours	Avg \$/Hour	Benefits	Total Cost	Other	Budget
	0		0	0	0	0
	0		0	0	0	0
	0		0	0	0	0
	0		0	0	0	0
	0		0	0	0	0
	0		0	0	0	0
	0		0	0	0	0
	0		0	0	0	0
	0		0	0	0	0
	0		0	0	0	0
	0		0	0	0	0
Total Salary, Benefit and Other Costs			0	0	0	\$0.00

Total Cost _____ \$0.00
 Facilities and Admin Costs _____
 Grand Total _____ \$0.00

Include if full recovery option is required

**Benefits calculated at a rate of 20% of hours multiplied by \$ per hour
 Ex: 20 personnel hours x \$15/hour equals \$150 x .20 equals \$42.

What are some best practices for training related to cost recovery/ revenue generation?

Best Practices

- Have targeted trainings
 - Faculty, staff, administration, stakeholders
 - Program specific
- Have a layered approach to training
 - New educator training
 - Video training
 - Regular training for all educators
 - Website/factsheets available to educators

What some strategies for communicating with stakeholders?



Challenges



Challenges



- Faculty and stakeholder buy-in
- Time and money to review and improve policies
- One policy does not fit all
- Fear of backlash
- Reporting fatigue

Successes



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Committee Final Recommendations:

- Form a larger task force/committee or hire a consultant to do a more formal assessment of current practices and to design a better system for acquiring, handling, and spending monies.
- Take a holistic look at revenue enhancement at UME and create a plan/guidelines that is inclusive of all these methods
 - User fees/cost recovery
 - Grants
 - Endowments and gifts
 - Sponsorships
 - Fundraising
 - Contracts
 - Publications and products

Committee Final Recommendations:

- Make the cost recovery guidelines more user friendly
- Address consistency and fairness issues that vary by county, cluster and program.
- Set an expectation for educators to bring in money and evaluate this effort
- Implement a layered approach to training and professional development on the topic of acquiring, handling and spending monies for new and seasoned educators.
- Maintain communication with employees, partners, government funders, stakeholders and program participants.
- Streamline methods for accepting payments and donations, ensuring they are user friendly for all involved.

Opportunities



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