

# RCAS Panel

## Budget Reductions and Research Farms

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# Ohio Agricultural Research and Development Center



# Ohio Agricultural Research and Development Center

- A 2000 acre campus located in Wooster, Ohio
- Considered to be the largest agbiosciences research and development center in U.S.
- Part of the College of Food, Agricultural and Environmental Sciences (CFAES) at Ohio State University
- Separate line item in state of Ohio budget
- OARDC and Extension line items account for 85% of CFAES budget.

# OARDC Farms and Research Station Structure

- **OARDC Departmental Farms**
  - Farms controlled and operated by academic departments.
  - Departments provide staff and equipment to operate farms.
- **OARDC Research Operations**
  - Central Farm Operation including grounds and feedmill
  - Provides support for plant and animal units
  - Manages land not controlled by departments
  - Manages some husbandry and caretaker responsibilities related to animal units

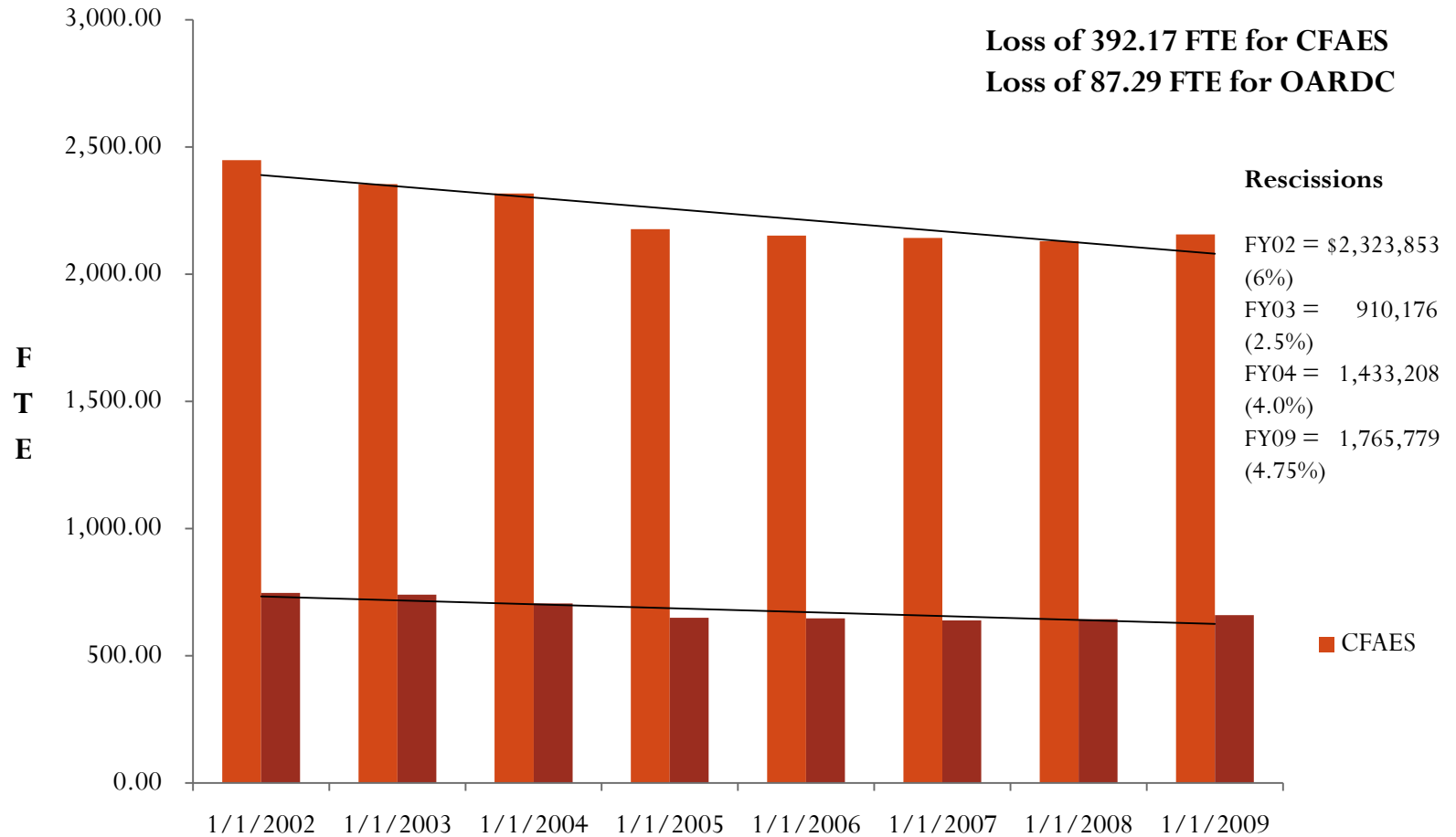
# OARDC Farms and Research Station Structure

- **Outlying Agricultural Research Stations**
  - Personnel, equipment, operating budgets funded centrally
  - Investigators provide funds for part-time labor, equipment and supplies depending on nature of project
  - Eight locations throughout the state of Ohio
  - Total acreage 4,735
  - Average annual budget \$1.98 million excluding special equipment, facility construction and renovation, and funding provided by faculty and other sources.

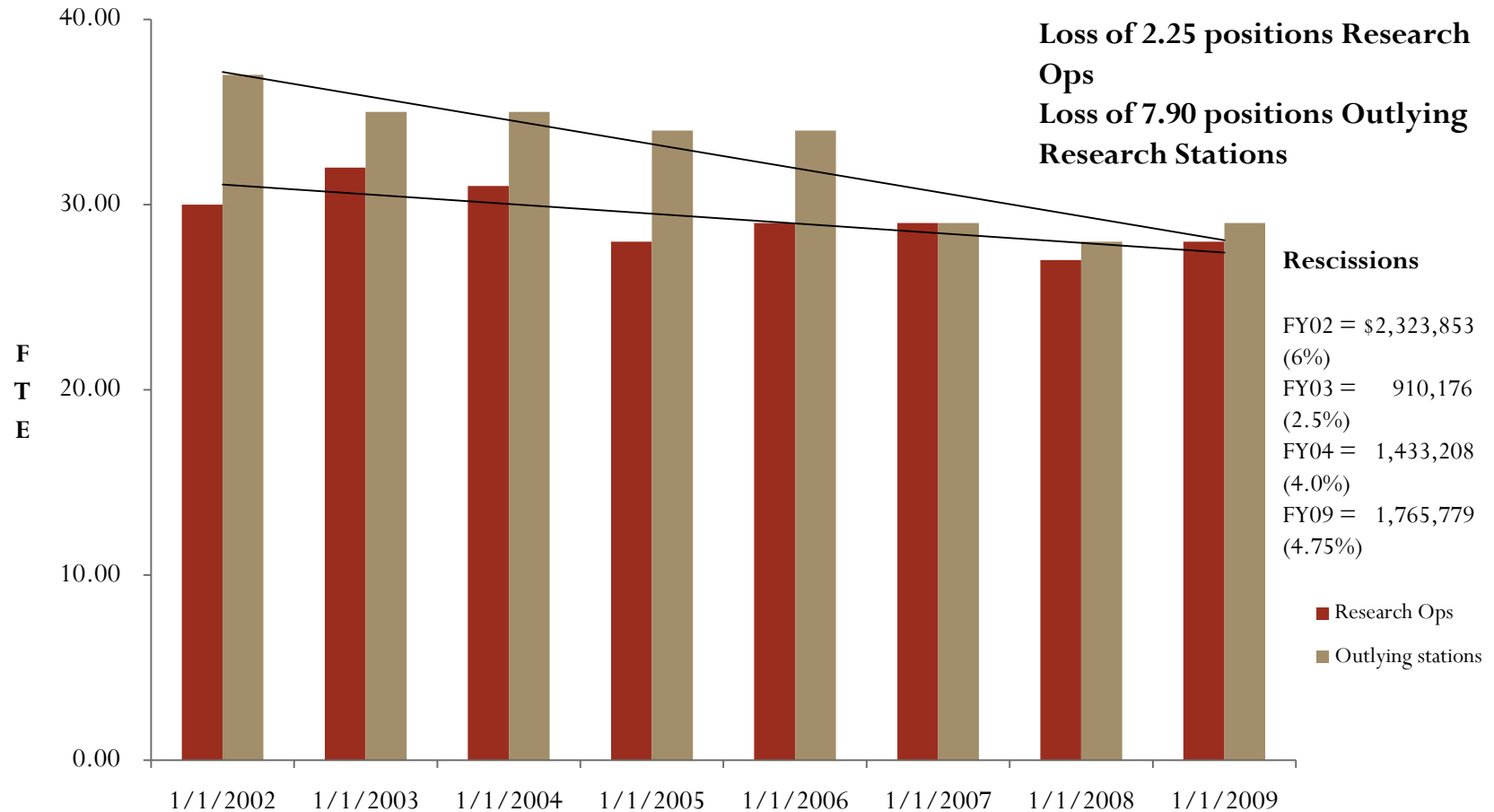
# Budget Decisions Impacting Farm Operations at OARDC

- State of Ohio has a biennial budget
- Since 2001 there have been 6 budget rescissions
  - FY 01 - \$387,309 (1%)
  - FY 02 - \$2,323,853 (6%)
  - FY 03 - \$910,176 (2.5%)
  - FY 04 - \$1,433,208 (4.0%)
  - FY 05 – FY 08 – level funding, 3.3% increase in FY 08
  - FY 09 - \$1,765,779 (4.75%) in October, exempt for additional 5.75% rescission for other state agencies January 2009.
  - Held service departments (includes Research Operations and Ag Research Stations) harmless except for internal reallocation of funds for salary and benefit increases that impacted positions.

# Changes in FTEs for College and OARDC



# Changes in FTEs for Research Operations and Outlying Research Stations





# Changes Implemented in Operations of Outlying Research Stations

- One research station closed in FY 03
- Advisory committees for each station
- Four- year plan for each station
- Four- year business plan for overall operation of Outlying Research Stations for personnel and operating budget
- Flexibility for stations to negotiate contract research with industries, encourage revenue generation
- Informal establishment of cost-sharing between stations and investigators in lieu of plot fees

# Changes Implemented in Operations of Outlying Research Stations

- Sale of research animals with funds reverting back into operating budgets of each individual station.
- MOUs negotiated with Animal Science department as to how these funds from excess research animals can be utilized – mostly for operational costs at station locations.
- Research closely tied to industry needs and economic development.

# Future

- Awaiting Governor's FY 10-11 budget, possible 10% reduction in annual base budget for state line items.
- Sale of land to create endowment for Ag Research Stations.
- Preparing budget models to address potential 10% reduction.
- Service departments will be impacted, likely reduced operating budgets.
- Can reduction in operating budgets be buffered through increased research activity, private contracts, or other means of revenue generation?
- If not, what services may be eliminated or reduced?
- In discussion with academic departments about management of departmental farms – what is sustainable model?