ANNUAL PERFORMANCE REPORT Part 1: Agency Summary

Agency: Agriculture, Department of

Mission Statement:

The mission of the Minnesota Department of Agriculture (MDA) is to foster and maintain a diverse agricultural industry that is economically profitable and environmentally sustainable; to protect public health and safety; to provide consumer protection and to assure orderly commerce in agricultural and food products.

The customers for department services are producers, processors, retailers, exporters, and consumers of agricultural products; agricultural societies and associations; farm groups and organizations; local, state and federal government agencies; and the public-at-large.

The department is organized into three program areas: Protection Service, Promotion and Marketing, and Administration and Financial Assistance.

The Protection Service is responsible for:

- Protecting the public health and safety and preventing fraud in the manufacture and distribution of food, animal feeds, fertilizers, seeds, pesticides and similar items.
- Ensuring a safe and wholesome food supply by administering inspection and regulatory programs that encompass production, processing and consumption.
- Administering programs to protect water quality and related natural resources and human health.
- Inspecting and certifying both bulk (or raw) and processed Minnesota agricultural products so that they enter into intrastate, domestic and international markets without delays or restrictions.
- Identifying and promoting voluntary and regulatory practices that protect the environment, i.e. agricultural chemical Best Management Practices (BMPs), exotic pest interception, etc.
- Leading and/or coordinating a network of state, local and federal regulatory programs so as to avoid duplication and use resources efficiently.

The Promotion and Marketing program is responsible for:

- Developing and promoting markets for agricultural products through the development of farmers' markets, direct assistance to farmers and small businesses, food show, etc.
- Assisting agricultural industries by investigating marketing conditions and providing information and marketing assistance to those wishing to export into foreign and domestic markets.
- Providing educational resources and information to increase consumer understanding and appreciation of agriculture's important social and economic role.
- Providing administrative support and financial supervision regarding commodity research and promotion councils.

Part 1: Agency Summary (Cont.)

The Administration and Financial Assistance program is responsible for:

- Providing department-wide support services, including administration, personnel, office management, information services, accounting and planning.
- Administering financial assistance programs that assist agri-businesses and persons wanting to enter agriculture as a vocation.
- Encouraging land stewardship programs that protect against the unnecessary conversion of agricultural land and promote and environmentally sustainable agriculture.
- Collecting and publishing agricultural statistics regarding the production and marketing of Minnesota agricultural products for use by producers, government and businesses.

To fulfill the department's mission and within the framework of Minnesota Statutes Chapter 17 and other statutory responsibilities, the department has adopted the following policies and goals to develop the agency budget plan for F.Y. 1994 and F.Y. 1995:

- Encouraging prevention-based regulatory strategies to protect public health and safety, with an emphasis on food safety.
- Fostering and stewardship and environmental protection by encouraging sustainable agricultural production and development.
- Working to diversify agricultural products and markets.
- Supporting family farms, with emphasis on livestock enterprises, and expanding value-added processing.
- Facilitating the competitive and orderly marketing of Minnesota farm products.
- Providing for constituent service and empowerment through greater consultation and involvement.
- Maintaining a productive work force and adequate service levels while streamlining.

ANNUAL PERFORMANCE REPORT Part 2: Program Information

Agency: Agriculture, Department of Program: Protection Service

Program Purpose: The mission of this program is to develop, administer and coordinate regulatory and service programs which support and protect producers, processors, distributors and consumers of agricultural products in Minnesota. This program will satisfy public health, safety and environmental protection goals required by state, federal or local laws and regulations designed to protect our natural resources.

The activities of this program result in promoting efficiency in agricultural production and in the processing and distribution of wholesome and properly represented agricultural and food products. One primary outcome of these activities is to ensure that Minnesota agriculture is financially rewarding for participants at all levels. The work of this program covers the agricultural sector from the raw input and soil preparation phase through the product growth period and preparation phase and through processing and final consumer purchase of agricultural products. The activities covered by this program touch on several Minnesota Milestones Indicators which are listed under OUTCOMES/INDICATORS.

The operational goals of this program are to:

- Administer laws and rules that protect public health and safety and prevent fraud in the manufacture and distribution of food, animal feeds, fertilizers, seeds, pesticides, etc.
- Administer environmental protection programs that protect water resources, food, land, flora and fauna quality; administer environmental clean up programs for agricultural chemicals; promote Best Management Practices (BMPs) for agricultural chemical use; prevent introduction and establishment of exotic pests through surveillance, etc.
- Provide services that ensure product quality, effective commodity marketing, effective and efficient farm practices and promote products to benefit the entire state economy.
- Ensure the availability of a wide variety of wholesome nutritious products.

The customers for these activities include farmers, manufacturers, processors, distributors, retailers, exporters and, ultimately, the consumers of these products.

These activities are carried out by employees in the following divisions: Agronomy Services, Plant Protection, Grain Inspection, Food Inspection, Laboratory Services, Dairy and Livestock, and Grain Licensing and Auditing.

Performance Objectives and Measures:

Part A - Agronomy Services

1. By the year 2000, 80% of the identified Agricultural Chemical Incident Sites will be assessed, closed or in the process of remediation.

Measure: Status of agricultural chemical incident sites by fiscal year.

					Objectives			
<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 1997</u>	<u>F.Y. 2000</u>		
Cumulative Closed	10	20	50	70	180	296		
Cumulative Identified	100	110	150	170	250	370		
Percentage	10%	18%	33 %	41%	72%6	80%		

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2A. Cumulative amount of waste pesticide collected and disposed through program.

Measure: Pounds of waste pesticides.

						Objectives	
	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1994</u>	F.Y. 1995	F.Y. 2000
Actual	60,000	80,000	193,500	333,500			
Prior Objectives		105,000	175,000	245,000		350,000	1,120,000

2B. Annual percent of total waste pesticide collected and disposed through program.

Measure: Percentage of total pounds collected out of a total of 3.5 million.

					Objectives			
	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	F.Y. 1994	<u>F.Y. 1995</u>	F.Y. 2000	
Actual		2.0%	5.5%	9.5%				
Prior Objectives		3.0%	5.0%	7.0%		13%	32%	

3A. Increase the monitoring of ground water resources in various landscapes of the state.

Measure: Cumulative percent of state ground water that has been evaluated by monitoring.

					Objectives			
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	F.Y. 1995	F.Y. 2000	
Actual	13%	13%	16%	27%	30%	30%	35%	
Prior Objectives				20%				

3B. Increase the monitoring of surface water in streams of Minnesota's primary watersheds.

Measure: Cumulative percent of watershed area in the state evaluated by surface water monitoring.

		,		Objectives			
	F.Y. 1990	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	F.Y. 1994	F.Y. 1995	F.Y. 2000
Actual		0%	1%	2%	3%	7%	10%
Prior Objectives				3%5			

4A. The total number of agricultural chemical facility inspections will remain constant or increase annually.

Measure: Number of agricultural chemical facility inspections completed annually.

					Objectives			
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	F.Y. 1994	F.Y. 1995	F.Y. 1996	
# of Inspections	306	364	387	330*	325	350	375	
* Calendar Year T	o Date							

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4B. The percent of facilities in compliance with state and federal law will remain constant or increase annually.

Measure: Percentage of agricultural chemical facilities in compliance with state and federal law annually.

						Objectives		
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	F.Y. 1996	
% Facilities in								
Compliance								
Non-bulk			70	80	85	90	95	
Bulk pesticide			1 0	95	95	95	95	
Bulk fertilizer			20	25	30	35	40	

4C. Timely, pertinent, compliance oriented, and user friendly information and education distributed to agricultural chemical facilities will remain the same or increase annually.

Measure: Number of fact sheets distributed annually.

						Objectives		
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	F.Y. 1996	
# of fact sheets			·.					
distributed annually	4	15	11	10	10	10	10	

4D. Several hundred additional chemigation sites will be required to be permitted by MDA staff as new fertilizer chemigation regulations become effective January 1, 1994.

Measure: Number of chemigation permits granted by the MDA annually.

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 1996</u>
# of Chemigation							
Permits granted							
annually	11	13	7	40	150	100	50

4E. It is anticipated that an unknown number of new or substantially altered bulk fertilizer facilities will be required to be permitted by the MDA each year as facilities consolidate operations, new markets are created, or when new rules or BMP's are adopted by the MDA.

Measure: Number of new or substantially altered bulk fertilizer facility permits granted annually.

						Objectives		
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	F.Y. 1995	F.Y. 1996	
# of new or substan	ntially							
altered bulk fertiliz	ær							
facility permits								
granted annually	50	95	69	53	75	100	125	

5. Regulated agribusiness facilities will improve rates of compliance to federal and state laws and rules. Product and label compliance will be monitored and violation rates reduced.

Measure: Percentage of Facilities in Compliance.

					Objectives	
<u>F.Y. 199</u>	<u>0 F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	F.Y. 1994	<u>F.Y. 1995</u>	F.Y. 1996
Actual						
Anhydrous Ammonia		70%	82%	90 %	99%	99%
Medicated Feed		71%6	62%	80%	90 %	90%
Seed Control	•	85%	86%	88%	90%	90 %
Prior Objectives						
Anhydrous Ammonia		50%	75%			
Medicated Feed		60%	70%			
Seed Control	•	-	-			

6. Landowners and persons in charge of public lands will continue or increase rate of compliance to noxious weed law and notices to control noxious weed infestations.

Measure: Percentage of Landowners in Compliance with Noxious Weed Law After Notice to Control.

						<u>Objectives</u>	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	F.Y. 1995	F.Y. 1996
Actual			90%	95%	95%	95%	95
Prior Objectives			-	-			

7. By the year 2000, assessments of adoption of Best Management Practices for agricultural chemicals and practices will be conducted and a followup assessment will evaluate the change in practices.

Measure: Changes in agricultural practices due to BMP's.

					Objectives	
<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>

Prior Objectives

Actual

Part B - Plant Protection

1. Provide accurate grading inspections of fresh fruits, vegetables and ornamentals to all financially interested parties within the state requesting our service within eight business hours of the request. These inspections are used by industry to ensure that the quality of produce is commensurate with the agreed upon price. One hundred percent of the inspections completed within 8 business hours of requests.

Measure: Appeals/reversals of inspectors decisions.

						Objectives	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	F.Y. 1995	F.Y. 2000
Actual Appeals	10	5	8	5	6	6	6
Reversals	3	1	2	1	2	2	2

2. To provide 100% of all interstate apiary inspections and certificates required done within the time frame indicated by the beekeeper. This is to maintain a profitable beekeeping industry in the state, provide an adequate pollination resource and keep out the aggressive Africanized honeybee.

Measure: Requested beekeeper interstate inspections.

						Ubjectives		
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>	
Actual		47	38	45	47	47	60	
Prior Objectives				45	47	47	60	

3. Seed Potatoes - To inspect and certify that all potatoes entered for seed certification fully meet the standards established under the Seed Potato Certification law and appropriate rules and regulations.

Measure: Acres of potatoes meeting certification requirements.

					Objectives		
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	F.Y. 1995	F.Y. 2000
Actual	21,871	20,865	20,663	15,553	22,500	23,000	25,000
Prior Objectives			21,911	23,090			

4. Gypsy moth - Damage from gypsy moth will be kept at \$0 level through 2000.

Measure: Estimated annual state/municipal costs for suppression programs.

<u>Objectives</u> <u>F.Y. 1990</u> <u>F.Y. 1991</u> <u>F.Y. 1992</u> <u>F.Y. 1993</u> <u>F.Y. 1994</u> <u>F.Y. 1995</u> <u>F.Y. 2000</u>

Actual

Prior Objectives

5. Exotic species - Economic and ecological damage from exotic species will be prevented or mitigated.

Measure: Losses of resources or commodities due to exotic species.

					Ubjectives	
<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>

<u>____</u>

Actual Prior Objectives

6. Shade tree - Urban shade tree problems will be reduced and kept at manageable levels.

Measure: Numbers of functional trees in communities will remain stable or increase.

					Objectives			
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	F.Y. 1995	F.Y. 2000	
Actual								
Prior Objectives								

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7. Phytosanitary - All phytosanitary certification prerequisites and inspections will be met so that the export of Minnesota grown and/or regionally grown commodities by Minnesota based companies will not be interrupted or delayed.

Measure: Number of shipment delays or rejections due to lack of required inspection and certification.

 F.Y. 1990
 F.Y. 1991
 F.Y. 1992
 F.Y. 1993
 F.Y. 1994
 F.Y. 1995
 F.Y. 2000

- - -

Actual Prior Objectives

8. Nursery - All required nursery stock inspections will be conducted so that there will be no delay or interruption in the intra/inter-state movement or export of nursery stock.

Measure: Number of nursery stock shipments rejected or delayed due to lack of required certification inspection(s).

					Objectives			
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	F.Y. 2000	
Actual								
Dia Oliveria								

Prior Objectives

9. Plant Pest Survey - To survey for endemic pests of economic importance and protect crops.

Measure: Surveys for economic insects, diseases and weeds increased by 10% by year 2000.

						<u>Objectives</u>	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>
Actual Survey							
Counties	60	60	62	62	63	63	70
Acres	24,653	25,550	28,300	28,663	30,000	30,000	35,000
Field observations	5,169	5,280	5,668	5,994	6,000	6,000	6,000
Prior Objectives:							
Counties			60	60			
Acres			25,500	25,500			
Field observations			5,300	5,500			

10. Survey information dissemination - Pest survey data is transmitted via MDA computer and accessed by county extension agents, growers, pesticide applicators and farmers to aid in the effective control of insect pests.

Measure: Number of pest reports published.

						Objectives	
]	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	F.Y. 1995	<u>F.Y. 2000</u>
Actual: Pest Reports	8	8	8	10	10	10	1 5
Prior objective:	-	- ·	8	8			

11. Plant Pest Detection - To detect for exotic (quarantine) pests of economic importance and prevent their spread.

Measure: Detect exotic pests by trapping.

						Objectives	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	F.Y. 2000
Actual: Traps set:	: 0	37	211	2,033	3,000	3,500	5,000
beetles captured		0	20	355	1,363		
Prior objective: Tr	raps:	20	50	100			
beetles Captured	• •	0	0	0			

12. Cooperative Agricultural Pest Survey - MDA and USDA cooperate in a national/international system to prevent pest introductions and/or establishment.

Measure: Store pest information on a regional, national and international database for access.

						Objectives	
<u>I</u>	F.Y. 1990	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	F.Y. 1995	F.Y. 2000
Actual: Pest records	4,500	4,600	2,850	2,500	2,500	-	-
transmitted to NAPIS							
Prior objective:		-	-	4,500	4,500		

13A. Biological control of pest insects - The Minnesota legislative through the Legislative Commission on Minnesota Resources (LCMR) has given grant money to develop non-chemical strategies to control pest insects.

Measure: The number of biological control agents released for insect control.

					Objectives	
<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	F.Y. 1995	F.Y. 2000
Actual Parasite releases						
European Corn Borer: 40,000	40,000	500,000	1,000,000	1,500,000	1,500,000	2,500,000
Cereal Leaf Beetle: -	-	-	-	2,000	4,000	10,000
Gypsy Moth: -	-	1,200	4,000	8,000	12,000	20,000
Grasshopper: -	-	-	-	1, 000	3,000	6,000
Prior objectives						
European Corn Borer: 5,000	10,000	100,000	200,000			
Cereal Leaf Beetle: 500	1,000	2,000	4,000			
Gypsy Moth: -	-	100	200			
Grasshopper: -	-	-	100			

13B. Biological Control of weeds - The Minnesota Legislature through the LCMR, has funded projects for the 1994-95 biennium.

Measure: Number of biological control agents released for weed control.

						<u>Objectives</u>	
<u>F.Y.</u>	<u>1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	F.Y. 1994	<u>F.Y. 1995</u>	F.Y. 2000
Actual: Parasite releases							
Purple loosestrife beetle	s -	-	-	-	4,500	5,000	50,000
Musk thistle weevils	-	-	-	2,000	5,000	8,000	25,000
Prior objectives							
Purple loosestrife	-	-	-	0			
Musk thistle	-	-	-	1,000			

14. Approve Genetic Engineering Permits - In 1989 MDA approved the first two field tests for genetically engineered plants in Minnesota. By 1992 this number increased to 12.

Measure: Approve field test proposals within specified time following guidelines.

						<u>Objectives</u>	
<u>F</u>	. <u>Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u> .	F.Y. 1995	F.Y. 2000
Actual: Number of							
field test applications	s 2	6	12	14	20	40	100
Prior objectives	0	0	4	6			

15. Efficiently issue permits for the interstate movement and importation of organisms.

Measure: Process all applications within 30 days of receipt.

						Objectives	
<u>F.Y</u>	<u>. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	F.Y. 1994	<u>F.Y. 1995</u>	F.Y. 2000
Actual: Number of							
applications processed	35	44	51	41	50	60	100
Prior objective		-	100%	100%			

Part C - Grain Inspection

1. To maintain a very high level of grain quality results under the U.S. Grain Standards Act by the next business day after the sample is received.

Measure:

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F,Y. 1993</u>	F.Y. 1994	F.Y. 1995	F.Y. 2000
Actual			95%	95%	95%	95%	95%
Prior Objectives			95%	95%			

2. To provide a very high level of service for official sample lot inspections.

Measure: Percentage of customers receiving official results the same day the sample is taken for official sample lot inspection.

					Objectives			
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	F.Y. 2000	
Actual			75%	75%	75%	75%	75%	
Prior Objectives			75%	75%				

3. To provide a high level of consistent accurate grain quality determinations to producers, companies, and merchandisers.

Measure: Maintaining federal designation and delegation as the official grain inspection agency in Minnesota.

					Objectives	
<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>

Actual Prior Objectives

Part D - Food Inspection

1. Ninety-five percent of all licensed establishments will have passing inspections (19,000 estimated inspections conducted FY 1994). (The measurement of this objective will be accomplished with a new computerized inspection program.)

Measure: Percentage of establishments passing inspection.

						Objectives			
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	F.Y. 1995	F.Y. 2000		
Actual	N/A	N/A	N/A	N/A	95 %	95%	95%		

2. Increase the number of food samples obtained and analytical data obtained to insure food safety.

Measure: Number of food samples obtained.

					Objectives		
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	F.Y. 1995	<u>F.Y. 2000</u>
Actual	6,540	6,859	6,373	6,354	8,000	8,500	10, 000
Prior Objectives	N/A	N/A	N/A	N/A	N/A	N/A	N/A

3. To increase educational contacts through seminars and brochures on the safe handling of food products to industry, consumers, public health agencies and academia.

Measure: Number of seminars or other educational contacts made.

					Objectives			
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	F.Y. 1994	F.Y. 1995	F.Y. 2000	
Actual	N/A	N/A	N/A	50	150	175	200	
Prior Objectives	N/A	N/A	N/A	N/A	N/A	N/A	N/A	

Part E - Dairy and Livestock

1. The Dairy Inspection Program will compete 100% of the required inspections with a compliance rate of 95% or better.

Measure: Inspections required and completed with percent compliance.

					Objectives	
<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	F.Y. 1994	<u>F.Y. 1995</u>	F.Y. 2000
Actual						
Inspections						
Required by Law 27,280	25,550	23,875	22,800	22,000	21,600	18,000
Percent Completed 106%	105 %	105%	107%	107%	107%	1 05 %
Percent in Compliance 92%	93 %	92%	92%	95%	95%	95%
Prior Objectives						
Percent Completed 100%	1 00 %	100%	100%			
Percent in Compliance 95%	95%	95%	95%			

2. The livestock program will license and bond 100% of all livestock buyers and provide weighing service, upon request, for up to 30% of Minnesota produced livestock.

Measure: Total livestock produced and livestock weighed by MDA and dealers bonded to purchase livestock.

						Objectives	
<u>F.Y</u>	<u>7. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>
Actual							
Livestock Produced8,1	00,000	8,000,000	7,990,000	8,500,000	9,000,000	9,000,000	8,000,000
Livestock Weighed 2,0	00,000	2,100,000	2,160,000	2,500,000	3,000,000	3,000,000	2,500,000
Percent of Live-							
stock Weighed	24%	26%	27%	29%	33 %	33%	31%
Livestock Bonds Held	429	417	410	404	400	390	340
Percent of Buyers							
Bonded	100%	1 00 %	100%	100 %	100 %	100%	1 00%
Prior Objectives							
Percent of Buyers							
Bonded			100%	100%			

Part F - Laboratory Services

1. Laboratory Services will provide efficient, cost effective analyses for the Department of Agriculture in support of it's regulatory activities. To ensure efficient, cost effective operations, the Lab will measure and compare its costs of producing analysis to outside accredited benchmarks. To ensure that the Lab is utilized in an efficient manner, the Lab will measure the efficiency of how samples are submitted to the Lab by its customers.

Measure: Percent efficiency and cost effectiveness based on Lab out put divided by Lab cost of operation.

						Objectives	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>
Actual	No Data	No Data	No Data	No Data	Establish	85%	95 %
					Baseline		

Prior Objectives

Measure: Efficiency	rating c	of Lab	utilization.
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					Objectives		
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>
Actual	No Data	No Data	No Data	No Data	Establish Baseline	85%	95%

Prior Objectives

2. The Lab will provide quality analysis in a timely manner to the regulatory divisions it serves. To this end, the lab will track performance against a comprehensive quality assurance program. Additionally, the lab will monitor its timeliness of analytical performance against turnaround times established with the programs served.

Measure: Percent of compliance with key quality assurance practices.

						Objectives	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	F.Y. 1994	<u>F.Y. 1995</u>	F.Y. 2000
Actual	No Data	No Data	No Data	No Data	Establish	85%	1 00 %
					Baseline		

Prior Objectives

Measure: Percent of analyses completed within preset time frames.

						Objectives	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	F.Y. 2000
Actual	No Data	No Data	No Data	No Data	Establish	85%	95%
					Baseline		

Prior Objectives

Part G - Grain Licensing and Auditing

1. Increase the percentage of licenses examined during a license year to 80% by the end of FY 1996.

Measure: Percentage of licenses examined during license year.

						Objectives	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	F.Y. 2000
Actual				70%	74%	78%	80%
T I I I							

Prior Objectives

2. Reduce the incidence of non-compliance with state agencies, rules and laws, as demonstrated by citations issued for non-compliance during examinations, to less than 10% of examinations performed by the year 2000.

Measure: Percentage of examinations that report that non-compliance has occurred.

						Objectives	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>
Actual			Ba	seline to be		le	ss than 10%
				determined			

Prior Objectives

ANNUAL PERFORMANCE REPORT Part 2: Program Information

Agency: Agriculture, Department of **Program:** Promotion and Marketing

Program Purpose: The mission of this program is to improve, expand, or develop markets and uses for the products of Minnesota agriculture, and increase consumer awareness of the value of Minnesota agriculture to the state.

The activities of this program include the Minnesota Grown program; processed food promotion programs; market research; administering the Commodities Promotion Act; the Agriculture in the Classroom Program; and value-added agricultural development initiatives, such as expanding ethanol, livestock and aquaculture production.

The activities covered by this program touch on several Minnesota Milestones Indicators which are listed under OUT-COMES/INDICATORS.

The operational goals of this program are to:

- Link Minnesota producers with potential buyers.
- Identify and quantify market niches (windows of opportunity) for existing or potential Minnesota products.
- Help producers to market products profitably by providing market information and analysis, assist with collective marketing (i.e. farmers' markets, cooperatives, etc.)
- Encourage Minnesota consumers and public sector institutions to buy more Minnesota products.
- Provide administrative services to promotion councils consistent with statutory responsibilities.
- Assist new industry through policy and technology development, and market establishment.
- Cooperate with the Minnesota Department of Trade and Economic Development (DTED) in areas of foreign trade and investment.
- Help students, teachers and the general public to understand agriculture and its relevancy to everyone's daily life.

Customers include individual producers/firms, associations of producers/manufacturers, agri-business, educators and school districts, and interested public parties such as Agriculture Utilization Research Institute, University of Minnesota, DTED, Department of Natural Resources and the Minnesota Pollution Control Agency.

The activities of this program are carried out by employees of the Market Development and Promotion division.

Performance Objectives and Measures:

1. To expand and diversify agricultural products and markets by increasing the production, processing and marketing of specialty crops and non-traditional livestock.

Measure: New fruit/vegetable sales generated by program activities.

					Objectives		
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	F.Y. 2000
Actual	N/A	N/A	N/A	N/A	\$1,350	\$1,450	
Prior Objectives			\$1,000*	\$1,250			

*In thousands

Measure: Total annual aquaculture sales.

					Objectives		
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	F.Y. 1994	F.Y. 1995	F.Y. 2000
Actual	\$2,600	N/A	\$4,600	N/A	\$6,600	\$8,000	\$20,000
Prior Objectives			\$4,600	\$5,500			

Measure: Licensed users of the Minnesota Grown logo.

				,		Objectives	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	F.Y. 2000
Actual	262	275	289	376	400	420	
Prior Objectives			289	280			

Measure: Percent redemption of Farmers Market/WIC coupons.

					Objectives		
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	F.Y. 1994	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>
Actual					60%	70%	75%
Prior Objectives			56%	55%			

Measure: Percent of WIC households receiving farmers market coupons.

					Objectives		
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	F.Y. 2000
Actual					30%	40%	90%

Prior Objectives

2. To provide marketing education and market-development related services to producers/processors/marketers.

Measure: Number of marketers, businesses, and organizations served by division educational programs.

				Objectives			
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	F.Y. 1995	F.Y. 2000
Actual	N/A	N/A	490	480	400	425	
Prior Objectives			350	380			

Measure: Responses to requests for assistance from producers, processors and marketers.

						Objectives	
	F.Y. 1990	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	F.Y. 1994	F.Y. 1995	F.Y. 2000
Actual	N/A	186	220	278	350	425	
Prior Objectives	N/A	150	220	300			
Measure: Number	r of regional/	national trad	e shows coord	linated.			
						Objectives	
	FY 1990	FY 1991	FY 1992	FY 1993	F Y. 1994	E.Y 1995	F Y 2000
Actual	<u>1.1.15/0</u> N/A	<u>1.1.1/21</u> N/A	<u>1.1.1/2</u> 6	<u>1.1. 1775</u> 6	7	<u>1.1. 1775</u> 8	5
Prior Objectives	N/A	N/A	5 7	6		•	
3. Expand value-a	idded processi	ng of products	and encourage	e expansion of t	the traditional livesto	ck industries in	1 Minnesota.
Measure: Market	share of eth	anol					
	, share of em						
						Objectives	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>
Actual	10%	17%5	29%	48%	50 %	60%	100%
Prior Objectives			27%	40%			
Measure: State et	thanol produc	ction canacity	(gallons in f	housands).			
	From Prome	·····	(g====== == == =				
						Objectives	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>
Actual	10,000	14,000	29,800	38,000	45,000	55,000	120,000
Prior Objectives			22,000	35,000			
Measure: Bushele	s of corn prov	ressed for ind	lustrial produ	icts (in thousa	unds).		
			ustini produ	iew (m mousu			
						Objectives	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>
Actual	10,000	14,000	19,000	33,000	40,000	50,000	70,000
Prior Objectives			19,000	30,000			
4 Increase public	understandir	of the role.	of agriculture	in Minnesota	economy and society	I	
4. mercuse public	c undersuman		or agricantare	in Willingsou			
Measure: Numbe	er of unsolicit	ed requests f	or educationa	l information	from Agriculture	in the Classro	om.
	EV 1000	EV 1001	EV 1002	EV 1002	E V 1004	E V 1005	E V 2000
Actual	<u>r.1.1990</u>	<u>F.I. 1991</u>	<u>r.1.1994</u>	<u>F. I. 1995</u>	<u>F.1.1994</u> 3.000	<u>F.1.1993</u> 3 200	<u>r.i.2000</u>
Prior Objectives			2,300	2 700	5,000	5,200	
			2,500	_ 2,700			
Measure: Schools	s receiving st	udent AgMag	and other ed	lucational res	ources.		
	EV 1000	EV 1001	E V 1002	EV 1002	E V 1004	E V 1005	EV 2000
Actual	<u> r. i . 1990</u>	<u>Г.1. 1991</u>	<u>F. I. 1992</u>	<u>F.I. 1993</u>	<u>F.I. 1994</u> 1 200	<u>F.1.1993</u> 1.2 5 0	<u>r.i. 2000</u>
Prior Objectives			1.050	1,150	1,200	1,230	
- 11-1 - 0 - 0 - 0 - 0 - 0 - 0 - 0 - 0 -			1,000	1,100			
			1	16			

Measure: Number of private sector donors to education programs.

						Objectives		
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	F.Y. 1995	<u>F.Y. 2000</u>	
Actual			83	87	95	102		

Prior Objectives

Measure: Amount of private donations to education programs (in thousands).

					Objectives			
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	F.Y. 2000	
Actual			\$87	\$92	\$100	\$110		
Prior Objectives								

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ANNUAL PERFORMANCE REPORT Part 2: Program Information

Agency:Agriculture, Department ofProgram:Administration and Financial Assistance

Program Purpose: The mission of this program is to provide overall policy direction and supervision of departmental programs, administer a variety of agricultural assistance programs, and to provide support services for the department.

The activities of this program enhance Minnesota agricultural production and processing capacity by creating programs that provide financial assistance to beginning farmers and agricultural businesses. The program also provides centralized administrative, planning, personnel, employee safety, office management, information support and processing, and accounting services to those departmental activities that work directly with producers and the support industry. Activities include making various grants, loans, payments, reimbursements and other forms of financial support to agriculture or to preserve and develop the state's agricultural resources.

The activities covered by this program touch on several Minnesota Milestones Indicators which are listed under OUT-COMES/INDICATORS.

The operational goals of this program are to:

- Give policy and administrative direction to departmental programs so as to fulfill statutory mandates within budgetary limits.
- Assist departmental activities regarding administration, information services, planning, personnel, employee safety, office management, and accounting.
- Administer land stewardship programs that encourage environmentally sound land use policies and sustainable farming practices.
- Administer grants to agricultural societies and associations and reimburse farmers for timber wolf-caused livestock losses.
- Provide affordable financing to farmers and small agribusinesses.
- Produce Minnesota Agricultural data for use by farmers, agribusinesses and others.

These activities are carried out by the employees of the following divisions: Financial Administration; Personnel and Office Management; Agricultural Planning and Development; Information Services; Rural Financing; and the Commissioner's Office.

Performance Objectives and Measures:

Part A - Financial Administration

1. To provide for the segregation of funds using appropriation accounts as provided by law.

Measure: Number of appropriation accounts/funds.

						Objectives	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	F.Y. 1994	F.Y. 1995	F.Y. 2000
Actual	105	10 5	102	100	105	105	100
Prior Objectives		100	100	100			

2. To complete 98% of all payments made to vendors within 30 days following the receipt of the invoice for the completed delivery of the product or service.

Measure: Percent of vendor payments made within 30 days in accordance with the prompt payment law.

				Objectives			
	<u>C.Y. 1990</u>	<u>C.Y. 1991</u>	<u>C.Y. 1992</u>	<u>C.Y. 1993</u>	<u>C.Y. 1994</u>	C.Y. 1995	<u>C.Y. 2000</u>
Actual	99.5	99.8	99.5	99.5	99.5	99.5	99.5
Prior Objectives		98.0	98.0	98.0			

Part B - Personnel and Office Management

1. Work related injuries will be reduced by 10% for fiscal year '95.

Measure: Number of work place injuries.

					Objectives			
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	F.Y. 2000	
Actual			63	60	60 °	54	45	
Prior Objectives			NA	NA				

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2. Agriculture-related (ingestion pathway) problems minimized in the event of an accidental off-site release of radioactive materials from either of Minnesota's two nuclear power plants. The Department will participate in the annual Federal Emergency Management Agency Drill and Exercise.

Measure: Successfully participating and passing the annual Federal Emergency Management Agency Drill and Exercise.

					Objectives			
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	F.Y. 1994	<u>F.Y. 1995</u>	F.Y. 2000	
Actual	Pass	Pass	Pass	Pass	Pass	Pass	Pass	
Prior Objectives								

Part C - Agriculture Planning and Development

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1. To increase awareness of sustainable management practices and technologies by demonstrating such practices and technologies at 40 sustainable agriculture field days each fiscal year.

Measure: Number of field days held for producers and agriculture professionals (instructors, county agents, etc.).

						Objectives		
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	F.Y. 1995	F.Y. 2000	
Number/Field Days	40	40	40	40	40	40	40	

2. To encourage judicious land use policies that protect against the unnecessary conversion of agriculture land to other uses by providing agricultural planning, technical assistance, and information services to 20 counties each fiscal year.

Measure: Number of counties receiving agriculture planning, technical assistance, and information services.

					Objectives			
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	F.Y. 1995	<u>F.Y. 2000</u>	
Number of Countie	s							
Assisted	6	7	17	20	20	20	20	

3. To collect, compile, and publish Minnesota agricultural statistics and data for use by producers, consumers, agribusinesses, and government agencies by publishing Agricultural Statistical Bulletins in FY 1994 and FY 1995.

Measure: Number of Agricultural Statistical Bulletins published annually.

						Objectives			
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>		
Actual	4,000	4,000	4,000	4,000	4,000	4,000	4,000		

4. To encourage producer and agri-business involvement in planning and implementation efforts addressing non-point source pollution in the Minnesota River Valley Watershed by June 30th, 1995.

Measure: Number of counties in which information is distributed. Number of farm organizations involved. Awareness survey.

					Objectives			
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>	
# of Counties	. 0	0	0	0	38	38	80	
#/Org's	0	0	0	0	13	13	13	
Awareness Survey	0	0	0	0	1	0	1	

5. To complete a statewide strategy and policy framework for state, local, and federal agencies regarding livestock waste utilization by June 30th, 1995.

Measure: Assessments of practices. Focus group meetings. Manure Best Management Practices (BMP) for each bmp region. Strategic plan/strategy.

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<u>F.Y. 2000</u>
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Part D - Information Services

1. Efficiently respond to requests for information services: A. Copying, word processing, graphics, mapping; and B. Computer programming, computer hardware and software installation, local area network connections and administration.

Measure: Number of requests for service received and responded to. For FY93 A=6840 B=427. Effeciency measure is still being developed.

				Objectives			
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>
Actual	NA	NA	NA	7267	7300	7300	7300
Prior Objectives	NA	NA	NA	6700			

2. Produce MDA licenses, permits, certificates within 3 working days of submission to IS.

Measure: Licenses produced by Information Services Division.

					<u> </u>	Objectives	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	F.Y. 2000
Actual	NA	NA	NA	16,695	35,000	35,000	35,000
Prior Objectives	NA	NA	NA	15,000			
% done within 3 day	's NA	NA	NA	100%	1 00 %	1 00 %	1 00 %

3. Respond to requests for computer data from the public.

Measure: Requests by telephone, facsimile and mail for computer data from outside MDA.

						Objectives		
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>	
Actual	NA	NA	NA	65	65	65	65	
Prior Objectives	NA	NA	NA	25				

Part E - Rural Finance Authority

1. Assist farmers with below market interest rate loans for the purpose of refinancing, restructuring, ag improvements and the purchase of real estate, machinery and breeding livestock (M.S. Chapter 41B and 41C).

Measure: 250 loans will be in the current biennium.

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>
Actual	77	61	78	61	125	125	
Prior Objectives	NA	NA	NA	NA	NA	NA	

2. Provide below market interest rate agri-business loans to create jobs in rural Minnesota.

Measure: Facilitate three agri-business loans by end of 1995 biennium.

					Objectives			
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	F.Y. 1994	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>	
Actual	NA	NA	NA	NA	2	1		

<u>.</u>....

3. Provide training and information on inter-generational transfer of farm operations, land, assets and management.

Measure: 60 workshops will be given this biennium to bankers, entering and retiring farmers, farm advocates, farm business management instructors and U of M Extension. All entering farmers and retiring farmers will have access to Minnesota Farm Connection data base to facilitate mentoring, share arrangements, renting and purchasing existing operations.

						<u>Objectives</u>	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	F.Y. 2000
Actual	NA	NA	NA	35 Wrkshps	30 Wrkshps	30 Wrkshps	
Prior Objectives	NA	NA	NA	NA	NA	NA	

4. Service closed loan portfolio including collection of payments, billing late fees, and working with farmers in financial distress to ensure the state's financial interest is adequately protected.

Measure: Dollars in portfolio to be serviced.

						Objectives	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	F.Y. 2000
Actual	8,500,000	10,200,000	13,900,000	15,200,000	21,700,000	28,200,000	
Prior Objectives	NA	NA	NA	NA	NA	NA	

Part F - Commissioner's Office

1. To serve rural Minnesotans who are in need of financial counseling and outreach services provided by the Minnesota Department of Agriculture's Farm Advocate Program.

Measure: The number clients served.

						Objectives	
	F.Y. 1990	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	F.Y. 2000
Actual	N/A	N/A	N/A	589	4,000	2,000	1,000
Prior Objectives	N/A	N/A	N/A	500			

Measure: Increased client projections are the result of weather conditions in the spring of 1993 which adversely affected agriculture and our rural communities. By F.Y. 2000, the client need is expected to decrease.

						Objectives	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 2000</u>
Actual							

Prior Objectives

ANNUAL PERFORMANCE REPORT Part 3: Substantiating the Performance Measures

Agency:Agriculture, Department ofProgram:Protection Service

Part A - Agronomy Services

Objective 1. By the year 2000, 80% of the identified Agricultural Chemical Incident Sites will be assessed, closed or in the process of remediation.

Measure: Status of agricultural chemical incident sites by fiscal year.

Definition: The cumulative number of agricultural chemical incident sites (excluding the emergency and sudden release sites) that have been assessed with no remediation, remediated, remediated with subsequent monitoring or are in the process of remediation divided by the cumulative number of agricultural chemical incident sites identified (excluding the emergency and sudden release sites.)

Rationale: The Minnesota Pesticide Control Law (M.S. 18B and 18D) and the Minnesota Environmental Response and Liability Act (MERLA) designate the Minnesota Department of Agriculture as the lead agency for agricultural chemical incident response. The MDA administers the Agricultural Chemical Response and Reimbursement Account (ACRRA) which provides reimbursement to responsible persons for remediation of agricultural chemical incidents. Agricultural Chemical Incidents consist of two different types of releases: 1) sudden, emergency releases or 2) accidental and incidental releases accumulated over many years prior to the inception of the program.

This outcome measures directly the progress of the program with respect to the accumulated accidental and incidental releases. Given the fact that the total number of contaminated sites is unknown (although the program staff estimates the number to be between 1,000 and 2,000), this outcome measure provides an indicator of the total number identified and the number in which appropriate action has occurred. The outcome measure provides an indicator of the backlog of sites as well as recognizes that the process to address each site from identification through remediation takes time due to the complexities encountered at each site.

Data Source: The MDA is required to provide an annual report to the Legislature regarding the activity of the ACRRA program and provide input to the annual joint MDA/MPCA report regarding the activity of MERLA.

Factors Beyond Agency's Control That Affect Performance: Statutory changes that affect ACRRA or MERLA could influence the performance. ACRRA Board policy which provides the reimbursement, could also affect performance.

Objective 2A. Cumulative amount of waste pesticide collected and disposed through program.

Measure: Pounds of waste pesticides.

Definition: The total annual amount of waste pesticide collected is tallied each year, added to previous years, and the sum is the cumulative amount of waste pesticides collected to date through this program.

Rationale: The MDA is directed by state law to establish and operate a program to collect waste pesticides. Participants voluntarily participate in the program when it becomes available in their region of the state. It is MDA's experience that approximately 10% of eligible waste pesticide in the target area is gathered at any given collection.

This outcome measure directly demonstrates that the program continues to provide a needed service. The number of participants and amount collected support earlier findings regarding the scope of the problem.

Data Source: The MDA maintains records of participants and waste amounts. The data is periodically updated with new information as waste pesticide collections occur. MDA submits annual year end report to MPCA regarding required hazardous waste reporting.

Factors Beyond Agency's Control That Affect Performance: This is a voluntary program and participants must first realize the value in properly managing stocks of waste pesticides. The MDA, along with other state and local government agencies, farm groups, crop protection chemical manufacturers and dealers unite to encouraged participation. Not everyone is motivated at the same level or time to participate.

Objective 2B. Annual percent of total waste pesticide collected and disposed through program.

Measure: Percentage of total pounds collected out a total of 3.5 million.

Definition: The total percentage of waste pesticides collected is based on the existence of 3.5 million pounds of obsolete, canceled and unusable stocks of waste pesticides and the actual quantity collected annually by the collection program. The actual quantity collected each year has been about 3.5% of the total estimated amount but that is not expected to be static. It may actually increase as the program continues to operate and becomes more widely acceptable by persons who in the past have resisted to participate.

Rationale: Data collected in a 1989 statewide survey of pesticide users and dealers provides evidence that approximately 3.5 million pounds of waste pesticide existed in Minnesota at that time. The removal of the projected 3.5 million pounds is used as a factor in determining the percent of waste pesticide removed from Minnesota's landscape as a result of this program.

The outcome measure directly demonstrates the continued success of the program to remove and eliminate stocks of waste pesticides.

Data Source: The MDA collects and maintains detailed records regarding information about the collection program. These records are updated periodically as collection projects are completed. The information is provided in annual summary reports.

Factors Beyond Agency's Control That Affect Performance: The quantity of waste pesticide held in storage in Minnesota may change. Individuals might become impatient to store the waste and elect to dispose of it in a less environmentally sound manner, or they might become motivated and participate in greater numbers. Also, factors such as new state/federal regulations or actions might increase the amount of waste pesticide generated in Minnesota.

Objective 3A. Increase the monitoring of ground water resources in various landscapes of the state.

Measure: Cumulative percent of state ground water that has been evaluated by monitoring.

Definition: The percentile fraction of the total of representative areas sampled, to the total possible areas in the state, are summed for each year as a running program total.

Rationale: The Minnesota Pesticide Control Law of 1987 directs the agency to monitor all water quality (M.S. 18B). The 1989 Ground Water Protection Act orders prioritization based on the DNR Sensitivity document. The Minnesota Pesticide Management Plan currently being developed will manage pesticides on a statewide "generic" basis, and locally on a specific chemical basis. Proper management of pesticide use in Minnesota is dependent on knowledge of where pesticides are, or are likely to impact ground water quality. The MDA will continue to progress toward complete monitoring of the rural agricultural and urban areas of the state

Data Source: The Minnesota Department of Agriculture database of water quality monitoring results; Land Management Information Center's database known as EPPL7 (Environmental Programming and Planning Language).

Factors Beyond Agency's Control That Affect Performance: Extremes in weather; water samples cannot be collected from dry wells, wells cannot be installed in saturated fields. Employee sickness or turnover; schedules are very tight, sickness can cause schedules to not be met; training new employees takes a fair amount of time. Land owner cooperation and participation.

Objective 3B. Increase the monitoring of surface water in streams of Minnesota's primary watersheds.

Measure: Cumulative percent of watershed area in the state evaluated by surface water monitoring.

Definition: The percentile fraction of the total of representative watersheds sampled, to the total number of watersheds in the state, are summed for each year as a running program total.

Rationale: The Minnesota Pesticide Control Law of 1987 directs the agency to monitor all water quality as it relates to agricultural chemicals (M.S. 18B.04). The Minnesota Pesticide Management Plan currently being developed will manage pesticides on a statewide "generic" basis, and locally on a specific chemical basis. Proper management of pesticide use in Minnesota is dependent on knowledge of where pesticides are, or are likely to impact surface water quality. The MDA will continue to progress toward complete monitoring of the rural agricultural and urban watersheds of the state. Since this is impractical in its complete sense the MDA will monitor enough watersheds to allow extrapolation either directly or by analogy.

Data Source: The Minnesota Department of Agriculture database of water quality monitoring results; Land Management Information Center's database known as EPPL7 (Environmental Programming and Planning Language).

Factors Beyond Agency's Control That Affect Performance: Extremes in weather; automatic water samplers can be washed away or rendered inoperative by floods, floods can also make it far too dangerous for staff to sample streams, dry weather can cause streams to stop flowing. Employee sickness or turnover; schedules are very tight, sickness can cause schedules to not be met; training new employees takes a fair amount of time. Land owner cooperation. Continued assistance of local units of government.

Objective 4A. The total number of agricultural chemical facility inspections will remain constant or increase annually.

Measure: Number of agricultural chemical facility inspections completed annually.

Definition: An inspection is tallied as an inspection when MDA field personnel use the appropriate MDA required form(s), and the form is complete and accurate. The federal fiscal year (October - September) is used for reporting purposes to the U.S. EPA. The report submitted to the EPA should serve as basis for comparison from year to year.

Rationale: Standardized inspection forms assure that facility inspections are done with consistency and uniformity throughout the state. All inspections done by MDA field personnel are reviewed after inspection to insure that the appropriate form(s) have been used, and that the inspection is complete and accurate. Only those inspections done that meet MDA protocol and are of the required form type are counted in the inspection number reported.

The federal fiscal year coincides well with the seasonality of fertilizer and pesticide use, storage, handling, and distribution in Minnesota.

Most of the larger agricultural chemical facilities are currently inspected every two to three years. This is a reasonable timeframe for inspection that insures compliance, which in turn assures protection of human health and the environment. Smaller facilities may be inspected less frequently due to their lower volume of agricultural chemical use, storage, handling, and distribution.

It is reasonable to expect that the MDA will be able to maintain its present level of facility inspections, or slightly increase its facility inspection numbers based on the numbers of facility inspections done annually, and the MDA's present staffing levels.

Data Source: Agronomy Services Division facility inspection database. All facility inspections are recorded using a unique site ID number. In addition, form type is tallied to insure that the appropriate forms are being used by MDA field personnel.

Factors Beyond Agency's Control That Affect Performance: The issuance of the annual enforcement grant to the MDA by the U.S. EPA. If these funds are cut back or eliminated, this will result in a reduced number of inspections being done annually.

Objective 4B. The percent of facilities in compliance with state and federal law will remain constant or increase annually.

Measure: Percentage of agricultural chemical facilities in compliance with state and federal law annually.

Definition: Facility inspections are reviewed internally by MDA staff for documented violations of state or federal law. Codes are assigned to the violations and then the violations are entered into the facility inspection database.

Rationale: The standardization of violation codes is the only true and accurate measure of non-compliance by facilities at the time of inspection. The violation codes are constantly being reviewed for applicability and accuracy by MDA staff.

It is assumed that if the number of MDA inspections remains the same or increases, that geographic and industry facility inspection saturation will have the affect of increasing compliance. The result should be the same or lower percent of non-compliance documented at the time of inspection at facility sites, thereby resulting in protection of human health and the environment.

Data Source: Agronomy Services Division facility inspection database.

Factors Beyond Agency's Control That Affect Performance: None.

Objective 4C. Timely, pertinent, compliance oriented, and user friendly information and education distributed to agricultural chemical facilities will remain the same or increase annually.

Measure: Number of fact sheets distributed annually.

Definition: A fact sheet is an informational/educational publication that is distributed free of charge to regulated clientele concerning a particular area of compliance.

Rationale: The MDA is the best, most accurate source of information and education about facility compliance for regulated clientele.

Distribution of timely, pertinent, compliance oriented, and above all, user friendly information to regulated clientele should increase compliance by giving regulated clientele the type of information they need, in the form they can use, when they want it.

By tracking the distribution of fact sheets, the MDA should see a delayed effect of compliance for those facilities that are inspected after distribution of a particular fact sheet.

The distribution of fact sheets should prove to be protective of human health and the environment.

Data Source: MDA fact sheet distribution records.

Factors Beyond Agency's Control That Affect Performance: None.

Objective 4D. Several hundred additional chemigation sites will be required to be permitted by MDA staff as new fertilizer chemigation regulations become effective January 1, 1994.

Measure: Number of chemigation permits granted by the MDA annually.

Definition: A chemigation permit is granted for a site when all fees have been paid, and when an inspection done by the MDA documents that the site has complied with all technical requirements required by state law. A database is maintained by site for every chemigation permit granted by the MDA.

Rationale: Greenhouses and potato growers remain the largest groups of businesses that apply fertilizers and pesticides through irrigation systems, and thus require a permit from the MDA (M.S. 18B.08). Greenhouse chemigation sites are generally located in urban areas, while potato growing chemigation sites are located in rural Minnesota.

Based on the MDA's past history of inspection of chemigation sites, the MDA estimates that 90% of the sites inspected for chemigation require a permit from the MDA.

The exact numbers of chemigation sites remaining to be permitted is difficult to estimate due to the fact that most chemigation sites are not required to be licensed or register with the MDA, which limits the MDA's ability to identify these sites. DNR water appropriation permit lists have been used in the past; however the MDA has not found the DNR lists to be of great value in identifying potato grower chemigation sites.

Given the number of chemigation permits already granted, and the MDA's interaction with regulated clientele at various training sessions, conferences, and field days, the MDA estimate of several hundred permits to be granted is reasonable.

The number of chemigation permits granted annually is an accurate measure for assessing progress toward the objective, and is also reflective of the MDA's effort toward informing and educating the regulated clientele about the permit issuance process.

The number of chemigation permits granted is also indicative of greater protection of human health and the environment at chemigation sites, because of the installation of antipollution equipment and storage safeguards.

Data Source: MDA's internal chemigation permit database

Factors Beyond Agency's Control That Affect Performance: Voluntary compliance by regulated clientele. Regulated clientele have been slow to obtain chemigation permits in the past.

Objective 4E. It is anticipated that an unknown number of new or substantially altered bulk fertilizer facilities will be required to be permitted by the MDA each year as facilities consolidate operations, new markets are created, or when new rules or BMP's are adopted by the MDA.

Measure: Number of new or substantially altered bulk fertilizer facility permits granted annually.

Definition: A bulk fertilizer permit is granted by the MDA, when all fees have been paid, and when after review of the permit application by the MDA, the MDA has reasonably determined that the site will be in compliance with state law, if constructed or substantially altered according to the plans submitted to the MDA.

Rationale: (M.S. 18C.305) Based on the number of permits granted for bulk fertilizer facilities within the last several years, the trend shows an increasing number of permits granted by the MDA annually. Most bulk fertilizer facilities are

located in rural areas of the state.

Based on the documentation that the MDA has obtained regarding compliance at bulk fertilizer facilities, the low rate of compliance indicates that the vast majority of bulk fertilizer facilities are in need of some kind of upgrade of environmental safeguards to stay in compliance with state law.

Given a universe of four hundred plus bulk fertilizer facilities located in Minnesota, minus the number of permits already granted by the MDA, it is reasonable to assume that several hundred bulk fertilizer sites will be required to be permitted by the MDA within the next several years, regardless of new rules being adopted by the MDA.

The number of bulk fertilizer facility permits granted annually by the MDA is an accurate measure of assessing progress toward the objective, and is also indicative of the regulated clienteles movement toward better compliance, and the MDA's information and education efforts.

In addition, the number of bulk fertilizer facility permits granted by the MDA is indicative of greater protection of human health and the environment at bulk fertilizer sites, because of the construction or substantial alteration of environmental safeguards.

Data Source: MDA's internal bulk fertilizer facility permit database

Factors Beyond Agency's Control That Affect Performance: Agriculture economic conditions that would prevent or delay the construction or substantial alteration of bulk fertilizer facilities. It is anticipated that if economic conditions are not favorable, a significant decline in the number of permits granted by the MDA will occur,

Objective 5. Regulated agribusiness facilities will improve rates of compliance to federal and state laws and rules. Product and label compliance will be monitored and violation rates reduced.

Measure: Percentage of Facilities in Compliance.

Definition: Number of inspection or sample reports indicating firm is in compliance divided by total number of reports.

Rationale: Laws (M.S. 18C.001-18C.425; M.S. 21.80-21.92; M.S. 18C.501-18C.575; and (M.S. 25.31-25.44) and rules provide standards for operating various types of regulated facilities. Inspections are made regularly at which time corrections needed are discussed with plant management. Generally, voluntary corrections are made upon notice and are not recorded as violations. Only uncorrected, significant problems requiring regulatory action are considered violations, but nationally accepted standards on determining compliance status are also used. Samples are obtained to verify label claims. Analytical variations established determine sample violation status.

The principle purposes of these requirements are given in the agency mission: public health and safety protection (safe anhydrous ammonia handling, safe use of animal drugs) economic protection of farmers and product purchasers (truthful labeling) and fair trade protection of regulated agribusinesses (standards are uniformly enforced). Except for physical anhydrous ammonia facilities, complete compliance may never be approached as other standards involve business practices by human managers.

Data Source: Establishment inspection reports, sample reports, correspondence and databases.

Factors Beyond Agency's Control That Affect Performance: Standards set in laws and rules may be changed and require new compliance schedules. Compliance attitudes could conceivably change. (The MDA does have some affect on both of these areas, but does not have control.) Turnover of responsible personnel in regulated establishments affects compliance.

Objective 6. Landowners and persons in charge of public lands will continue or increase rate of compliance to noxious

weed law and notices to control noxious weed infestations.

Measure: Percentage of Landowners in Compliance with Noxious Weed Law After Notice to Control.

Definition: The number of cases in which the notice led to voluntary compliance divided by the total number of notices issued.

Rationale: The enforcement of this law (M.S. 18.75-18.88) has a well established method of achieving compliance that has been effective for many years. This method maximizes the amount of voluntary compliance without the use of official enforcement tools. The history of this program indicates that voluntary compliance minimizes the cost of enforcement and encourages continued compliance. It also reduces the amount of resources needed for routine enforcement so that they can be used for the more difficult cases. This involves an established procedure of township-state-county cooperation and a legal procedures manual which eliminates duplication of effort, spells out duties of agencies involved, and provides an accepted procedure which, when followed, offers protection of individual rights and the proper method of regulation and enforcement. Control of noxious weeds reduces costs of weed control to farmers and can have the effect, when properly accomplished, of reducing total volume of herbicides needed to be applied.

Data Source: County and township reports and MDA databases.

Factors Beyond Agency's Control That Affect Performance: Weather, compliance attitudes of landowners, economic issues such as crop failures and costs of control, county and township cooperation and budgeting.

Objective 7. By the year 2000, assessments of adoption of Best Management Practices for agricultural chemicals and practices will be conducted and a followup assessment will evaluate the change in practices.

Measure: Changes in agricultural practices due to BMP's.

Definition: Environmental effects of pesticide and nutrient management practices result from complex interactions that occur at specific sites. The MDA has adopted BMP's for atrazine and nitrogen management that when utilized will minimize adverse impacts on water quality.

Rationale: The MDA is responsible for development, adoption, promotion and evaluation of BMP's for agricultural chemical practices. Selected BMP's have been adopted by the MDA. LCMR funds have been obtained to conduct farm-by-farm assessments of current agricultural practices and chemical use. Currently, four baseline and one followup assessments are underway. When the results are compiled a method of evaluation of the adoption will be developed. Due to the complexities of agricultural chemical management, the MDA believes these assessments are the most valid tool to evaluate adoption.

Data Source: MDA agricultural chemical assessments funded by LCMR. In addition, local units of government will be able to utilize this methodology and generate useful data.

Factors Beyond Agency's Control That Affect Performance: Limited funds for nutrient management programs are available so continued assessments will be dependent on grants unless other revenue sources are developed. Funds are available for pesticide assessments.

Part B - Plant Protection

Objective 1. Provide accurate grading inspections of fresh fruits, vegetables and ornamentals to all financially interested parties within the state requesting our service within eight business hours of the request. These inspections are used by industry to ensure that the quality of produce is commensurate with the agreed upon price. One hundred percent of the inspections completed within 8 business hours of requests.

Measure: Appeals/reversals of inspectors decisions.

Definition: All clientele have rights and privileges to challenge any of our inspectors decisions. There are rules and procedures under which all appeals are reviewed. A reversal can indicate the initial inspection to be flawed, the inspector receiving a permanent negative notation in his or her personnel file. Two or more reversals in a year could cost an inspector his or her license and state employment.

Rationale: The inspections are used by the industry to ensure that the quality and condition of the produce is commensurate with the agreed upon price. Faulty and inaccurate inspections can be very costly to either the buyer or seller of produce in the inspection process. (M.S. Section 27.07).

Data Source: Federal manuals governing the inspection process. Inspection forms and reports.

Factors Beyond Agency's Control That Affect Performance: Inaccurate or inappropriate information provided by the clientele. Poor inspection climate or conditions provided by the clientele. Equipment malfunction.

Objective 2. To provide 100% of all interstate apiary inspections and certificates required done within the time frame indicated by the beekeeper. This is to maintain a profitable beekeeping industry in the state, provide an adequate pollination resource and keep out the aggressive Africanized honeybee.

Measure: Requested beekeeper interstate inspections.

Definition: Most states require an inspection of honeybees and/or equipment moving into or through their states. The numbers of beekeepers requesting this inspection and certification is reflective of this demand.

Rationale: State law (MS Chapter 19) designates the Commissioner of Agriculture responsible for the apiary industry and individual beekeepers. The Department, with industry support, develops state policy and enforces regulations. Each spring one-half of Minnesota's registered bees are brought in under import permits. These colonies are likely to produce at least one-half of the total honey crop produced in the state. The 1992 honey crop is estimated at 16.4 million pounds with an approximate value of \$8.8 million.

The livelihood of some beekeepers, and that of some agricultural interests, rely upon a management strategy dependent upon the movement of their bees. Many beekeepers move their bees to pollinate crops distant from Minnesota. Some beekeepers elect to winter and increase the numbers of their bees in warmer climates. The Africanized honeybee has spread to Texas and Arizona. This aggressive honeybee could be inadvertently transported to our state in returning bee hives. Although the Africanized honeybee is not likely to survive our winters, they could survive and develop during the spring, summer and fall if transported here.

Data Source: Inspection reports, Agricultural Statistics.

Factors Beyond Agency's Control That Affect Performance: Inability to monitor all the movement of bees into and through the state. Reluctance of some beekeepers to register their bees. Variability of pollination demands in distant states.

Objective 3. Seed Potatoes - To inspect and certify that all potatoes entered for seed certification fully meet the standards established under the Seed Potato Certification law and appropriate rules and regulations.

Measure: Acres of potatoes meeting certification requirements.

Definition: The acres of potatoes entered for certification over time is reflective of the health and well being of the potato industry.

Rationale: The statutes (M.S. sec. 21.112) governing the seed potato program are focused on the quality of the crop. It is important that the disease levels, varietal purity and lot identifications are kept and maintained at acceptable levels. Our seed potato crop must be able to be sold anywhere in the United States and any foreign country meeting their requirements for potato production.

Approximately 116 growers enter about 21,000 acres of potatoes for certification each year. This represents an estimated crop value of around \$21 million. In turn a portion of this crop is sold to commercial potato growers in the state. In the past three years the farm value of potato production in Minnesota is between \$79 to \$93 million, placing potatoes fifth on the list for edible crops in our state.

Data Source: Minnesota inspection records, Agricultural Statistics, Market reports.

Factors Beyond Agency's Control That Affect Performance: Weather adversely affecting the crop. Market demands.

Objective 4. Gypsy moth - Damage from gypsy moth will be kept at \$0 level through 2000.

Measure: Estimated annual state/municipal costs for suppression programs.

Definition: Demand for control of this pest will escalate as it becomes established. Damage will occur to urban and rural forests and all related industries such as forestry and tourism.

Rationale: State law (M.S. Chapter 18) designates the Department of Agriculture as the agency primarily responsible for the detection, interception and eradication of foreign pests. Gypsy moth has not been able to establish in Minnesota because of the Department's cooperative ongoing detection and eradication program.

This outcome measure can be estimated based on current knowledge of the state's shade tree and forest resources, the likely modes of introduction and current demographics. Actual measures based on true costs would indicate program failure to protect our significant forest resources. Once established, control costs for this pest can be expected to escalate by factors or 10. Direct impacts will be feeding damage in many urban and rural infested areas. Indirect impacts will be loss of tourist trade and foreign quarantines against Minnesota's unprocessed lumber.

Data Source: Reliable cost data are available from Michigan and Wisconsin where gypsy moth has established and is establishing respectively. Estimates for Minnesota are based on the state's unique distribution of host plants, human populations and patterns of movement as updated by the Department of Natural Resources, State Planning and the Metropolitan Council.

Factors Beyond Agency's Control That Affect Performance: The introduction of hybrid strains now known to occur in Europe and Eastern Europe. These strains have females that fly (our older European strain's females are flightless) and an even wider host range.

Objective 5. Exotic species - Economic and ecological damage from exotic species will be prevented or mitigated.

Measure: Losses of resources or commodities due to exotic species

Definition: The damage potential and characteristics of certain species in other areas have often been clearly demonstrated or could be inferred. Such species especially when they come from regions environmentally similar to Minnesota could do great harm to state resources. The economic value of these resources must be quantified from existing data and/or surveys to generate a reasonable baseline for calculating projected losses due to these pests when they have established breeding populations. These calculations must be done on a species by species basis.

Rationale: State law designates the Department of Agriculture as the agency responsible for the detection, interception and eradication whenever possible of introduced plant pest species. The Department develops survey and control strate-

gies including quarantines in cooperation with the United States Department of Agriculture Animal and Plant Health Inspection Services and related state natural resource agencies such as the Department of Natural Resources.

The outcome measure is the best available estimate of the damage that can be expected. Measures after the fact would indicate a failure of the survey and control systems. The appearance of these species is often abrupt and cannot always be anticipated. The state needs the financial and human resources to act quickly sometimes in an emergency manner. The value of the resources or commodities threatened serves as the best guide for action. Reasonable estimates are possible based on current state and/or federal statistics.

Data Source: Various sources include State Planning data, state and federal summaries and reports, trade statistics, demographic and natural resource information and damage reports from other states or countries affected by these organisms.

Factors Beyond Agency's Control That Affect Performance: International trade agreements, actions and policies of the United States Department of Agriculture, other state's actions and policies and legislative commitment and support.

Objective 6. Shade tree - Urban shade tree problems will be reduced and kept at manageable levels.

Measure: Numbers of functional trees in communities will remain stable or increase.

Definition: The total cubic volume and mass of wood from dead trees killed by biotic or abiotic agents can be calculated from community tree removal records. Accurate community inventory data of its current standing tree crop provides the baseline for determining overall loss or gain.

Rationale: State law (M.S. Section 18.023) designates the Department of Agriculture as the agency to monitor and work with communities to control such problems and Dutch elm disease and oak wilt. Rules developed by the Department serve as guidelines for shade tree disease control programs and are often incorporated into local ordinances. To more directly measure the economic impact of tree loss, values can be assigned each tree according to such factors as species, location and condition. The value of the program can then be expressed in terms of the value of trees saved in a agressive, community wide control effort such as that being done with oak wilt. Since this data is more time consuming and complicated to obtain, numbers and types of trees salvaged, maintained or planted will be the best measure of accomplishment.

Data Source: State and community records of tree cover obtained from aerial or ground surveys or a combination of methods.

Factors Beyond Agency's Control That Affect Performance: The commitment and availability of resources will vary from community to community.

Objective 7. Phytosanitary - All phytosanitary certification prerequisites and inspections will be met so that the export of Minnesota grown and/or regionally grown commodities by Minnesota based companies will not be interrupted or delayed.

Measure: Number of shipment delays or rejections due to lack of required inspection and certification.

Definition: The phytosanitary certification program is an internationally recognized process whereby agricultural products are inspected and certified at origin to meet the import requirements of the destination country.

Rationale: The United States Department of Agriculture, Animal and Plant Health Inspection Service (USDA, APHIS) is the federal agency responsible for administering the export certification program. This agency has delegated to state departments of agriculture the responsibility for inspecting, certifying and issuing the necessary export documents. The state supervisor is responsible for ensuring that customers receive the necessary inspection and certification services

required by foreign governments and that the appropriate certificate is issued to expedite the export process.

In many instances the phytosanitary certification document is the single most important export document to accompany a shipment. Without this certificate the commodity cannot enter the foreign country. State officials are responsible for providing customers with correct information and instructions prior to entering binding contractual agreements; timely inspection and certification services; and complete and accurate document preparation and dissemination.

Data Source: The USDA, APHIS provides a quarterly report which summarizes documented certification errors leading to delayed and/or rejected shipments. This document would accurately serve as a measure for this outcome.

Factors Beyond Agency's Control That Affect Performance: The certification requirements are established by each country and subject to change without prior notification. Therefore, it is possible that commodities may be rendered ineligible due to a sudden change in import requirements.

Objective 8. Nursery - All required nursery stock inspections will be conducted so that there will be no delay or interruption in the intra/inter-state movement or export of nursery stock.

Measure: Number of nursery stock shipments rejected or delayed due to lack of required certification inspection(s).

Definition: The inspection of nursery stock is mandated by Minnesota Statutes 18.44-.61 to prevent the introduction into and spread within Minnesota of plant pests (insects and diseases).

Rationale: In recent years serious plant pests such as Gypsy moth and Japanese beetle have approached the Midwest and threaten Minnesota's environment. Pest movement via nursery stock is a major means of pest spread. Timely, accurate inspection of nursery stock can identify infested/infected stock and prevent a new pest introduction.

Through the statutory responsibility cited above, the nursery inspection program certifies nursery stock to move intra/inter-state and into foreign markets without interruption or delay. The export segment (primarily to Canada) of Minnesota's nursery industry has increased over the last five years and indications are that the trend will continue. Foreign countries require nursery stock to meet rigorous conditions of import. The nursery inspection program must provide this inspection/certification service in a timely manner.

Data Source: State and Canadian regulatory officials supply written documentation of all rejected nursery stock shipments to the respective state of origin. Such documentation would serve as an accurate measure of this objective.

Factors Beyond Agency's Control That Affect Performance: Changing rules and regulations by other states can affect the movement of nursery stock.

Objective 9. Plant Pest Survey - To survey for endemic pests of economic importance and protect crops.

Measure: Surveys for economic insects, diseases and weeds increased by 10% by year 2000.

Definition: M.S. 18.021, 18.022, 18.023 and 18.171 'Local Pest Control'. Insect pests, diseases, and noxious weeds which the commissioner may designate as dangerous to crops or the welfare of the people.

Rationale: Minnesota's cropland is surveyed for pests, insects, plant diseases and weeds to assess actual and/or potential damage. The survey plays a leading role in developing control measures and their timing of application. Special permits for chemical use is recommended based on the survey information.

This outcome directly measures the timeliness of controls applied and the needless use of chemicals when controls are not needed. This also provides cost savings from pest control and increased yields at harvest.

Data Source: MDA, Plant Protection Division field personnel surveying seven of nine crop reporting districts.

Factors Beyond Agency's Control That Affect Performance: Climate including rain and flooding, temperature fluctuation affecting crops and availability of control measures.

Objective 10. Survey information dissemination - Pest survey data is transmitted via MDA computer and accessed by county extension agents, growers, pesticide applicators and farmers to aid in the effective control of insect pests.

Measure: Number of pest reports published.

Definition: Agricultural pest information is a reliable sampling and is reaching the client in a timely manner (M.S. 688, Article 21, Section 13).

Rationale: The Minnesota Department of Agriculture annually monitors agricultural crops throughout the state of Minnesota. Other agencies within the state are cooperating in this effort, namely, the University of Minnesota, USDA, and private industry. Data from field and diagnostic laboratory observations are combined and entered into the MDA database. This will also allow for a historical database. A database of this type will be valuable to the grower, private sector, and for export certification.

Data Source: MDA's field collected data is evaluated and summarized by our computer programmer analyst.

Factors Beyond Agency's Control That Affect Performance: None.

Objective 11. Plant Pest Detection - To detect for exotic (quarantine) pests of economic importance and prevent their spread.

Measure: Plant Pest Detection - To detect for exotic (quarantine) pests of economic importance and prevent their spread.

Definition: Exotic pests trapped, trapping regions designated and trap densities determined.

Rationale: The movement of people, recreational and commercial vehicles and agricultural products enables the transport of pests into Minnesota. Trapping strategies using sex-attractant has been successfully used in the eradication of pest insects.

Data Source: Historical and current trap captures monitored throughout the growing season.

Factors Beyond Agency's Control That Affect Performance: Limit on trappers and placement of traps.

Objective 12. Cooperative Agricultural Pest Survey - MDA and USDA cooperate in a national/international system to prevent pest introductions and/or establishment.

Measure: Store pest information on a regional, national and international database for access.

Definition: Rapid exchange of Plant Pest Information between states; develop methods for more complete pest information collection.

Rationale: Agricultural Pest data collected in the state is entered into a National Plant Pest Database (NAPIS). Minnesota receives funding from the USDA for participating in the national program.

This national database will allow for a rapid exchange of plant pest information between states. In addition, such a database will allow greater storage and manipulation of Minnesota plant pest information.

Data Source: MDA's Plant Pest Survey database.

Factors Beyond Agency's Control That Affect Performance: None.

Objective 13A. Biological control of pest insects - The Minnesota legislative through the Legislative Commission on Minnesota Resources (LCMR) has given grant money to develop non-chemical strategies to control pest insects.

Measure: The number of biological control agents released for insect control.

Objective 13B. Biological Control of weeds - The Minnesota Legislature through the LCMR, has funded projects for the 1994-95 biennium.

Measure: Number of biological control agents released for weed control.

Definition: To develop, test and implement biological control agents to reduce the use of petroleum-based chemicals Minn. Laws. 93, Chapter 172, Section 14, Subdivision 3(a); to accelerate evaluation of integrated biological control agents for purple loosestrife. Minn. Laws 93, Chapter 172, Section 14, Subdivision 12(n).

Rationale: Minnesota Legislature, through the LCMR, has given grant money to MDA for the bienniums 1988-89, 1990-91, 1992-93 and 1994-95 to develop non-chemical strategies for controlling pests. MDA in cooperation with the University of Minnesota Departments of Entomology, Plant Pathology, Agronomy and Plant Genetics is continuing the development of biological control agents for management of pests of plants and animals in Minnesota.

Successful establishment of biological control agents and evidence of control has been documented in some projects; work is continuing in other projects.

Data Source: Principal Investigators assigned to the Projects and reports submitted to LCMR.

Factors Beyond Agency's Control That Affect Performance: Environmental factors, behavior and adaptation of biological control organisms being tested.

Objective 14. Approve Genetic Engineering Permits - In 1989 MDA approved the first two field tests for genetically engineered plants in Minnesota. By 1992 this number increased to 12. (M.S. Chapter 18f).

Measure: Approve field test proposals within specified time following guidelines.

Definition: The regulation of the use of genetically engineered organisms in human and animal medical therapy; the commercial sale of products containing a genetically engineered organism; and release permit applications, exemptions, etc. M.S. 116, Chapter 91 to 96.

Rationale: Biotechnology has the potential to revolutionize many areas of agricultural production and processing. Testing of genetically engineered plants has already begun in Minnesota. Other applications in animals, food technology, waste cleanup will be forthcoming. Permits have been issued and will be required for all genetically altered organisms. The direct outcome will depend on ensuring safety and educating the user.

Data Source: All applicants providing the test data.

Factors Beyond Agency's Control That Affect Performance: Verification with comparable test data by a trained geneticist is required. Environmental conditions will influence results; long-term field testing is desirable.

Objective 15. Efficiently issue permits for the interstate movement and importation of organisms.

Measure: Process all applications within 30 days of receipt.

Definition: The commissioner may cooperate with the United Stated Department of Agriculture in order to enforce any quarantine order or regulation promulgated by it (M.S. 18.58).

Rationale: Regulation of the movement of pests is necessary. Pests that have escaped have caused tremendous damage and losses. Some organisms can pose tremendous human health risks if they escape or contaminate food or agricultural products. All states in the union have similar regulations and cooperate with USDA.

Data Source: PPQ Form 526.

Factors Beyond Agency's Control That Affect Performance: Dealers in animals moving them without appropriate permits; inadequate checks at entry points such as airports, post offices, truck terminals.

Part C - Grain Inspection

Objective 1. To provide a very high level of grain quality results under the U.S. Grain Standards Act by the next business day after the sample is received.

Measure: Percentage of grain grades provided customers by the next business day.

Definition: The variety of customers for this neutral third party service consist of producers, local and terminal elevator companies and independent grain merchandisers all of whom are attempting to market grain in a rapidly fluctuating price and demand market which is extremely price differentiated by various grain quality measures.

Rationale: The Grain Inspection Division of Minnesota Department of Agriculture (MDA) is the only officially designated and delegated grain inspection agency authorized to operate within the state. The official sample lot inspection results are prima facie evidence of grain quality. This service, through its various inspection, sampling, and weighing activities, assists in the expeditious movement and marketing of grains covered under both federal or state law (M.S. Chapter 17B) by providing rapid, accurate, repeatable grain quality determinations for domestic use or export as an unbiased third party. All work is done to national standards and subject to Federal Grain Inspection Service (FGIS) and internal monitoring. This service is mandatory for direct export and voluntary for all others.

Data Source: The data source consists of internal documents, customer requests, billing data and inspection records.

Factors Beyond Agency's Control That Affect Performance: Market supply, demand, price consideration, natural disasters, export demand or lack of demand, farm aid programs all affect our business.

Over 90% of the work we do is voluntary to serve as a neutral party. Only grain directly loaded for export must be inspected by our staff.

Objective 2. To provide a very high level of service for official sample lot inspections.

Measure: Percentage of customers receiving official results the same day the sample is taken for official sample lot inspection.

Definition: This service includes sampling by department inspectors which allows certification of the grain quality in as accurate for the entire lot the grain was sampled from. The lot can consist of truck, railcar, barge, ship or other transport containers.

Rationale: The Grain Inspection Division of MDA is the only officially designated and delegated grain inspection

agency authorized to operate within the state. The official sample lot inspection results are prima facie evidence of grain quality. This service, through its various inspection, sampling, and weighing activities, assists in the expeditious movement and marketing of grains covered under both federal or state law by providing rapid, accurate, repeatable grain quality determinations for domestic use or export as an unbiased third party. All work is done to national standards and subject to active Federal Grain Inspection Service and internal monitoring. This service is mandatory for direct export and voluntary for all others.

Data Source: The data source consists of internal documents, customer requests, billing data and inspection records.

Factors Beyond Agency's Control That Affect Performance: See factors under objective 1 above.

Objective 3. To provide a high level of consistent accurate grain quality determinations to producers, companies, and merchandisers.

Measure: Continue receiving the federal designation and delegation as the official grain inspection agency in Minnesota.

Definition: The designation of the Grain Inspection Division as "official" by FGIS provides the grain marketing participants, from producer to miller, with the unbiased services of an agency whose results can be used in court if necessary. Since marketing of grain involves transactions where neither buyer nor seller may physically see the grain being traded and with the volatility of the market and the wide range of quality determinations which affect pricing, it is crucial to have available a national system of inspection groups who all work to the same standards under the U.S. Grain Standards Act criteria. The results must be the same no matter where in the country the inspection is performed.

Rationale: While this objective does not list specific measures beyond maintaining the official agency designation, there is a significant monitoring and evaluation process involved. In addition to internal evaluation systems, FGIS monitors specific sampling, inspection and weighing procedures, results, certification, billing and management on a daily basis to ensure conformity and consistency. The reviews are performed by viewing our employees at work, by appeals of our work and by regular statistical comparison. Additionally, a separate compliance section completely reviews our work, including customer satisfaction interviews, on an annual basis. All employees in sampling, inspection and technical functions must become federally licensed. The Agency's designation is reviewed every three years.

Data Source: The data source consists of internal documents, customer requests, billing data and inspection records, interviews, work programs, and financial audits.

Factors Beyond Agency's Control That Affect Performance: See factors under objective 1.

Part D - Food Inspection

Objective 1. Ninety-five percent of all licensed food handling establishments will have passing inspections.

Measure: Pass/fail designation on all routine inspections of food facilities.

Definition: State and federal laws (M.S. Section 31 and the U.S. Code Of Federal Regulations) require that all food handling facilities including manufacturing plants, wholesale food handlers, retailers and other food distributors provide a wholesome food supply for the public. This includes the sanitary conditions and operations of the facility.

Rationale: Inspections are conducted at a frequency based on the potential risk to the public health. These inspections establish the wholesomeness of the product, the sanitary conditions of the food handler and the packaging and label requirements including the recently enacted Nutritional Labeling and Education Act. The passing of inspections are the indicator that food products are being produced in a clean environment, therefore assuring a safe food supply.

Data Source: Minnesota Department of Agriculture computer information, inspection reports and laboratory reports.

Factors Beyond Agency's Control That Affect Performance: Emergency situations including natural disasters, (fire, flood damage.) food borne illness outbreaks, or widespread product tampering. Under-staffing due to hiring restrictions, layoffs, or labor disputes.

Objective 2. Increase the number of food and environmental samples obtained and analytical data disseminated to insure food safety.

Measure: Number of food, water and environmental samples obtained and examined by laboratory analysis.

Definition: Analytical data is being compiled from laboratory results on pesticides, food borne pathogens, foreign material, commercial sterility of processed canned foods, restricted additives, product condition, economic fraud and foods that are required to meet certain standards.

Rationale: Scientific laboratory analysis provides what cannot always be determined through on site inspections or organoleptic examination. This analytical information will help determine the safety of a food product. This data is invaluable in the potential recall or removal from sale of certain products. Early detection of potentially hazardous foods, during routine sampling may avert a food borne illness outbreak. Verification of unsanitary conditions such as filth, or products deceptively altered for economic gain are imperative in criminal and civil proceedings.

Data Source: Inspection reports, laboratory analysis reports, computer generated reports from the Department's Division of Laboratory Services.

Factors Beyond Agency's Control That Affect Performance: Laboratory equipment malfunction, budget restrictions that would significantly reduce sampling due to the cost of analysis.

Objective 3. To increase educational contacts through seminars and brochures on the safe handling of food products, to industry, consumers, public health agencies and academia.

Measure: Number of seminars or other educational contacts made.

Definition: Educational contacts include the Division's participation in training seminars to the food industry on the proper methods of food handling and sanitary conditions required, and informational handouts for industry and the general public on topical food safety issues such as recent outbreaks of food poisoning and preventative measures that need to be taken. The Division also conducts food handling training sessions with other public health agencies, especially those that have cooperative agreements with the Department. Educational institutions including local universities, elementary and high schools utilize the Department personnel in offering presentations and educational materials pertaining to food safety issues.

Rationale: Experience has proven that food borne illness outbreaks are greatly reduced when the food handlers are properly trained. Our training sessions for industry focus on providing sound advice and technical assistance on food handling practices. Our consumer handouts vary from proper ways to handle potentially hazardous foods on summer picnics to what to look for in purchasing fresh fish. The Department works cooperatively with the State Health Department as well as other public health agencies. Training sessions and technical assistance is provided to these agencies in the expert fields of food manufacturing, baking, meat and fish processing establishments, wholesale and retail grocery handlers and shell egg processors. Presentations to educational institutions vary from giving basic food handling procedures to elementary school age students to giving more advanced training on potential food poisoning organisms to high school students and we also provide training about regulatory actions and enforcement as well as current food related issues that will affect students in food science programs at local universities.

Data Source: Division's Computerized tracking system.

Factors Beyond Agency's Control That Affect Performance: Travel and budget restrictions. Emergency situations requiring all available personnel.

Part E - Dairy and Livestock

Objective 1. The dairy inspection program will complete 100% of the required inspections at a compliance rate of 95%.

Measure: Inspections required and completed with the percent compliance determined.

Definition: The total number of dairy inspections required by law (M.S. 32.394) will be divided into the number of inspections actually completed to determine the percent completed. All reinspections or other enforcement activities will be recorded to determine the percent of inspections in compliance.

Rationale: State and federal laws require that all dairy production and processing facilities meet the requirements of either the Grade A Pasteurized Milk Ordinance or the Milk for Manufacturing Procedures. The Dairy and Livestock Division is responsible for making these determinations which ultimately allows milk produced and processed in Minnesota to move in interstate and international commerce. Through this inspection and approval process, milk can be certified to be safe and wholesome for the safety of consumers and protection of the public health. While a more accurate measure of the success of this objective might be the number of illnesses which are avoided because of the activities of this objective, it would be very difficult and costly to measure. Experience has shown that the compliance rate we seek to establish will provide safe and wholesome dairy products.

Data Source: Minnesota Department of Agriculture computer information collected and reported by the "D92" computer system of the Dairy and Livestock Division.

Factors Beyond Agency's Control That Affect Performance: The biggest problem that could arise would be a statewide hiring freeze or employee strike that would prevent the required number of inspections from being completed.

Objective 2. The livestock program will license and bond 100% of all livestock buyers and provide weighing service upon requst for up to 30% of Minnesota produced livestock.

Measure: Total livestock produced and livestock weighed by MDA and dealers bonded to purchase livestock.

Definition: The total number of livestock marketed by producers will be compared to the number of head weighed by state livestock weighers. All buyers of livestock will be licensed and bonded and a percentage of compliance rate will be determined by surveying the markets.

Rationale: The livestock laws (M.S. Chapter 17A) require that producers of livestock be offered protection from fraudulant buyers. This is accomplished by the licensing and bonding of all buyers and by offering state weighing service to certify proper weights for livestock sold to processors. While not all processors avail themselves of these services, the MDA would like to provide certified weights for as many head of livestock as possible to assure livestock producers of accurate sale weights.

Data Source: The livestock production information is obtained from Minnesota Agricultural Statistics. The information on licensing and weighing is obtained from the Dairy and Livestock Division. Bonding is provided through the U.S.D.A. Packers and Stockyards Administration.

Factors Beyond Agency's Control That Affect Performance: The MDA has no control of processors who may opt out of the state weighing program with a one year notice.

Part F - Laboratory Services

Objective 1. Laboratory Services will provide efficient, cost effective analyses for the Department of Agriculture in support of it's regulatory activities. To ensure efficient, cost effective operations, the Lab will measure and compare its costs of producing analysis to outside accredited benchmarks. To ensure that the Lab is utilized in an efficient manner, the Lab will measure the efficiency of how samples are submitted to the Lab by its customers.

Measure: Percent efficiency and cost effectiveness based on Lab out put divided by Lab cost of operation.

Definition: In this measurement, the value of analysis produced by the lab is determined by comparison to established Federal contract and competitive accredited commercial pricing. This value for Lab output is divided by the Lab's cost of operation to develop a percent efficiency for the Lab. Internally, these costs and efficiencies will be tracked and reported on a work unit level.

Rationale: With lim: state funding sources, the high costs of laboratory operation must be managed to assure cost effective efficient operation on. For understanding Laboratory cost effectiveness, it is essential to develop baseline data and measure performance against outside comparable benchmarks.

Measure: Efficiency rating of Lab utilization.

Definition: This second efficiency measurement is a combination of several measurements weighted for relative impact on laboratory including:

- 1. Percent of samples submitted as part of established schedule.
- 2. Percent of samples submitted verses number projected.
- 3. Percent of samples not submitted as rush/emergency.
- 4. Percent of samples correctly submitted.

Rationale: The Lab can have an excellent plan and system in place to ensure efficient operation and yet appear inefficient because of how samples are submitted. Proper scheduling and accurate submission of samples is critical to optimizing the Lab's performance. To this end the Lab will measure factors of sample submission in order to promote more efficient use of Lab resources.

Data Source: Development is being made on a computerized data management system and internal audit capabilities that are needed to provide efficient accurate assessment of these measures. The uninterrupted development and implementation of these computer systems and resources are critical to fulfilling these measurements. The percentages listed are based on projections of the data without any current available data.

Factors Beyond Agency's Control That Affect Performance: Food safety or environmental emergencies can force the laboratory into crisis management that is not always conducive to efficient operation. Secondly, many of the programs served by the lab have legal mandates that exceed the Labs analytical capabilities regardless of performance and can affect perceptions of the Lab's ability to meet customer needs.

Objective 2. The Lab will provide quality analysis in a timely manner to the regulatory divisions it serves. To this end, the lab will track performance against a comprehensive quality assurance program. Additionally, the lab will monitor its timeliness of analytical performance against turnaround times established with the programs served.

Measure: Percent of compliance with key quality assurance practices.

Definition: This percentage is a weighted combination of several measurements that indicate the use of quality assurance practices in the Lab including:

1. Percent of analyses performed with acceptable Quality Control in place.

2. Percent of analyses performed in accordance with documented methods.

3. Percent of analyses performed by analysts with documented training on methods .

Rationale: The primary expectations of the lab are to provide a quality analysis in a timely manner with cost effective efficiency. These measures are key components to assuring that quality assurance programs are in place and being monitored.

Measure: Percent of analyses completed within preset time frames.

Definition: This measurement calculates the percentage of analysis performed by Lab services that comply with the projected turnaround times that were prior negotiated with the customers served by the Lab.

Rationale: If the analysis performed by the Lab are not timely, the value of performing analysis for regulatory decisions and oversight of food safety, label compliance and environmental concerns is negated

Data Source: Development is being made on a computerized data management system and internal audit capabilities that are needed to provide efficient accurate assessment of these measures. The uninterrupted development and implementation of these computer systems and resources are critical to fulfilling these measurements. The percentages listed are based on projections of the data without any current available data.

Factors Beyond Agency's Control That Affect Performance: Food safety or environmental emergencies can force the laboratory into crisis management that is not always conducive to efficient operation. Secondly, many of the programs served by the lab have legal mandates that exceed the Labs analytical capabilities regardless of performance and can affect perceptions of the Lab's ability to meet customer needs.

Part G - Grain Licensing and Auditing

Objective 1. Increase the percentage of licenses examined during a license year to 80% by the end of FY 1996.

Measure: Percentage of licenses examined during a license year.

Definition: The total number of licenses examined divided by the number of licenses.

Rationale: The Division issues licenses to companies and individuals who: buy grain, buy and grain bank grain, buy and store grain; buy, store and grain bank grain; or store general merchandise.

By statute (M.S. 232), this division is required to perform thorough examinations once each license year of grain elevators that are licensed by the state to buy and store grain. The elevator operator must also have a second examination performed during the license year, this second examination can be performed by this division or a third party.

Examinations of grain buyers, grain buyers operating grain banks, and general merchandise warehouse operators, are performed as time permits.

At the present time, this division is performing annual examinations at 100% of the elevators licenses by the State of Minnesota to buy and store grain.

However, less than 50% of other licenses are being examined annually.

Examinations determine compliance with statutes (M.S. 231, 223, 232 and 236), rules (M.R. 1560 and 1562), and Federal requirements (Uniform Grain Storage Agreement).

The examinations include: determining grain inventories, determining grain storage liabilities, determining if a grain

buyer meets liquidity requirements for credit grain purchases mandated by statute, determining if grain purchases have been made in a timely manner and have been properly documented, determining and approving licensed storage capacities.

Examinations can determine if the grain producer is being put at risk by selling grain to a grain buyer, or by depositing grain with a grain storage elevator operator. For general merchandise warehouses, examinations can determine if the building is suitable for public storage.

More annual examinations can reduce risks for grain sellers, persons storing grain at elevators and persons storing goods at general merchandise warehouses.

Data Source: Division database.

Factors Beyond Agency's Control That Affect Performance: 1) If grain storage volume at buy and store elevators increase in response to federal programs or low commodity prices, increases in the workload for this type of licenses will result, curtailing increased examinations for others.

Objective 2. Reduce the incidence of non-compliance, with applicable state statutes, rules and federal laws, as determinated by citations issued for non-compliance during examinations, to less than 10% of examinations performed by the year 2000.

Measure: Percentage of examinations that report that non-compliance has occurred.

Definition: Number of exception reports issued divided by the number of examinations performed.

Rationale: Currently, the number and percentage of examinations that report some degree of non-compliance is not being tracked, but we estimate the percentage would be in excess of 30%.

Increasing the percentage of licensees examined annually, as proposed in objective #1, the licensees should be better informed concerning statutory, rule, and/or federal requirements. This should reduce the number and severity of non-compliance citations.

Data Source: Review of exception reports submitted by field staff. Baseline not yet determined.

Factors Beyond Agency's Control That Affect Performance: 1) Unpopular statute or federal requirement. 2) Uncooperative licensees.

ANNUAL PERFORMANCE REPORT Part 3: Substantiating the Performance Measures

Agency:Agriculture, Department ofProgram:Promotion and Marketing

Objective 1. To expand and diversify agricultural products and markets by increasing the production, processing and marketing of specialty crops and non-traditional livestock.

Measure: New fruit/vegetable sales generated by program activities.

Definition: Estimated dollar value of new sales of agricultural products created as a result of specific MDA projects.

Rationale: Fruit and vegetable production has been identified as a potential area for diversification of crop production, as well as representing higher-valued products. Several MDA projects seek to affect buying habits and increase sales of Minnesota grown fruits and vegetables over that which would have occurred in the absence of those activities.

Data Source: MDA staff conduct surveys/evaluations of projects on an annual or biennial basis. These surveys form the basis for the data presented here.

Factors Beyond Agency's Control That Affect Performance: A. Weather plays a significant role in crop production and crop quality. Adverse weather may completely negate the effects of a well-planned promotional strategy. B. Competitive efforts by (typically larger, well-funded) non-Minnesota producers may create intense short-term competitive pressures, lessening the effectiveness of long-term market development efforts. C. Retailers and producers alike function is a very competitive environment, and seldom disclose actual data regarding value of sales/increased sales. Obtaining actual sales data is difficult to obtain on a regular basis.

Measure: Total annual aquaculture sales.

Definition: Total sales in dollars, including Minnesota produced food fish, bait fish and fingerlings for sport purposes.

Rationale: Minnesota Statutes § 17.49 mandates that the Department of Agriculture be the lead agency for aquaculture development. Aquaculture is an industry suited to provide a healthy and reliable food source for the consuming public while providing jobs and economic development in rural Minnesota. The department is playing an effective leading role in coordinating the state's policy toward aquaculture development, environmentally sound production technology development and technical assistance to individual farmers. Minnesota has vast resources needed for aquaculture industry development. Currently we import far more fish and seafood than we produce in the state contributing significantly to the trade deficit. We are at the beginning stage of developing our own aquaculture industry.

The industry production survey showed that industrial sales increased from 2.6 million dollars for 1990 to 4.6 million dollars for 1992 and number of jobs from 151 to 234 respectively. During this rapid growth period of the industry, the state is faced with challenges of establishing and maintaining an effective regulatory framework without excessively burdening the industry. The industry is required to develop practical production technology that will endure the cold winter weather and minimize the impact production may have on the state's environment and natural resources. State's involvement in this development is essential so that damage to natural resources is avoided. This is an opportunity for the State to lead and to develop with the industry. These outcome measures directly indicate the success of the department's leading role in this industry development.

Data Source: Marketing Division of the Department of Agriculture in cooperation with the Minnesota Agricultural Statistics Service, conducts aquaculture production surveys consistent with other agriculture commodity surveys.

Factors Beyond Agency's Control That Affect Performance: 1) Availability of technology to meet climatic and regulatory constraints; 2) availability or shortage of fish and seafood through wild harvest; 3) availability of private sector investment.

Measure: Licensed users of the Minnesota Grown logo.

Definition: Individuals wishing to use the Minnesota Grown logo must be licensed by the State.

Rationale: The Minnesota Grown program (M. S. § 17.102) is an entry point for marketers of specialty/non-traditional products. The Minnesota Grown logo is an identifier for marketers to use to characterize their products as "locally produced." Marketers will only become licensed if they perceive that the logo has consumer awareness and acceptance, therefore, value in the marketplace. Increasing numbers of licensees would reflect increasing producer/marketer perception of value of this MDA program for specialty crop producers.

Data Source: MDA issues all licenses and maintains these data on a calendar year basis.

Factors Beyond Agency's Control That Affect Performance: None.

Measure: Percent redemption of Farmers Market/WIC coupons.

Definition: Percentage of Farmers' Market Coupons issued to participants in the WIC program that are actually redeemed.

Rationale: The coupons make fresh, Minnesota-grown produce available to low-income participants of the WIC program. The percentage redeemed gives a clear indication of how many WIC participants are taking advantage of this opportunity. Laws of Minnesota 1993, Chapter 172, Section 7.

Data Source: MDA issues the coupons and reimburses farmers for their redemption which allows the percentage to be calculated.

Factors Beyond Agency's Control That Affect Performance: The weather can affect the availability of produce for this program at small farmers' markets.

Measure: Number of Farmers Market WIC coupons distributed.

Definition: The percentage of WIC households receiving coupons divided by the total number of WIC households.

Rationale: Laws of Minnesota 1993, Chapter 172, Section 7 allows the Department to give Minnesota Grown coupons redeemable at selected sites to women, infants, and children program recipients. The qualitative health, nutrition, and cost benefits of the program have been established through studies conducted elsewhere; there is no need to study again the qualitative aspects.

This measure of output will only measure the percent of WIC households participating in the program as compared to the total WIC population.

Data Source: Minnesota Department of Agriculture. Minnesota Department of Health.

Factors Beyond Agency's Control That Affect Performance: Funding for the program.

Objective 2. To provide marketing education and market-development related services to producers/processors/marketers. (Minn. Stats. § 17.101).

Measure: Number of marketers, businesses, and organizations served by division educational programs.

Definition: Attendees of MDA-sponsored education seminars, conferences, or educational events.

Rationale: Attendance at all MDA marketing training/educational programs is voluntary. Several educational events are sponsored on an annual basis, other are on an as-needed basis. Measuring attendance reflects both the quantity and quality of our educational outreach effort. These events include an annual aquaculture producer's conference, annual marketing meetings for fruit and vegetable producers, bimonthly education seminars for food processors, and meetings for specialty meat producers.

Data Source: Division staff gather this data on a continuous basis as an on-going part of program design/evaluation.

Factors Beyond Agency's Control That Affect Performance: None.

Measure: Responses to requests for assistance from producers, processors and marketers.

Definition: Number of responses to unsolicited requests for market data and information.

Rationale: Staff receives written/telephone requests for marketing assistance in a broad number of areas, almost all unsolicited. MDA staff document responses to inquiries as a means of identifying evolving programmatic needs, as well as to document industry use of MDA information, talent and resources.

Data Source: Program staff maintain records of responses.

Factors Beyond Agency's Control That Affect Performance: None.

Measure: Number of regional/national trade shows coordinated.

Definition: Number of national/regional trade shows where MDA staff coordinate participation by more than one Minnesota company.

Rationale: MDA staff solicit and support Minnesota companies' participation in regional/national trade shows as a means of increasing sales and distribution of value-added/high value processed food products. Coordination of such activities occurs after requests are received from the private sector. This indicator reflects the interest and value of private sector entities in making use of MDA expertise in expanding sales and distribution of processed food products.

Data Source: MDA staff maintain records of show participation.

Factors Beyond Agency's Control That Affect Performance: None.

Objective 3. Expand value-added processing of products and encourage expansion of the traditional livestock industries in Minnesota.

Measure: Market share of ethanol.

Definition: Total gallons of fuel grade ethanol blended times 10, divided by the total gallons of gasoline used in state.

Rationale: In order for the State of Minnesota to build its ethanol fuels production capability, it is necessary for prospective investors and creditors to observe consistent and growing market activity for that product. The impressive growth demonstrated by rising production capacity is due to the competitive nature of ethanol blends in the marketplace, growing consumer demand for this domestic renewable fuel and the considerable market development activity carried on by the state and the other supporters, such as industry, agricultural and environmental organizations.

Data Source: Minnesota Department of Revenue "Minnesota Gas Tax Return".

Factors Beyond Agency's Control That Affect Performance: Ethanol market share is being carved out of a long stable transportation fuel market that has been 100% dominated by the well organized, well funded and highly developed petroleum industry. The marketplace is subject to a wide variety of factors that affect consumers, manufacturers and service industry segments. Although this well balanced educational approach includes discussion of issues including the environment, economic security, and economic development there is a wide variety of variables, both state and national, that can have an impact on this developing industry.

Measure: State ethanol production capacity (gallons).

Definition: Total annual ethanol production capacity in gallons of all producing plants located in the state.

Rationale: State law requires that the Commissioner shall encourage and promote the marketing of (agricultural) products by means of: "developing methods to increase processing and marketing of agricultural commodities..." and "studying the conversion of raw agricultural products to manufactured goods including ethanol." (Minn. Stats. § 17.101, subd. 1) The department plays a leading role in marketing, educational, financing, developmental and public policy aspects of the state's growing ethanol industry.

Minnesota's ethanol production plant capacity is predominantly based on corn as a feedstock although 1.5 million gallons is made from dairy whey. Thirty five million gallons of capacity is from a farmer Co-operative wet mill plant and is also capable of producing industrial starch and corn syrup. Finally, 5 million gallons of production is from two privately owned dry mill plants. An additional 15 million gallons of plant capacity is scheduled for production in the spring of 1994 and will increase the state's farmer co-op ethanol production capacity to 50 million gallons or 90% of the state's production capacity. Two other 10 million gallon farmer co-op ethanol plants are being planned for start up in FY 1995. Farmer co-op ethanol production facilities retain value added profits in the farm communities that produce the crop. They are uniquely positioned to provide the greatest positive economic impact from a truly domestic and renewable clean burning liquid fuel alternative to imported petroleum.

Data Source: Agriculture Department report on state ethanol production capacity.

Factors Beyond Agency's Control That Affect Performance: Continued successful ethanol plant financing and construction is impacted by external state and federal factors including reaction of investors and lenders to a variety of government policy and market place activities.

Measure: Bushels of corn processed for industrial products.

Definition: Number of bushels processed is determined separately for wet and dry mill as follows: Dry Mill Ethanol Plants - production capacity in gallons divided by 2.5 (2.5 gallons of ethanol yield per bushel of corn). Wet Mill Ethanol Plantsproduction capacity in gallons equals number of bushels ground. (Wet mills generally produce equal amounts of ethanol, industrial starch and corn syrup.)

Rationale: Industrial processing has been the fastest growing market for corn in the nation. Minnesota new cellulose conversion technology is not sufficiently advanced to encourage significant investment in commercial scale cellulose to ethanol and industrial products facilities. Therefore, the measure of bushels of corn to ethanol will indicate the vast majority of agricultural commodity utilization for industrial products. This measure is critical to assess the Department's success in expanding today's value-added processing of raw agricultural commodities.

Data Source: Calculations based on industry survey and reports generated from the Department.

Factors Beyond Agency's Control That Affect Performance: The increase in corn processed for industrial products will be limited by factors including the ethanol market share and the successful financing and construction of corn milling plants. If other crop varieties are developed that compete with corn or as cellulose conversion to ethanol becomes a commercial reality, then this unit of measure should be shifted to another indicator to measure industry growth.

Objective 4. Increase public understanding of the role of agriculture in Minnesota economy and society.

Measure: Number of unsolicited requests for educational information.

Definition: Number of unsolicited requests for information received by the Agriculture in the Classroom (AITC) program.

Rationale: AITC program staff receive numerous requests for information about Minnesota agriculture, available curriculum materials, etc. This indicator measures public interest in program services.

Data Source: AITC maintains this information on an annual basis.

Factors Beyond Agency's Control That Affect Performance: None.

Measure: Schools receiving student AgMag and other educational resources.

Definition: Number of schools receiving student oriented/curriculum material from the Ag in the Classroom program.

Rationale: Schools voluntarily choose to receive AITC resources. Schools choose annually whether to continue receiving the materials. The indicator is a measure of both customer perception of program quality, and the quality of program outreach efforts.

Data Source: Program staff maintain mailing lists.

Factors Beyond Agency's Control That Affect Performance: None.

Measure: Number of private sector donors to education programs.

Definition: Number of private donors to the AITC program.

Rationale: The Ag in the Classroom program relies on significant private sector contributions for program expenses. This indicator is a measure of private support and perception of program quality.

Data Source: Program staff maintain lists of donors.

Factors Beyond Agency's Control That Affect Performance: Adverse economic times reduce the ability of some companies and non-profit organizations to make voluntary program contributions.

Measure: Amount of private donations to education programs.

Definition: Amount of private donations to the Ag in the Classroom program.

Rationale: The AITC program relies heavily on private donations for programmatic expenses. The total value of contributions is an indicator of perceived program quality and performance.

Data Source: AITC maintains this information on an annual basis.

Factors Beyond Agency's Control That Affect Performance: Adverse economic times reduce the ability of private companies and non-profit organizations to make contributions.

ANNUAL PERFORMANCE REPORT Part 3: Substantiating the Performance Measures

Agency:Agriculture, Department ofProgram:Administration and Financial Assistance

Part A - Financial Administration

Objective 1. To provide for the segregation of funds using appropriation accounts as provided by law.

Measure: Number of appropriation accounts/funds.

Definition: The agency has extensive revenue sources both in license and permit fees to the general fund and to various dedicated special revenue and federal fund sources which must be accounted for separately.

Rationale: Appropriation accounts are required for each specific legislative appropriation, and for each type of special and federal activity within the agency. This outcome measure regarding the number of appropriation accounts used by the agency is an adequate barometer showing the complicated agency structure and the limitations on the funds earned by the agency; and also the expenditures that the agency makes in support of the clientele served. It further provides a standard of direct measurement concerning the financial capabilities of the agency.

Data Source: Statewide Accounting System of the Minnesota Department of Finance.

Factors Beyond Agency's Control That Affect Performance:

Objective 2. To complete 98% of all payments made to vendors within 30 days following the receipt of the invoice for the completed delivery of the product or service as provided by law.

Measure: Percentage of all payments to vendors made within 30 days.

Definition: Payment of all bills within the discount period or within 30 days allows the agency and state a means to evaluate the performance of its financial systems and confidence in the promptness of payments to vendors.

Rationale: State agencies are required to pay valid obligations to vendors within the vendor's early payment discount period, or in the absence of a stated period, within 30 days following the receipt of the invoice for the completed delivery of the product or service.

Data Source: Prompt Payment Reports issued yearly by the Minnesota Department of Finance.

Factors Beyond Agency's Control That Affect Performance: None.

Part B - Personnel and Office Management

Objective 1. Work related injuries will be reduced by 10% for fiscal year '95.

Measure: Number of accident reports filed per fiscal year.

Definition: The total cost of Workers' Compensation is increasing for most activities within the Department of Agriculture.

Rationale: The cost of work related injuries continues to increase as hospital and medical costs continue to escalate. The Employee Safety Program will have an impact upon these injuries by providing education and training to employees, investigation of accidents, recommending ways to decrease accidents and intensive scrutiny of claims.

This outcome measure directly demonstrates whether we are making progress toward the above objective. Reports of injury can obviously be reviewed. After review, a more in depth investigation can be conducted or an assessment made as to whether or not it would be beneficial to develop training regarding the type of injury. In addition, once an injury report has been filed, it can be tracked to determine what the cost per claim which is another measure of effectiveness.

Data Source: First Reports of Injury and Accident Report Data provided by the Workers' Compensation Division.

Factors Beyond Agency's Control That Affect Performance: Increased hospital and medical costs.

Objective 2. Agriculture-related (ingestion pathway) problems minimized in the event of an accidental off-site release of radioactive materials from either of Minnesota's two nuclear power plants.

Measure: Successfully participating and passing the annual Federal Emergency Management Agency drill and exercise.

Definition: The Department of Agriculture must maintain a standard operating procedure for nuclear power plant emergencies that is periodically revised and updated so that we are in compliance with all current Federal Emergency Management Agency guidelines.

Rationale: Periodically, the Department must demonstrate successfully the Department's ability to comply with Federal Injection Pathway Regulations in order to protect the food supply in the event of an accidental release of radioactive material from either the Monticello or Prairie Island Nuclear Power Plants. These exercises and drills are monitored and evaluated by FEMA staff.

The effectiveness of this measure is determined by the final FEMA report regarding Injestion Pathway exercise.

Data Source: FEMA evaluation and report.

Factors Beyond Agency's Control That Affect Performance: None

Part C - Agriculture Planning and Development

Objective 1. To increase the number of producers and agri-professionals exposed to sustainable management practices and technologies by demonstrating such practices and technologies at 40 sustainable agriculture field days each fiscal year.

Measure: Number of field days held for producers and agriculture professionals (instructors, extension agents, etc.).

Definition: Total number of field days held.

Rationale: State law directs the Commissioner of Agriculture to establish a grant program that demonstrates and publicizes sustainable agriculture methods and practices on farms (M.S. 17.116). The department, through the on-farm demonstration program, is able to utilize one of the most popular and accepted techniques (by farmers) for disseminating ideas, concepts, and practices.

This outcome measure directly measures whether or not the statutory requirement is being met, and indirectly measures whether progress is being made regarding the dissemination of information. To fully gauge the success, very expensive research would have to be done to establish benchmarks of practices, and then follow-up studies to ascertain changes in behavior.

Data Source: Progress and final reports submitted by grantees.

Factors Beyond Agency's Control That Affect Performance: Various factors, such as the weather, community events, etc. could cause the cancellation of field days.

Objective 2. To encourage judicious land use policies that protect against the unnecessary conversion of agriculture land to other uses by providing agriculture planning, technical assistance, and information services to 20 counties each fiscal year.

Measure: Number of counties receiving agriculture planning, technical assistance, and information services.

Definition: Number of counties that receive a formal visit, for which plan reviews are conducted, or for which information and technical assistance is provided.

Rationale: State law directs the Commissioner of Agriculture to administer an agriculture land preservation and conservation assistance program (M.S. 40A.15) to provide technical and financial assistance to counties and municipalities in preparing agriculture land preservation and conservation plans and official controls. The most direct measure is a simple count of the number of local units assisted. The measure, however, does not provide qualitative data for assessing the impact of plans and official controls. This would require expensive, long term studies. However, research done in other states has documented the cost-benefits of such land use planning. In Minnesota, a 1989 study in Wright County found similar results.

Data Source: Department of Agriculture record of contacts and assistance provided.

Factors Beyond Agency's Control That Affect Performance: None.

Objective 3. To collect, compile, and publish Minnesota Agriculture Statistics and data for use by producers, consumers, agri-businesses, and government agencies by publishing the Minnesota Agriculture Statistics bulletins in FY 1994 and FY 1995.

Measure: Number of Minnesota Agriculture Statistics bulletins printed annually.

Definition: Number of individual bulletins published annually.

Rationale: This measure directly measures the number of bulletins printed, and indirectly measures the demand for the service.

Data Source: Minnesota Agriculture Statistics Service.

Factors Beyond Agency's Control That Affect Performance: Availability of funds to print bulletins.

Objective 4. To encourage producers and agri-business' involvement in planning and implementation efforts addressing nonpoint source pollution in the Minnesota River Valley Watershed by June 30, 1995.

Measure: Number of counties in which information is distributed. Number of farm organizations involved. Awareness survey.

Definition: Count of the number of counties in which farm organizations have distributed information on non-point source pollution. Number of farm organizations participating. Awareness surveys would be telephone or mail surveys to samples of producers in the watershed.

Rationale: The Commissioner of Agriculture is directed in M.S. 17.03 to encourage and promote the development of agricultural industries. Elsewhere in Minnesota Statutes, this general policy directive is made more specific in terms of resource use by mandating the development and promulgation of both bmp's for nitrogen management as well as sustainable

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agricuture practices. These laws, in total, designate the department as the agency primarliy responsible for agriculture policy development as well as specific agricultural practices.

These output measures will principally gauge the extent of the outreach effort made by the department to engage farm organizations and producers in non-point pollution efforts of state government. The awareness surveys, conducted at different points in time, will measure the success of the outreach effort.

Data Source: Minnesota Department of Agriculture. Internal administrative records. Published and unpublished survey data.

Factors Beyond Agency's Control That Affect Performance: Assumes no reductions in funding during biennium, and continued funding for the Minnesota River Initiative for an extended period of time.

Objective 5. To complete a statewide strategy and policy framework for state, local, and federal agencies regarding livestock waste utilization by June 30th, 1995.

Measure: Assessments of manure management practices. Focus group meetings with producers and agricultural professionals. Preparation of manure management Best Management Practices (BMP) for each designated region.

Definition: Assessments are interview research and enterprise analysis conducted in each bmp region regarding manure management practices. Focus group meetings are actual focus group meetings conducted by professional facilitators with prepared scripts involving clients selected through specific screening criteria. BMP's are published documents outlined best management practices for manure management in each designated bmp region (designated by soil type, climate, etc.).

Rationale: State law directs the Commissioner and the department to develop bmp's for nitrogen management, as well as to facilitate the development of agriculture in general (M.S. 17.03).

These outcome measures only measure final results for which the department is responsible (i.e., development of bmp's). The promulgation of bmp's, as well as their ultimate adoption, is a joint responsibility of the department and the University of Minnesota/Extension Service. Time series qualitative research will establish benchmarks regarding practices and the changes over time to measure the overall success of the effort. Qualitative research will include the assessments and focus group meetings.

Data Source: Minnesota Department of Agriculture. Published and unpublished data. Survey, interview, and focus group meeting data.

Factors Beyond Agency's Control That Affect Performance: Availability of resources to conduct qualitative research.

Part D - Information Services (IS)

Objective 1. Respond to requests for information services: copying, word processing, graphics, mapping, computer programming, computer hardware and software installation, and local area network connections and administration.

Measure: Number of requests for service received and responded to. Efficiency indicator is still being developed.

Definition: All Service Request Forms received by Information Services for the period indicated.

Rationale: Although amount of time to complete differs with each request, the number of requests indicates demand for services.

Data Source: Information Services Request Forms.

Factors Beyond Agency's Control That Affect Performance: Budget restrictions limit personnel available to respond to increasing demands for services.

Objective 2. Produce MDA licenses, permits, certificates within 3 working days of submission to IS.

Measure: Licenses produced by Information Services Division.

Definition: The number of MDA licenses, permits and certificates produced by Information Services Division.

Rationale: The regulatory and inspection divisions of MDA use these licenses to verify compliance. The Financial Administration Division uses the licensing system running on our local area computer network to enter license information. IS then produces them, and delivers them to the appropriate division for mailing.

Data Source: Licenses produced by IS.

Factors Beyond Agency's Control That Affect Performance: Computer system failure.

Objective 3. Respond to requests for computer data from the public.

Measure: Requests by telephone, facsimile and mail for computer data from outside MDA.

Definition: Actual amount of data sent out. Some requests are for availability of or cost of data only, while others actually want data. All requests are first approved by the Department custodian of documents.

Rationale: Businesses, clients, and the general public request data collected by MDA.

Data Source: Number of data request forms completed for the period.

Factors Beyond Agency's Control That Affect Performance: NA

Part E - Rural Finance Authority

Objective 1. The Rural Finance Authority will assist farmers with below market interest rate loans for the purposes of refinancing, restructuring, ag improvements, and the purchase of real estate, machinery and breeding livestock (M.S. Chapters 41B and 41C).

Measure: 250 loans will be made in the current biennium.

Definition: A loan is complete when eligibility requirements are met, board is advised, documentation is complete and money is distributed.

Rationale: Increasing credit to eligible farmers by providing tax incentives to lenders and by sharing the risk by participating with local lenders, serves the public purpose of improving the prosperity of rural Minnesota.

Data Source: Independent Bankers of Minnesota, Minnesota Bankers Association, Department of Commerce, farmers, U of M Extension, farm organizations.

Factors Beyond Agency's Control That Affect Performance: Adverse weather conditions and low commodity and livestock prices. Lack of general fund appropriation to meet variable costs of Aggie Bond Program.

Objective 2. The Rural Finance Authority will provide below market interest rate loans to create jobs in rural Minnesota.

Measure: Facilitate three agri-business loans by end of 1995 biennium.

Definition: A loan is complete when eligibility requirements are met, board is advised, documentation is completed and money is distributed.

Rationale: Local lenders need tax incentives, participations and risk sharing in order to provide credit for start-up agribusinesses in rural Minnesota.

Data Source: Independent Bankers of Minnesota, Minnesota Bankers, Department of Commerce, U of M Extension.

Factors Beyond Agency's Control That Affect Performance: Low bank profits brought on by adverse weather conditions will tighten available credit.

Objective 3. Provide training and information on inter-generational transfer of farm operations, land, assets and management.

Measure: 60 workshops will be given this biennium to bankers, entering and retiring farmers, farm advocates, farm business management instructors and U of M Extension to increase their knowledge of RFA programs. All entering farmers and retiring farmers will have access to the Minnesota Farm Connection data base that will facilitate mentoring, share cropping, renting and purchasing existing operations.

Definition: Entering farmer is someone who wishes to become established as a full time farmer.

Rationale: 80 percent of the Minnesota farmers are reaching retirement age.

Data Source: Minnesota Ag Statistics, Dairy Initiatives, U of M Extension, Land Stewardship, Department of Commerce, Pork Producers Association, Cattlemen's Association, Farm Bureau, Farmers Union, Minnesota Bankers Association, Independent Bankers of Minnesota.

Factors Beyond Agency's Control That Affect Performance: Budget constraints and hazardous driving conditions would prevent staff from conducting scheduled workshops.

Objective 4. Service closed loan portfolio including collection of payments, billing late fees, and working with farmers in financial distress to ensure the state's financial interest is adequately protected.

Measure: Currently servicing a portfolio of \$15,200,000. Collection of monthly, quarterly, semi-annual or annual payments. Accounting of funds between individual A.P.I.D.'s and generate amortization schedules for each closed loan.

Definition: Minnesota Bonding Obligations.

Rationale: Reconcile account balances with participating lenders. Procedures are necessary to balance accounts between Department of Agriculture Financial Administration and the Department of Finance, and participating lenders.

Data Source: The Rural Finance Authority, Department of Agriculture Financial Administration, Department of Finance and participating lenders.

Factors Beyond Agency's Control That Affect Performance: Adverse weather conditions and low commodity and livestock prices.

Part F - Commissioner's Office

Objective 1. To serve rural Minnesotans who are in need of financial counseling and outreach services provided by the Minnesota Department of Agriculture's Farm Advocate Program.

Measure: The number of clients served.

Definition: The Farm Advocate Program provided needed financial planning and counseling, outreach for those in need, and eased the transition from farming to another occupation for others.

Rationale: The Department of Agriculture provides continued education for the Farm Advocates to ensure para-professional assistance for our rural families in crisis. The Farm Advocates are prepared, skilled, and experienced in responding to the needs of the communities they serve.

Data Source: Department records.

Factors Beyond Agency's Control That Affect Performance: Continued bad weather.

ANNUAL PERFORMANCE REPORT Part 4: Improving Programs and the Reporting Process

Agency: Agriculture, Department of

Process Used: The body of the performance report was developed at the activity level. Division directors, with varying levels of input from specific activity staff, developed the performance indicators and measures. The directors were advised to use the 1994-95 biennial budget as a starting point, but to rewrite objectives, determine more appropriate indicators for objectives, or develop new objectives and indicators if that was needed to more accurately determine progress toward the department's mission and goals.

Worker participation in the performance report so far has been informal input at the activity level and in union "meet and confer" sessions with the commissioner. The worker participation committee is being formed. Some members and union representatives have been appointed and briefings on the process have begun. Committee participation will be more structured as the draft is reviewed and amended.

After this draft was completed, each program manager reviewed the objectives and indicators from their program area to assure that they were consistent with the mission and goals of the department, reflected the priorities of the program and that the indicators were appropriate measures of the objectives.

Ways to Improve Program Outcomes: The performance report, objectives and indicators will be reassessed after the draft is evaluated by the legislative auditor and during the biennial budget process. The purpose of the annual performance report is to improve program outcomes. The performance measurement of the performance indicators will set the direction for improving program outcomes.