



## Department of Agriculture FY2016-17 Annual Performance Evaluation (October 2017)

### Strategic Policy Initiatives

The Department of Agriculture has identified several strategic policy initiatives for FY 2016-17 and beyond. For this performance evaluation, the Department has updated progress on the initiatives identified in the FY2017 Performance Plan that capture the Department's strategic and operational priorities, and reflect the overall direction as identified by Department leadership. The updates reflect data as of October 1, 2017. Additional detail for these strategic policy initiatives is available in the Department's Performance Plan, which may be accessed [here](#).

#### SPI 1 – Enhance Public Understanding of Colorado Agriculture

As Americans become further removed from farming and ranching, it is increasingly important that agriculture “tell its story.” The Department's 2016 survey of Public Attitudes about Agriculture in Colorado found that only about one fifth of all respondents (20.5%) reported having lived or worked on a farm at some point in their lives, far less than the 37% reported just a decade ago. Fostering attitudes and policy favorable to the long-term sustainability of Colorado's food and agriculture value chain hinges on creating broader public awareness and understanding of agriculture. Strategies being implemented by the Department include:

- 1) communicating information about Colorado agriculture and Department programs to the public and media;
- 2) informing Coloradans about food and agricultural products grown, raised, or processed in Colorado; and
- 3) showcasing Colorado agriculture to attendees of the annual Colorado State Fair.

#### SPI 2 – Improve the Customer Service Experience for the Department's Stakeholders

Colorado's farmers, ranchers and others that conduct business with the Department expect top-level customer service and their business transactions to be handled efficiently and effectively. Key strategies being implemented to enhance customer service and drive operational efficiencies include:

- 1) developing AgLicense to enable our customers to apply or renew and pay for their licenses, registrations, and inspections through an online application;
- 2) consolidating staff and operations from five Denver metro locations into a single property located in Broomfield; and
- 3) conducting LEAN analyses to drive operational efficiencies.

#### SPI 3 – Increase Marketing and Sales Opportunities throughout Colorado's Food and Agriculture Value Chain

Colorado's food and agriculture value chain generates an estimated \$40 billion of economic activity annually and is one of the state's most important economic drivers. Helping Colorado's food and agricultural suppliers to increase marketing and sales opportunities, which in turn, promotes incremental growth in economic activity, is accomplished through strategies including:

- 1) connecting Colorado food and agricultural suppliers with international buyers;
- 2) promoting animal health throughout Colorado's livestock herd; and
- 3) providing inspections, promotions, verifications, and other resources that help food and agricultural suppliers to support marketing claims and enhance marketing opportunities.



**Department of Agriculture  
FY2016-17 Annual Performance Evaluation (October 2017)**

**SPI 1 – Enhance Public Understanding of Colorado Agriculture**

The desired future outcome is that public attitudes, as measured by the Department's survey of Public Attitudes about Agriculture in Colorado, remain supportive of Colorado agriculture. The survey has been conducted every five years since 1996, most recently in the fall of 2016. Analysis of findings from core questions suggests Coloradans remain highly supportive of agriculture. 90% of respondents reported that agriculture contributes to the quality of life in Colorado; 95% believed it's important to maintain land and water in agricultural production with 68% indicating water for agricultural purposes should be a priority in a dry year; and 83% believed that the foods produced by Colorado farmers and ranchers are safe.

Leading indicator measures also help the Department to assess the effectiveness of the strategies supporting the SPI. Of particular note, the Department far exceeded its FY17 goals of increasing Facebook followers, as well as likes of the Colorado Proud Facebook page, demonstrating that public outreach and communications initiatives have been effective in positioning the Department and Colorado Proud as trusted and reliable sources of information. Similarly, the Department met goals for media impressions generated and website page views. More specific to Colorado Proud, awareness of the logo and reported purchasing of Colorado food and agricultural products were recorded at 83%. While lower than FY16 levels, the decreases are not considered statistically significant and are within the margin of error relative to the FY17 goals. These decreases, at least in part, likely stem from Colorado's population growth and that many of these new residents, as many as 50,000 annually, have not been as exposed to the "buy-local" message of the program as have Colorado's longer-term residents. Commissioner Brown has since allocated additional funds to provide for a targeted television presence as part of the 2018 promotion. Although not an FY17 measure, the State Fair found that 50% of attendees to the 2017 Fair (FY18) reported learning something new about agriculture. This is an increase from the 41% registered for the 2015 Fair. In addition to enhancements to the Department's Ag Pavilion, this year's Fair also included new signage throughout the grounds providing additional information and facts about agriculture which the Department believes contributed to the increase.

Key Strategies & Major Program Area	Measure	Leading Indicators				
		FY15 Actual	FY16 Actual	FY17 Actual	FY17 Goal	FY19 Goal
Public outreach and communications (Commissioner's Office)	# (million) of media impressions	NA	117.1	182.1	123	135
	# (million) of website page views	NA	2.5	2.6	2.6	2.9
	# of Facebook followers	3,115	3,953	5,106	4,325	5,225
State and local marketing programs (Markets Division)	% of targeted consumers aware of the Colorado Proud logo <sup>1</sup>	85	86	83	85	90
	% of targeted consumers reporting the purchase of Colorado food and agricultural products <sup>2</sup>	89	86	83	85	85
Educational exhibits and youth programs (State Fair)	# of Colorado Proud Facebook "likes" <sup>3</sup>	2,942	3,198	3,861	3,500	4,235
	% of attendees who learned something new about agriculture	NA	41	--	--	45

1) Earlier surveys reported awareness at 59% for 2008, 67% for 2009, 68% for 2010, 76% for 2011, 81% for 2012, 78% for 2013, and 85% for 2014.  
 2) Earlier surveys reported the percent of consumers purchasing Colorado food and agriculture products at 77% for 2008, 84% for 2009, 84% for 2010, 84% for 2011, 81% for 2012, 85% for 2013, and 89% for 2014.  
 3) FY16 data was developed from a survey of 2015 State Fair attendees.



SPI 2 – Improve the Customer Service Experience for the Department’s Stakeholders

The desired longer-term outcome is for the Department’s customer satisfaction rating, as measured by a survey of stakeholders, to improve to 88% by 2019. The most recent stakeholder survey, conducted in January 2016, reported a satisfaction rating of 86% which was an increase from the 84% registered in February 2014. This survey is typically conducted every other year with the next planned for January 2018.

During FY17, the Department increased the number of programs utilizing the AgLicense online platform from 15 to 19 with the addition of Egg Dealer, Organic Certification, Pet Animal Care Facilities Act, and Scales and Measuring Devices programs. Additionally, the Department conducted seven new LEAN analyses in FY17 that helped drive efficiencies in the processes for assignment of noxious weeds, making test results from the Rocky Mountain Regional Animal Health Laboratory available online to customers, recordkeeping of continuing education requirements for the Pesticide Applicator program, inspection of fruits and vegetables, and receiving of pesticide samples. Through process improvements, the Department helps support Governor Hickenlooper’s vision of state government being more efficient, effective, and elegant. Notable progress is also being made by the Department relating to Phase II of office consolidation. Groundbreaking should take place by yearend with the project scheduled for completion in early 2019.

Key Strategies & Major Program Area	Leading Indicators					
	Measure	FY15 Actual	FY16 Actual	FY17 Actual	FY17 Goal	FY19 Goal
AgLicense (Commissioner’s Office)	Cumulative # of programs successfully completing renewal applications and/or inspections online using AgLicense. <sup>1</sup>	9	15	19	22	24
Office consolidation (Commissioner’s Office)	Phase of two-phase office consolidation project completed <sup>2</sup>	1	1	1	1	2
LEAN analysis of processes (Commissioner’s Office and all Major Program Areas)	Cumulative # of LEAN analyses implemented resulting in process improvements <sup>3</sup>	1	4	11	6	10

- 1) Programs utilizing Ag License include: 1) Anhydrous Ammonia; 2) Aquaculture; 3) Certified Weigher; 4) Commercial Feeds; 5) Commodity Handler; 6) Custom Meat Processor; 7) Device Service Provider; 8) Egg Dealer; 9) Farm Products; 10) Fertilizer Manufacturer; 11) Home Food Service Plan; 12) Nursery Registration; 13) Organic Certification; 14) Pet Animal Care Facilities Act (PACFA); 15) Pesticide Products; 16) Pesticide Sensitive Registry; 17) Restricted Use Pesticide Dealer; 18) Scales and Measuring Devices; and 19) Seed Registration.
- 2) Selection of the project team was finalized in September 2017.
- 3) Completed LEAN project(s) include: 1) an evaluation and mapping of the process for assignment of noxious weeds in the Conservation Services division; 2) streamlining of regulatory programs and rebalancing of inspector workloads in the Inspection and Consumer Services (ICS) division; 3) streamlining of State Conservation Board direct assistance programs in the Conservation Services division; 4-6) evaluation of contracting and procurement processes in CORE, grants management, and accounts receivables in the Business Operations unit; 7) evaluation of processes within the Business Operations unit and ICS for making customer refunds and tracking of refunds; 8) evaluation of processes for making Rocky Mountain Regional Animal Health Laboratory (RMRAHL) lab test results available online; 9) evaluation of continuing education recordkeeping for the Pesticide Applicator program in the Plant Industry division; 10) evaluation and mapping of fruit and vegetable inspection processes in the Markets division; and 11) evaluation of 55 activities for pesticide sample receiving by the ICS biochemistry laboratory.



**Department of Agriculture**  
**FY2016-17 Annual Performance Evaluation (October 2017)**

SPI 3 – Increase Marketing and Sales Opportunities throughout Colorado’s Food and Agriculture Value Chain

The longer-term desired outcome is to affect annual cash receipts to Colorado farmers and ranchers from agricultural production such that Colorado outperforms the broader U.S. benchmark. In September 2017, USDA’s Economic Research Service reported that Colorado cash receipts had declined from \$7.3 billion in 2015 to \$6.3 billion for 2016 – a decrease of 13.7% as compared to a 6.5% decrease at the national level. Lower cattle prices contributed significantly to the decrease in cash receipts and its impact to Colorado more profound than at the national level as the sale of cattle and calves regularly makes up about half of total Colorado farm and ranch cash receipts. Colorado did better than the national benchmark for both 2014 and 2015.

Colorado continues to maintain its "disease-free" regulatory status for livestock health. This status enables livestock, so important to Colorado’s agriculture industry, to move freely through interstate and international market channels. The Animal Health Division’s incorporation of the USAHERDS platform has been central to the Division’s ability to improve trace-back of disease and improve the prevention and control of significant livestock disease that could negatively impact the "disease-free" status. The Department’s efforts to connect suppliers of Colorado food and agricultural products with international buyers continue to generate positive results. For FY17, 82% of the suppliers participating in promotions organized by the Department reported they had already increased business or believed they would as a result of participating in the promotion. This result aligns directly with the reported increase in overall exports of Colorado food and agricultural products. For Jan-Aug 2017, exports of Colorado food and agricultural products were reported at \$1.36 billion, as compared to \$1.05 for the same period of 2016 -- a nearly 30% increase! Additionally, goals were met by 11 of the Department’s 12 programs that help Colorado’s food and agricultural suppliers to enhance marketing opportunities and support marketing claims.

Key Strategies & Major Program Area	Leading Indicators					
	Measure	FY15 Actual	FY16 Actual	FY17 Actual	FY17 Goal	FY19 Goal
Export promotions (Markets Division)	% of suppliers reporting an increase in existing business or believe they will develop new business as a result of participating in the promotion(s) <sup>1</sup>	NA	81	82	80	80
Disease surveillance and traceability and Livestock disease testing (Animal Health Division)	Colorado’s regulatory status relating to animal health	Disease-free	Disease-free	Disease-free	Disease-free	Disease-free
Inspection, promotion, verification, and other programs that help food and agricultural suppliers to enhance marketing opportunities and support marketing claims <sup>2</sup>	% of operational processes that are meeting performance targets	(2 of 2) 100	(5 of 6) 83	(11 of 12) 92	80	80

1) FY16 data reflects post-activity reports from 90 of 124 suppliers that participated in 14 export promotions conducted by the Department in FY16. FY17 data reflects reports from 74 of 92 suppliers that participated in 8 promotions.

2) FY15 data reflects only the Fruit and Vegetable Inspection and Export Certification processes mapped as part of the Department’s FY15 Performance Plan. The FY16 Plan added processes from the Markets Division relating to Audit Verification for Food Safety Practices, Market News Reporting, and Market Order Programs; and from the Conservation Services Division relating to Wood Free Forage. FY17 added the Livestock Competition process from the State Fair; Business Development, Local & State Marketing Programs, Trade Development, and Wine Promotion processes from the Markets Division; and Organic Certification from the Plant Industry Division for a total of 12 processes supporting this strategic response.



## Department of Agriculture FY2016-17 Annual Performance Evaluation (October 2017)

### FY17-18 Performance Plan

#### FY 2017 Strategic Policy Initiatives

The Department's leadership team adopted new, higher-level strategic policy initiatives in FY16 and believes they continue to be relevant to the longer-term success of the Department. These strategic policy initiatives remained largely unchanged for the Department's FY18 Plan. The focus of these initiatives continues to be on enhancing Colorado's understanding of agriculture; improving the customer service experience; and increasing marketing and sales opportunities, as well as profitability, throughout Colorado's food and agriculture value chain. These strategic policy initiatives generally capture the key areas of focus of the Department's leadership and offer compelling goals to stakeholders and the Department's employees.

#### FY 2017 Strategies and Operational Measures

Key strategies supporting the strategic policy initiatives are being carried over from the FY2016-17 Plan, but with increased emphasis on public outreach and communications aimed at fostering public attitudes and policy favorable to the long-term sustainability of Colorado's food and agriculture value chain. Additionally, performance metrics have now been largely mapped for each of the programs implemented by the Department's seven operating divisions with progress toward each of the programs, as well as toward the broader, strategic policy initiatives, evaluated on a quarterly basis.

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