



**COLORADO**  
Department of Agriculture

# **Performance Plan for FY18**

**July 1, 2017**

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## STRATEGIC COMPONENT

### Vision & Mission



**COLORADO**  
Department of Agriculture

The Colorado Department of Agriculture and its nearly 300 employees are unified around a common **vision** “*that Colorado agriculture be strong and vibrant, a key driver of the state’s economy, and recognized worldwide for its safe and abundant supply of high quality food and agriculture products.*”

In order to attain this vision, the Department strives each day to deliver the programs and services that will lead to fulfilling its **mission** which is “*to strengthen and advance Colorado agriculture; promote a safe and high quality food supply; protect consumers; and foster responsible stewardship of the environment and natural resources.*”

The Department’s vision and mission were both updated in the spring of 2017.

### Department Description

Colorado’s food and agriculture industry ranks among the state’s most important economic drivers, generating more than \$40 billion in economic activity annually and supporting more than 170,000 jobs. The Department, established as a separate state agency in 1933, serves this broad and diverse key industry network, as well as all of Colorado’s citizens, through a wide range of marketing, regulatory, and service related activities delivered through the Commissioner’s Office and its seven operating divisions. Authority for the Department and its work exists within Colorado Revised Statutes, specifically Title 18 (Article 9, Part 2) and Title 35.

The **Commissioner's Office** provides oversight of the Department’s operating divisions, in addition to support functions such as communications, fiscal and legislative policy, human resources, information technology, and public information. The office also oversees continuity of operations and LEAN process improvement, as well as provides leadership and advocacy for the food and agriculture key industry network on issues including, but not limited to, Federal farm legislation, water policy, animal welfare, and environmental rules and regulations. Additionally, the office is serving as the lead for implementation of the Produce Safety Rule (PSR) of the Food Safety Modernization Act (FSMA).

The **Animal Health Division** provides livestock disease prevention and control, animal disease traceability, coordination of livestock emergency incident preparedness and response, disease surveillance and laboratory services through the Rocky Mountain Regional Animal Health Laboratory (RMRAHL), predator control services, licensing of aquaculture facilities, and oversees the Bureau of Animal Protection.

The **Brands Division** inspects and verifies ownership of approximately four million head of livestock annually, investigates theft and abandonment of livestock and assists in prosecutions as necessary. The Division also records and administers nearly 33,000 Colorado livestock brands, licenses public livestock markets and certified feedlots, inspects and verifies ownership of

alternative livestock (i.e., elk and fallow deer), and inspects and licenses over sixty alternative livestock facilities.

The **Colorado State Fair** highlights and provides a showcase for Colorado agriculture through the annual eleven day event. Colorado youth enrolled in 4-H and FFA programs showcase the best of the best in livestock, equine, horticulture, general project areas like leather crafting and leadership, shooting sports, STEM projects and many more. In addition to the strong youth education projects, the State Fair provides for competition in a number of general entry categories such as commercial livestock, art, baking, canning, flowers, needlework, and winemaking. The State Fair accommodates a year-round schedule for a variety of exhibitions and commercial activities with the private sector and local educational institutions.

The **Conservation Services Division** comprises seven programs - Agricultural Chemicals and Groundwater Protection, Agricultural Energy, Biological Pest Control, Chemigation, the Colorado State Conservation Board, Noxious Weed Management, and Weed Free Forage. Together, these programs provide technical and financial support, leadership and coordination, and regulatory oversight to public/private landowners and agricultural businesses statewide on an array of natural resource management challenges. Additionally, the Division provides leadership relating to Federal lands issues.

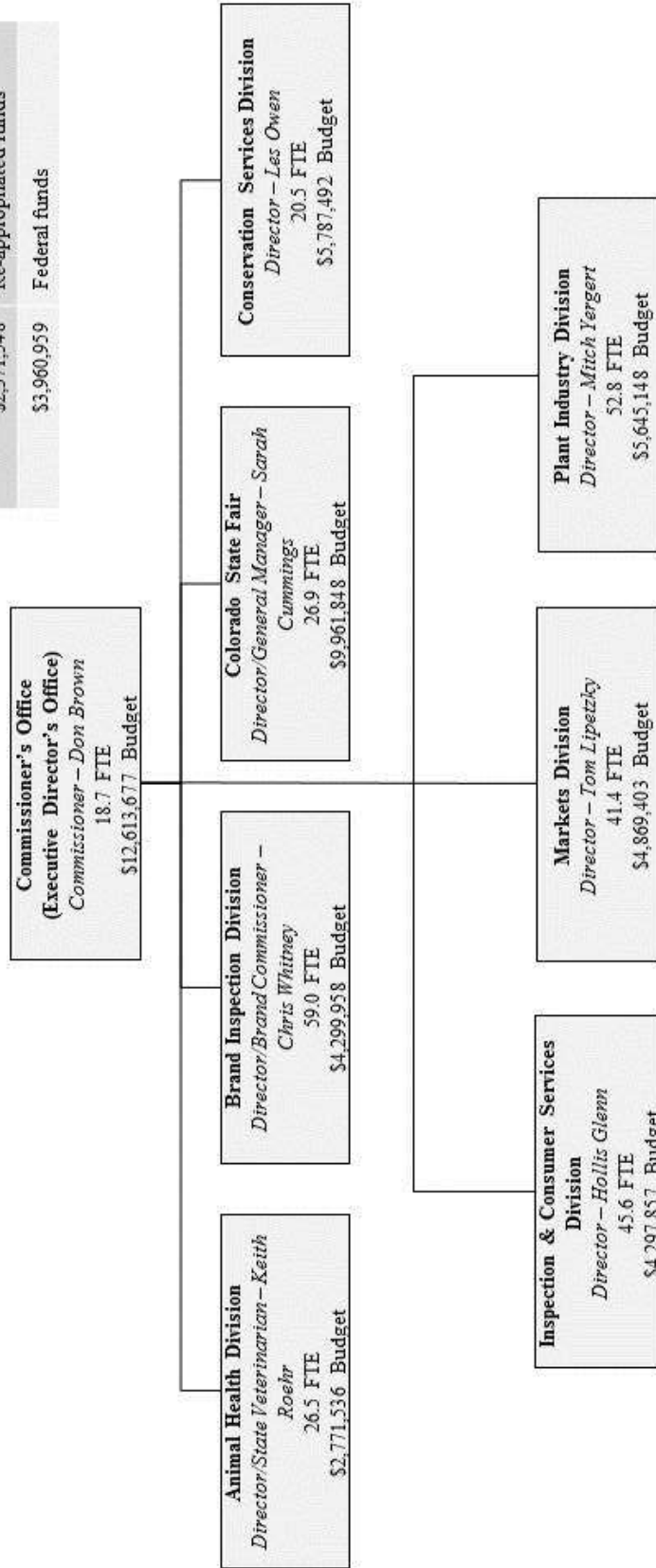
The **Inspection & Consumer Services (ICS) Division** provides inspection of animal feed, fertilizer, anhydrous ammonia tanks, eggs, grain warehouses, agricultural commodity handlers and farm products dealers, pet animal care facilities, custom meat and wild game processors, door-to-door food sales companies, weighing and measuring devices, and packages for correct weight and pricing. ICS also provides metrology and other regulatory-related laboratory services such as feed, fertilizer, groundwater, and pesticide analysis.

The **Markets Division** assists Colorado food and agricultural suppliers to increase product marketing opportunities worldwide, as well as to foster the development of value-added and processing business ventures. Key initiatives to promoting products locally are the Colorado Proud program, Colorado MarketMaker, Farm Fresh, and a wide array of other directories and listings. The Markets Division also collects and disseminates livestock market news and provides size and grade inspection services and Good Agricultural Practices (GAP) and Good Handling Practices (GHP) verification audits for fruit and vegetable producers and shippers. Additionally, the Division provides administrative oversight for nine market order programs, helps promote Colorado wines through the Colorado Wine Industry Development Board, and administers the state's Specialty Crop Block Grant Program for the benefit of Colorado's fruit, vegetable, and green industry producers.

The **Plant Industry Division** provides organic certification; nursery stock dealer registration and inspection; produce, plant, and seed export certification; exotic plant pest surveys; hemp registration and inspection; seed dealer registration and inspection; plant quarantine enforcement; bee health certification; chemigation and groundwater program containment inspections; commercial and private pesticide applicator testing, licensing, inspections and investigations; and pesticide registration, marketplace pesticide inspections, and pesticide dealer licensing and inspections.

# Colorado Department of Agriculture Organization Chart

Total Department FTE & Budget Breakdown (Based on FY18 Long Bill Appropriation)	
Total FTEs	291.4
Total funds	\$50,246,919
General funds	\$10,506,004
Cash funds	\$33,408,408
Re-appropriated funds	\$2,371,548
Federal funds	\$3,960,959



## Funding

The FY18 General Fund appropriation for the Department is \$10.5 million, an amount less than one-tenth of one percent of the statewide General Fund appropriation. Although the Department's General Fund appropriation has more than doubled since FY12, General Fund appropriations make up 20.9% of the Department's total \$50.2 million appropriation. Cash Funds, derived from fees charged for licenses, inspections, and other services total \$33.4 million and account for 66.5% of the Department's total appropriation. Reappropriated and Federal Funds make up the remaining 12.6% of the total appropriation at \$2.37 million and \$3.96 million, respectively.

		General Funds	Cash Funds	Reappropriated Funds	Federal Funds	Total Funds
Commissioner's Office		\$3,072,123	\$7,828,288	\$1,527,548	\$185,718	\$12,613,677
Animal Health Division		\$1,593,902	\$985,480	\$0	\$192,154	\$2,772,536
Brands Division		\$0	\$4,299,958	\$0	\$0	\$4,299,958
Colorado State Fair		\$1,000,000	\$8,961,848	\$0	\$0	\$9,961,848
Conservation Services Division	Conservation Programs	\$1,370,961	\$626,244	\$700,000	\$895,079	\$3,592,284
	Conservation Board	\$1,196,155	\$450,000	\$0	\$549,053	\$2,195,208
Inspection & Consumer Services Division		\$1,189,027	\$2,667,704	\$99,000	\$342,126	\$4,297,857
Markets Division	Marketing Programs	\$499,841	\$50,454	\$45,000	\$928,170	\$1,523,465
	Wine Promotion	\$0	\$584,108	\$0	\$0	\$584,108
	Value-Added Development	\$0	\$500,000	\$0	\$0	\$500,000
	Ag Products Inspection	\$200,000	\$2,061,830	\$0	\$0	\$2,261,830
Plant Industry Division		\$383,995	\$4,392,494	\$0	\$868,659	\$5,645,148
Total Funds		\$10,506,004	\$33,408,408	\$2,371,548	\$3,960,959	\$50,246,919

## Offices

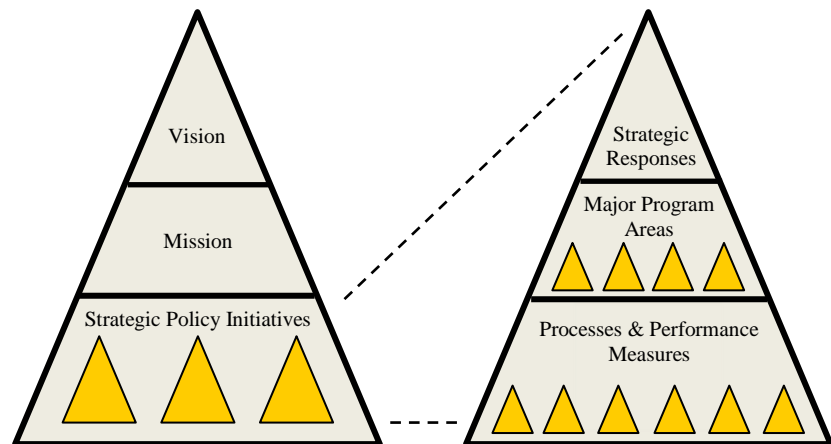
The Department continues to work toward the goal of consolidating staff from the five Denver metro offices it had previously occupied into a single property in the Interlocken Business Park in Broomfield. Phase I of the project, completed in May 2014, consolidated the Commissioner’s Office, and the Animal Health, Brands, Conservation Services, Markets, and Plant Industry divisions. Phase II of the project, targeted for completion by late 2018 to early 2019, will relocate the Inspection & Consumer Services division, BioChemistry Laboratory, Metrology Laboratory, and the Rocky Mountain Regional Animal Health Laboratory. Besides its main office in Broomfield, the Department has offices in Grand Junction, Monte Vista, Palisade, and Pueblo. The Department’s current office locations include:

<i>Office Location</i>	<i>Department Operation(s) at the Location</i>
305 Interlocken Parkway Broomfield, CO	<ul style="list-style-type: none"> <li>• Animal Health Division</li> <li>• Brands Division</li> <li>• Commissioner’s Office</li> <li>• Conservation Services Division</li> <li>• Markets Division</li> <li>• Plan Industry Division</li> </ul>
2331 W. 31 <sup>st</sup> Avenue Denver, CO	<ul style="list-style-type: none"> <li>• Inspection &amp; Consumer Services (ICS) Division and BioChemistry Laboratory</li> <li>• Rocky Mountain Regional Animal Health Laboratory (Animal Health Division)</li> </ul>
3125 Wyandot Street Denver, CO	<ul style="list-style-type: none"> <li>• ICS Metrology Laboratory</li> <li>• ICS Field Programs</li> </ul>
2738 Crossroad Blvd. Grand Junction, CO	<ul style="list-style-type: none"> <li>• Conservation Services Field Office</li> </ul>
735 Second Avenue Monte Vista, CO	<ul style="list-style-type: none"> <li>• Fruit &amp; Vegetable Inspection Section (Markets Division)</li> </ul>
750 37.8 Road Palisade, CO	<ul style="list-style-type: none"> <li>• Insectary (Conservation Services)</li> </ul>
1001 Beulah Avenue Pueblo, CO	<ul style="list-style-type: none"> <li>• Colorado State Fair</li> </ul>

## Plan Structure

The Department's Performance Plan might best be thought of as a series of linked pyramids. The diagram below illustrates the relationship of the strategic component of the Plan which includes the vision and mission statements, as well as strategic policy initiatives (SPI) and strategic responses, to the more operational component of the Plan encompassing the processes implemented within the major program areas. While the Department's vision and mission are general in nature and intended to chart the Department's course well into the future, the processes more generally reflect the Department's day-to-day focus.

Bridging the gap between the Department's broad vision and mission statements and the processes are the strategic policy initiatives and strategic responses. The strategic policy initiatives identified by the Department's executive leadership and senior management team reflect the highest-level and current priorities for the Department. For each of the strategic policy



initiatives, a series of strategic responses were identified, creating a direct linkage between these broad overarching goals and the day-to-day work of the Department (i.e., processes), helping to focus and direct the work of the Department essential to the advancement of the strategic policy initiatives. Leading indicator measures were also developed for each of the strategic responses and progress toward the identified goals serve as a proxy in evaluating the Department's performance against the strategic policy initiatives. In turn, achieving the Department's broader strategic policy initiatives contributes to fulfilling the Department's mission, and ultimately, vision.

The strategic policy initiatives included in this Performance Plan, while containing elements from prior year plans, generally reflect the priorities of the Department's new executive leadership team appointed in early 2015.

With this Plan, the Major Program Areas will have largely completed mapping all the discrete processes representative of the work performed by staff in that area. Additional processes as identified may be added in subsequent years. These processes, with a description of the environment, key inputs, steps taken by staff to implement the process, and performance measures are included by reference as an Operational Component of the Plan.



## Progress Report on Goals from the Department's FY17 Performance Plan

The Department made significant progress toward the key strategic policy initiatives and operational processes included in its FY17 Performance Plan. The information below is reflective of key successes.

### Strategic Policy Initiatives

#### SPI 1 - Enhance Coloradans' Understanding of Agriculture

As Americans become further removed from farming and ranching, it has become increasingly important for agriculture to "tell its story." Fostering public attitudes and policy favorable to the long-term sustainability of Colorado's food and agriculture value chain hinges on creating broader 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.

The desired future outcome is that Coloradans, as measured by the Department's survey of Public Attitudes about Agriculture in Colorado, remain supportive of Colorado agriculture. This survey has been conducted every five years since 1996 with the most recent survey being in the fall of 2016. Key findings from the survey suggesting that Coloradans remain highly supportive of agriculture include:

- ✓ 95% believe it's important to maintain land and water in agricultural production and 90% that agriculture contributes to the quality of life in Colorado.
- ✓ 83% believe the foods produced by Colorado farmers and ranchers are safe, 77% that ranchers with grazing permits are treating public lands appropriately, 69% that farmers are effective in using agricultural practices that conserve water and soil, and 58% that Colorado's agriculture industry is environmentally responsible. And while 55% of the public believe farm and ranch animals in Colorado are treated humanely, this percentage has steadily decreased from the 75% recorded in 1996, suggesting animal health and care may be an area where the agriculture industry could do a better job of communicating and being more transparent of production, animal care, and meat processing practices.
- ✓ The percentage of consumers believing that foods produced with GMO technology are safe to eat increased to 41%; however, there remains a significant percentage of the public (60%) who believe GMO technology is only sometimes or almost never necessary to produce enough food for our growing world population. Similar attitudes were expressed about production practices including pesticides, fertilizers, and antibiotics.

These findings, in particular those relating to production practices, will help to shape Department communications going forward. They will also be central to the theme and messaging around which the 2<sup>nd</sup> Cultivating Colorado publication will be developed. During FY17, the Department

published the inaugural edition of the publication, distributing more than 15,000 copies statewide.

Social media has become an increasingly important tool of the Department to communicate with the public and media about Colorado agriculture and Department programs, and helps foster positive public attitudes toward agriculture. To this end, Facebook followers are projected to top 5,000 by the end of FY17, representing more than 25% growth in followers in FY17 and significantly exceeding the goal of increasing Facebook followers by 10%. The surge in followers reflects increased outreach by the Department, which included daily posts and topical videos, and shows both stakeholders and interested members of the public view the Department as a trusted source. The Department uses Facebook both to interact with followers about the lighter side of agriculture and to inform followers of important topical and program information. The Department, with its onsite video production and editing capabilities, has also assisted the Governor's Office including a video of the Lt. Governor experiencing first-hand what it's like to drive today's high-tech farm tractors. Similarly, the Department's outreach efforts are resulting in incremental growth in website pageviews and media impressions.

The survey of Public Attitudes about Agriculture in Colorado also found the Department ranked second, following only universities and research institutions, as being the "most trusted source" for information on agricultural, food quality, nutrition, and safety issues. USDA, farmers and ranchers, other Federal agencies, environmental organizations, agricultural commodity groups and trade associations, the food industry, news, and social media were all ranked lower than the Department. This trust factor is essential to the Department's ability to help inform the public on matters of importance to Colorado's food and agriculture industry.

## 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. Several key strategies are being implemented to enhance customer service and drive operational efficiencies. These 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) Completing consolidation of staff and operations from five Denver metro locations into a single property located in Broomfield; and 3) Conducting LEAN analyses to drive operational efficiencies. In doing so, the Department supports Governor Hickenlooper's vision of state government being more efficient, effective, and elegant.

The desired longer-term outcome is for the Department's customer satisfaction rating, as measured by a survey of stakeholders, to always exceed 85%. 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.

Several key strategies being implemented are aimed at enhancing customer service and driving operational efficiencies. One of these is AgLicense which enables our customers to apply or renew and pay for their licenses, registrations, and inspections through an online application intended to improve operational efficiencies and enhance customer service. AgLicense was

rolled out in FY15 with nine programs successfully completing renewal applications online. Six additional programs were added in FY16 bringing the total to 15 programs. As of the end of FY17, functionality of the online application had expanded to 19 programs. Four additional programs are expected to be added in FY18.

Along with AgLicense, the Department has also increased utilization of LEAN analyses to drive process improvements and increase efficiencies throughout Department operations. The Department conducted seven LEAN analyses during FY17 bringing its total to 11 analyses conducted since FY15.

### SPI 3 – Increase Marketing and Sales Opportunities, as well as Profitability, 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 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 and overseeing regulatory disease control throughout Colorado’s livestock herd; and 3) Providing inspections, promotions, verifications, and other resources to help food and agricultural suppliers support marketing claims and enhance marketing opportunities as consumers continue to insist on more information about the food they consume.

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 2016, USDA’s Economic Research Service reported that Colorado cash receipts had declined from \$7.6 billion in 2014 to \$7.4 billion for 2015 – a decrease of about 3% as compared to a more than 10% decrease at the national level. Similarly, Colorado did better than the national benchmark in 2014 when cash receipts rose by 8.6% as compared to 5.1%.

The sale of cattle and calves accounts for more than 50% of Colorado’s total agricultural cash receipts, making it the largest segment of the state’s agriculture industry. Maintaining regulatory disease-free status for tuberculosis and brucellosis is central to the ability of Colorado’s livestock producers to continue to move livestock and products freely through interstate and international market channels. This status has been maintained through continual enhancement of the capability of the Department’s animal disease traceability system (i.e., USA HERDS animal health information management system), creating better trace-back of disease and greater prevention control of significant livestock disease.

Another key strategy, trade development and export promotion, focuses on connecting Colorado food and agricultural suppliers with international buyers. Reports from participants at two recent trade shows where the Department coordinated a Colorado Pavilion, the Beverage Alcohol for Restaurants show (BAR) and ANTAD, the leading trade show for retail and department stores in Mexico, indicate 100% of Colorado suppliers who participated expect to generate new business, and nearly one-third have already increased sales.

## Operational Processes

All **animal disease traceability** performance exercises conducted by the Animal Health division met USDA traceability standards. The percent of investigations determining the location of diseased animals within one day is now consistently around 90% as compared to just 38% for FY14, and traceability of movement of diseased animals within one week has increased to near 100% from 62.5%. Performance is expected to continue to improve as additional traceability information is captured and uploaded into the USA HERDS database.

The Brands Division met all goals relating to **brand inspections** conducted in compliance with statute and regulations, with only two inspections resulting in disputed legal actions in FY17. Similarly, all targets for **alternative livestock licensing and inspection**, and **feedlot certification and auditing** were met.

The **Colorado State Fair** increased non-Fair utilization of fairground facilities to nearly 70% as of Q3 FY17, exceeding the target of 60%. Increased revenues from hosting more events and organizations will help position the State Fair for longer-term sustainability. Year-round sponsorships of the State Fair also remain steady at \$1.7 million through the end of Q3 FY17.

The Regional Conservation Partnership Program (RCPP) Colorado Agricultural Energy Efficiency Program in the **Conservation Services Division** is in full swing. At the end of FY17, the program will have completed 140 energy audit reports and more than 20 implementation projects. The Program was also expanded beyond dairies and pumped irrigation to include greenhouses and cold storage facilities. The RCPP Pressurized Irrigation Small Hydropower Program is on schedule with two projects complete, three projects under construction, and 15 completed feasibility studies. The irrigation hydro program aims to fund 12 new projects in FY18.

The **Pet Animal Care Facilities Act** (PACFA) program was transferred to the Inspection and Consumer Services Division in FY16 and has made significant progress toward its goal of 98% of facilities inspected annually with 86% inspected as of Q3 FY17, and 89% of complaints investigated and closed within two weeks, with a goal of 98%.

The timeliness and accuracy of **size and grade inspections** conducted by the Markets Division continued to meet industry expectations. As an example, through Q3 FY17, 98% of inspection requests were responded to within 30 minutes and year-to-date, there have been no reversals of inspections at the receiving point. The Division also continues to maintain very high levels of consumer awareness of the **Colorado Proud** program, created in 1999 to help consumers identify products grown, raised, or processed in Colorado. Awareness, as measured by a fall 2016 survey, reported awareness at 83%, well above the 59% reported in 2008. During the past year, Colorado Proud was recognized by the North American Agricultural Marketing Officials with its prestigious Marketing Excellence Award and was awarded the Grand Gold Pick Award by the Colorado chapter of the Public Relations Society of America.

Similarly, the Plant Industry Division, while conducting more than 800 compliance assistance meetings to educate the marijuana industry on the **safe and proper use of pesticides**, discovered that nearly 100% of the grow sites were in violation of some portion of the Worker Protection

Standards. Formal inspections showed a significant improvement overall in compliance with worker safety and pesticide use rules, with 25% of those inspected fully compliant with all the rules. 36 cases were referred to the Division in FY17 from outside agencies for investigation of pesticide misuse, down from 108 in FY16 -- an indication that outside agencies are seeing fewer issues of concern due in part to the Division's efforts. The Division is committed to educating the cannabis industry and protecting the citizens of Colorado through education and continued enforcement of pesticide regulations.

The Plant Industry Division also surpassed previous numbers relating to the percentage of **industrial hemp** samples tested that were selected for compliance testing, increasing from 23% in FY14 to approximately 80% in FY17 -- exceeding the goal of 60%.

### Strategic Policy Initiatives

Strategic policy initiatives identified by the Department's executive leadership and senior management team as being the highest-level goals for the Department in the near-term, in no particular order, include:

- 1) Enhance Coloradans' understanding of agriculture,
- 2) Improve the customer service experience for the Department's stakeholders, and
- 3) Increase marketing and sales opportunities, as well as profitability, throughout Colorado's food and agricultural value chain.

Each of these initiatives are described in more detail on the following pages along with information regarding longer-term outcomes and strategies being implemented to achieve those outcomes.

## 1) Enhance Coloradans' Understanding of Agriculture

**Outcome:** That Coloradans, as measured by the Department's survey of *Public Attitudes about Agriculture in Colorado*, remain supportive of Colorado agriculture.

**Result:** The most recent survey conducted in the fall of 2016 suggests Coloradans remain highly supportive of Colorado agriculture. Specific measures were previously highlighted on page 7.

Strategic Responses	Major Program Area and Key Process(es)	Leading Indicators					
		Measure	Baseline	FY2017		FY2018	FY2020
				Goal	Est.		
Communicate information about Colorado agriculture and Department programs to the public and media	<u>Commissioner's Office &amp; Colorado State Fair</u> <ul style="list-style-type: none"> <li>Public outreach and communications</li> </ul>	# (million) of media impressions	117.1 (FY16)	123	160	168	184
		# (million) of Department website pageviews	2.5 (FY16)	2.6	2.4	2.7	2.9
		# of Facebook followers	3,115 (FY15)	4,326	5,156	5,413	5,954
Inform Coloradans about food and agricultural products grown, raised, or processed in Colorado	<u>Markets</u> <ul style="list-style-type: none"> <li>State and Local Marketing including Colorado Proud, Farm Fresh, Colorado MarketMaker, and other directories and listings</li> </ul>	% of consumers aware of the Colorado Proud logo <sup>1</sup>	59% (FY09)	85%	83%	>80%	>80%
		% of consumers reporting the purchase of Colorado food and agricultural products <sup>2</sup>	77% (FY09)	85%	83%	>80%	>80%
Showcase Colorado agriculture to attendees of the annual State Fair	<u>Colorado State Fair</u> <ul style="list-style-type: none"> <li>Educational exhibits and youth programs</li> </ul>	% of attendees who learned something new about agriculture <sup>3</sup>	41% (FY16)	N/A	N/A	>40%	>40%

- 1) Baseline from fall 2008 (FY09) Survey USA report. Previous surveys have reported awareness at 67% for FY10, 68% for FY11, 76% for FY12, 81% for FY13, 78% for FY14, 85% for FY15, and 86% for FY16. The awareness level reported from the survey conducted in FY17, while lower than reported in FY16, is within the margin of error and statistically, not of significant difference. The FY18 campaign will not include TV due to budget limitations and as such, targets for FY18 and FY20 have been lowered.
- 2) Baseline from fall 2008 (FY09) Survey USA report. Previous surveys have reported the percent of targeted consumers reporting all, most or some of food purchases in the last month included Colorado food and agricultural products at 84% for FY10, 84% for FY11, 84% for FY12, 81% for FY13, 85% for FY14, 89% for FY15, and 86% for FY16. While purchase experience from the survey conducted in FY17 is lower than reported for FY16, it is within the margin of error and statistically, not of significant difference. The FY18 campaign will not include TV due to budget limitations and as such, targets for FY18 and FY20 have been lowered.
- 3) Baseline was developed from a survey of 2015 State Fair attendees (FY16). The next survey will be conducted at the 2017 State Fair (FY18).

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

**Outcome:** For the Department's customer satisfaction rating, as measured by a survey of stakeholders, to always exceed 85%.

**Result:** The most recent stakeholder survey, conducted in FY16, reported a satisfaction rating of 86% which was an increase from the 84% registered in FY14 but still lower than the 89% rating from a FY13 survey. This survey is typically conducted every other year with the next planned for December 2017/January 2018.

Strategic Responses	Major Program Area and Key Process(es)	Leading Indicators					
		Measure	Baseline	FY2017		FY2018	FY2020
				Goal	Est.		
Make it easier for our customers to do business with the Department	<u>Commissioner's Office</u> <ul style="list-style-type: none"> <li>Ag License consolidation project</li> </ul> <u>All Major Program Areas</u> <ul style="list-style-type: none"> <li>LEAN Analysis of processes</li> </ul>	# of programs successfully completing renewal applications online using AgLicense <sup>1</sup>	9 (FY15)	22	19	23	--
		Phase of two-phase office consolidation project completed <sup>2</sup>	1 (FY14)	1	1	1.5	2
		Cumulative # of LEAN analyses implemented resulting in process improvements <sup>3</sup>	1 (FY15)	6	11	18	25

1) Programs utilizing AgLicense at the end of Q3 FY17 include: Anhydrous Ammonia, Aquaculture, Certified Weigher, Commercial Feed, Commodity Handler, Custom Meat Processor, Device Service Provider, Farm Products, Fertilizer Manufacturers, Home Food Service Plan, Nursery Registration, Pet Animal Care Facilities, Restricted Use Pesticide Dealers, Pesticide Products, Pesticide Sensitive Registry, and Seed Registration.

2) The projected completion date for Phase 2 is late 2018 to early 2019.

3) Thru the end of Q3 FY17, LEAN analyses had focused on: the evaluation and mapping of fruit and vegetable inspection processes within the Markets Division, the evaluation and 5S activities surrounding the pesticide sample receiving process for the Biochemistry Laboratory of the Inspection and Consumer Services Division, the utilization of an electronic laboratory information system by the Rocky Mountain Regional Animal Health Laboratory within the Animal Health Division, recordkeeping relating to continuing education for pesticide applicators in the Plant Industry Division, processes for direct assistance programs for conservation districts in the Conservation Services Division, inspection processes in the Inspection and Consumer Services Division, and processes within the Business Operations unit such as contracts and procurement, grants management, and accounts receivables.

### 3) Increase Marketing and Sales Opportunities, as well as Profitability, throughout Colorado’s Food and Agricultural Value Chain

**Outcome:** To affect annual cash receipts to Colorado farmers and ranchers from agricultural production such that Colorado outperforms the broader U.S. benchmark.

**Result:** USDA’s Economic Research Service (ERS) reported in September 2016 that Colorado cash receipts had declined from \$7.6 billion in 2014 to \$7.4 billion for 2015 – a decrease of about 3% as compared to a more than 10% decrease at the national level. Similarly, Colorado did better than the national benchmark in 2014 when cash receipts rose by 8.6% as compared to 5.1%.

Strategic Responses	Major Program Area and Key Process(es)	Leading Indicators					
		Measure	Baseline	FY2017		FY2018	FY2020
				Goal	Est.		
Connect Colorado food and agricultural product suppliers with international buyers	<u>Markets</u> <ul style="list-style-type: none"> <li>Promotions focusing on inbound buyer teams, outbound trade missions, and trade shows</li> </ul>	% 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>	81% (FY16)	>80%	80%	>80%	>80%
Promote animal health throughout Colorado’s livestock herd	<u>Animal Health</u> <ul style="list-style-type: none"> <li>Disease Surveillance and Traceability</li> <li>Livestock Disease Testing</li> </ul>	Colorado’s regulatory status relating to animal health <sup>2</sup>	Disease-Free	Disease-Free	Disease-Free	Disease-Free	Disease-Free
Provide resources and conduct promotions, inspections, and verifications that help food and agricultural suppliers to enhance marketing opportunities and support marketing claims	The 12 key processes listed below roll-up into supporting this strategic response	% of processes mapped that are meeting stated performance targets <sup>3</sup>	2 of 2 100% (FY15)	10 of 12 83%	10 of 12 83%	>80%	>80%

1) Results reflect post-activity reports of food and agricultural suppliers participating in promotions conducted by the Department.

2) Colorado has been considered tuberculosis-free since July 1, 1975 and brucellosis-free since January 23, 1995.

3) The baseline reflects only the Fruit and Vegetable Inspection and Export Certification processes mapped as part of the FY15 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 Weed 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.



## Vision 2018

Many of the Department's operational processes also support Vision 2018, particularly the Priority Areas relating to Environment & Energy, Economic Development, and Quality Government Services. These processes are described in more detail below:

### Priority Area - Environmental sustainability and balanced energy development

The State Conservation Board, Groundwater Protection, and Noxious Weeds processes within the Conservation Services major program area all focus on enhancing air and water quality, as well as helping to sustain Colorado's land resources which are so critical to agricultural production. These processes ...

- ✓ Offer voluntary programs for agricultural producers to reduce naturally occurring salts and selenium from entering streams and rivers through the adoption of improved irrigation methods,
- ✓ Protect groundwater from impairment or degradation by supporting and regulating proper use/storage of agricultural chemicals (fertilizers and pesticides) while allowing for their proper and correct application,
- ✓ Monitor extensive well networks to rapidly detect contaminants in groundwater,
- ✓ Promote non-chemical options for pest control in order to provide additional tools for producers to control agricultural pests,
- ✓ Detect and contain the spread of newly invading noxious weed species to reduce future herbicide inputs required to limit widespread noxious weed invasions,
- ✓ Promote voluntary adoption of practices to improve run-off quality into lakes and streams.

Additionally, the Department has also identified the need for increased engagement with the Federal government relating to the nearly 36% of land in Colorado it owns and manages which Colorado farmers and ranchers utilize. To this end, the Conservation Services Division Director's position was restructured to focus on Federal lands/issues.

### Priority Area - Community focused economic and infrastructure development

The Department helps promote entrepreneurship and business growth through implementation of more than a dozen distinct processes that provide resources or conduct promotions, inspections, and verifications to help food and agricultural suppliers enhance marketing opportunities and support marketing claims. These processes include, but are not limited to, audit verification for food safety practices, local and statewide marketing programs, organic certification, wine promotion, and trade development and export promotion.

Additionally, efforts are ongoing to streamline regulations and make government business services and requirements easier to navigate. For example, in the past two years, the Department eliminated three rules relating to peach mosaic and the Colorado Agricultural Value Added Development Board, and amended a rule concerning alternative livestock waiving the need for producers to send specimens from every elk or fallow deer that dies on-premises if there has not been any indication of chronic wasting disease within the past 60 months. At the same time, the Department has increased focus on efficiency reviews and broadening stakeholder input.

#### Priority Area - Quality government services

Delivery of quality government services is a top priority of the Department's executive leadership team. The Department draws upon findings from statewide Employee Engagement Surveys and communications with employees to develop action plans building on Governor Hickenlooper's vision of state government becoming more efficient, effective, and elegant. The Department is currently focusing on:

- ✓ Improving customer service processes and creating system efficiencies by increasing LEAN participation,
- ✓ Investing in employees to improve morale, increase retention, drive loyalty and boost our reputation as a great place to work, and
- ✓ Fostering teamwork by creating a work culture that values collaboration, communication, and transparency.

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