



GIPSA Strategic Plan 2005-2009

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Grain Inspection, Packers and Stockyards Administration

Strategic Plan (FY 2005-2009)

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Grain Inspection, Packers and Stockyards Administration

Agency Overview

The Grain Inspection, Packers and Stockyards Administration (GIPSA), along with its United States Department of Agriculture (USDA) sister agencies in the Marketing and Regulatory Programs (MRP) mission area – the Agricultural Marketing Service (AMS) and the Animal and Plant Health Inspection Service (APHIS) – is working to ensure a productive and competitive global marketplace for U.S. agricultural products.

GIPSA facilitates the marketing of livestock, poultry, meat, cereals, oilseeds, and related agricultural products, and promotes fair and competitive trading practices for the overall benefit of consumers and American agriculture.

The Agency's Packers and Stockyards Programs (P&SP) promotes fair business practices and competitive environments to market livestock, meat, and poultry. Through its oversight activities, including monitoring programs, reviews, and investigations, P&SP fosters fair competition, provides payment protection, and guards against deceptive and fraudulent trade practices that affect the movement and price of meat animals and their products. P&SP's work protects consumers and members of the livestock, meat, and poultry industries.

The Agency's Federal Grain Inspection Service (FGIS) facilitates the marketing of U.S. grain and related agricultural products through the establishment of standards for quality assessments, regulation of handling practices, and management of a network of Federal, State, and private laboratories that provide impartial, user fee funded official inspection and weighing services. These activities promote fair and transparent markets, increase crop value by aligning crop quality with specific consumer demands, reduce trade disputes resulting from conflicting descriptions of crop quality and value, and minimize the cost of transactions between buyer and seller, both in the domestic and global markets.

Agency Mission and Vision

GIPSA's mission is to facilitate the marketing of livestock, poultry, meat, cereals, oilseeds, and related agricultural products, and promote fair and competitive trading practices for the overall benefit of consumers and American agriculture.

GIPSA's vision is to be a dynamic organization that responds effectively to the changing conditions of American agriculture.

As an organization, GIPSA values:

- integrity and professionalism;
- innovation among individuals and teams;

- diversity in the workforce;
- employees and customers; and
- fiscal responsibility.

GIPSA's mission is carried out in two different segments of American agriculture. The Packers and Stockyards Programs (P&SP), as represented in Goal 1 of this strategic plan, promotes fair and competitive markets in the livestock, meat, and poultry segments of American agriculture. This program is authorized by the Packers and Stockyards Act of 1921, as amended and supplemented (P&S Act). The Federal Grain Inspection Service (FGIS) provides the U.S. grain market with Federal quality standards and a uniform system for applying them. The grain inspection program, as represented in Goal 2, is carried out under the authority of the United States Grain Standards Act (USGSA) and the Agricultural Marketing Act of 1946 (AMA).

Facilitating Marketing in a Dynamic Global Competitive Environment

Ensuring fair and transparent markets free from deceptive and fraudulent practices, combined with recognized and reliable descriptors of crop quality and value, promote economic health and prosperity in American agriculture. U.S. farmers produce a wide variety of agricultural products and the vast American infrastructure permits these products to be processed and distributed throughout the United States and international markets effectively and efficiently. The markets serviced by GIPSA represent a total economic value of approximately \$170 billion annually with exports contributing over \$28.7 billion to the U.S. economy.

Beginning at the end of the 20th century and continuing into the 21st century, U.S agriculture has been transitioning from a supply- to consumer-driven market. This evolution is being fueled by more open international markets; increased global competition; greater consumer demand for diverse, convenient, and high quality food products; a better understanding of animal and plant intrinsic attributes, and the interrelationship of these attributes with food/feed manufacturing. As a result, the marketing of livestock, meat, poultry, grain, and related agricultural products takes place in an increasingly dynamic and complex system of trade. New and more intricate production and marketing processes have evolved that provide greater differentiation of crop, livestock, and meat quality from the farm to final consumer. These changes are influencing GIPSA's programs and activities.

Strategic Goals and Objectives

GIPSA has established two goals, and supporting objectives, along with performance measures and strategies, that set the strategic direction of the Agency's work.

Strategic Goal 1: Promote fair and competitive marketing of livestock, meat, and poultry.

Strategic Goal 1, and the accompanying objectives, support USDA's Strategic Plan for FY 2002-2007, Strategic Goal 1, Enhancing Economic Opportunities for Agricultural Producers, and Objective 1.5, Increasing the Efficiency of Domestic Agriculture and Marketing Systems.

The marketing of livestock, meat, and poultry from the farm to the plate is a dynamic and complex system of trade that is constantly evolving as market participants use new genetics, partnerships, and technologies to develop value-added products and meet consumer demand. Producers, growers, meatpackers, and live poultry dealers use more complex contracts and more sophisticated evaluation devices to determine the value of livestock and carcasses, and the poultry industry is exploring similar technology. More long-term consolidation and concentration heighten concerns about potential abuse of market power. At the same time, these dynamic and systemic changes lead to a marketplace that inhibits transparency among market participants.

To promote fair and competitive marketing in livestock, meat, and poultry, GIPSA will continue to vigorously investigate potentially willful, fraudulent, and/or repeat violations of the P&S Act. In addition, GIPSA will place a major emphasis on encouraging market participants to engage in lawful behavior, and on collaborating with industry participants and others to deter violations of the P&S Act. GIPSA will promote fair and competitive marketing by developing and implementing more tailored education and outreach strategies, more proactively enforcing regulatory requirements to identify and correct technical violations before any market participants are harmed, and conducting more targeted investigations. GIPSA's strategy is the most efficient means of protecting market participants as the P&S Act intended, and effectively promoting fair and competitive marketing in livestock, meat, and poultry.

Objective 1.1: Deter violations of the Packers and Stockyards Act and regulations.

GIPSA plans to emphasize its education efforts to ensure that market participants are more aware of their legal responsibilities. The Agency will extend its outreach efforts to those market participants who are not subject to the P&S Act to ensure that they are aware of the benefits available to them under the P&S Act. GIPSA will extend its outreach efforts to the Congress and the States by providing annual information on the changing industry structure and business practices in the cattle, and hog industries.

GIPSA will also emphasize compliance with regulatory requirements. These requirements include registering to operate in the regulated industries, filing annual reports, obtaining and maintaining bond coverage, maintaining solvency, and properly using and maintaining custodial

accounts. Compliance with these regulatory requirements will provide GIPSA with the means to review and respond to indications of potential violations before they occur. Compliance also will ensure that other market players are protected in the event that a regulated entity fails financially.

Finally, GIPSA will focus its investigative resources on potential willful, fraudulent, and repeat violations; investigations of violations most likely to have the greatest impact on the regulated industries; and on investigating those entities that GIPSA has previously “put on notice” for violating the P&S Act. GIPSA will also develop and implement an investigation program to investigate the use of electronic carcass evaluation devices in the meatpacking industry. As evaluation devices move into the additional segments of the livestock and poultry industries, GIPSA will expand this program into those industries.

Performance Measure:

Development of a more proactive, deterrent-oriented Packers and Stockyards Programs will promote fair and competitive marketing in livestock, meat, and poultry.

Baseline 2004

Some of GIPSA’s current processes and procedures are reactive and inflexible. They focus on responding after violations have occurred, rather than identifying and addressing potential violations. Some regulations are outdated and do not reflect current business practices in the regulated industries. Information technology does not meet the needs of the Agency or industry. Some reports are not published in a timely manner.

Target 2009

Processes and procedures are proactive, streamlined, and flexible. They focus on identifying and preventing violations. Regulations are updated and reflect current business practices in the regulated industries. Information technology meets the needs of the Agency and the industry. All reports are published timely.

Actionable Strategies:

- **Educate.** GIPSA will conduct more tailored outreach to the beneficiaries of the P&S Act to ensure they are aware of the protections provided by the P&S Act and how to obtain them. GIPSA will provide information to Congress, the States and the public on industry structure and the changing business practices in the regulated industries, and whether these practices comply with the P&S Act and regulations. To educate its stakeholders, GIPSA will use the following:
 - Conduct new registrant and packer orientations and reviews;
 - Present tailored industry presentations;
 - Produce timely industry publications;

- Increase outreach to industry groups and States;
 - Increase its presence on the Internet;
 - Make greater use of certified letters of notice to violators identifying violations of the P&S Act and providing notice on how to comply with legal requirements;
 - Increase participation in industry task forces; and
 - Increase communication with Congress.
- **Regulate.** GIPSA will increase the regulated industries' rate of compliance with the Packers and Stockyards Act's regulatory compliance requirements on technical issues that, when initially violated, do not immediately cause harm to other industry members but have the potential for future harm (e.g., failing to file an annual report, failing to obtain a bond or an adequate bond, and operating while insolvent). To more effectively regulate the entities subject to the regulatory requirements of the P&S Act, GIPSA will do the following:
 - Increase the personnel resources dedicated to reviewing and working with industry members to obtain regulatory compliance;
 - Increase emphasis on conducting compliance investigations to determine whether violating firms have achieved compliance with the regulatory requirements of the P&S Act; and
 - Increase the number of unscheduled on-site record reviews; and
 - Review and update memoranda of understanding with States to strengthen mutual interests and combine resources.
- **Investigate.** GIPSA will conduct more targeted investigations of violations of the Packers and Stockyards Act to use more effectively its limited resources. Targeted investigations will ensure that GIPSA is having the biggest impact on the regulated industries. To target its investigations, GIPSA will:
 - Develop computer applications that identify potential or actual financial violations;
 - Vigorously investigate allegations of willful and fraudulent violations, and payment violations of the P&S Act; and
 - Develop and implement an investigation program to investigate the use of electronic evaluation devices in the meatpacking industry. As evaluation devices move into the various segments of livestock and poultry industries, and as resources permit, expand this program into segments of those industries.

Key External Factors for Strategic Goal 1

New carcass evaluation technologies and procurement methods for livestock, meat, and poultry will continue to change the emphasis of the execution of this strategic goal. As GIPSA becomes more proactive and deterrent-oriented in administering the Packers and Stockyards Act, it must retain flexibility in responding to the dynamic industries it regulates. Increased communication among internal organizational units, monitoring of the industry structure, more targeted investigations, and rapid response investigations will allow refinements in strategic emphasis. Rapid technological evolution and its adoption by the livestock, meat, and poultry industries place a premium on the capability of the Agency to train and/or hire experts to respond in a timely manner to the changing business environment.

Trends and significant events in livestock, meat, and poultry prices and supply will impact the financial viability of auction markets, dealers, packers, and other market participants. GIPSA will monitor trends and events, and respond accordingly.

Strategic Goal 2: Facilitate the marketing of U.S. grain and related agricultural products.

Strategic Goal 2, and the accompanying objectives, support USDA's Strategic Plan for FY 2002-2007, Strategic Goal 1, Enhancing Economic Opportunities for Agricultural Producers, Objective 1.1, Expand International Marketing Opportunities, Objective 1.2, Support International Economic Development and Trade Capacity Building, Objective 1.3., Expand Alternative Markets for Agricultural Products and Activities, and Objective 1.5, Increasing the Efficiency of Domestic Agriculture and Marketing Systems.

The marketplace for grains and related agricultural products is changing. Markets are moving away from being supply-driven toward becoming more consumer-driven. This shift is fueled by several factors, including more open international markets; increased global competition; greater consumer demand for diverse, convenient, and high quality food products; and a better understanding of intrinsic crop quality attributes, and their interrelationship with food/feed manufacturing. In response, U.S. grain markets have altered production and marketing practices to better differentiate and align crop quality with specific end-use needs. Export vessels that once loaded with a single commodity now sail with a diverse load of quality grains and oilseeds specific to the needs of buyers around the world. Likewise, the domestic market is increasingly segregating crops by production processes and quality attributes as food processors seek to purchase ingredients that better meet their specific customers' needs.

To meet the changing demands of the marketplace, GIPSA will develop its grain programs to conform to market requirements, and support the evolving grain and oilseed markets that require a greater ability to differentiate quality attributes and production/processing practices. GIPSA also plans to improve its programs serving the traditional bulk commodity markets to promote further market efficiencies. Finally, GIPSA plans to strengthen its outreach activities to reduce trade disputes resulting from conflicting descriptions of crop quality and value. To accomplish this, GIPSA will work with producers, trade associations, technology providers, processors,

exporters, and importers. GIPSA will capitalize on available technology, resources, and information to bring new and innovative services and tests to the market. We will revolutionize our business operations through electronic government initiatives to enhance service delivery and improve the communication of grain quality and quantity information in the market. And, GIPSA will promote open markets for U.S. agricultural products by supporting USDA's international outreach efforts, and by ensuring the integrity of the official inspection system and the market at large.

GIPSA will continue to facilitate the marketing of U.S. grains and meet evolving market needs by carrying out the following strategic objectives.

Objective 2.1: Provide the market with terms and methods for quality assessments.

U.S agriculture is transitioning from supply- to consumer-driven markets. This change is fueled by more open international markets, increased global competition, greater consumer demand for diverse, convenient and high quality food products, a better understanding of plant intrinsic attributes, and the interrelationship of these attributes with food/feed manufacturing.

As a result, new and more complex production and marketing processes have evolved that provide greater differentiation of crop quality from the farm to final consumer. GIPSA will provide the market with quality assessment terms and methods that reflect the evolving market needs. This will include providing both direct product testing, and documentation of specific production or processing methods, to help the market differentiate its diverse products.

Performance Measures

Develop process-based assessment methods and additional intrinsic quality standard assessments in cooperation with the U.S. and international community to support the expansion of U.S. grain and related markets.

Baseline: 2004

Official quality assessments test post harvest crops for physical condition, impurities, contaminants, and limited market critical intrinsic quality attributes. GIPSA maintains more than 1,400 different quality assessment terms and methods to facilitate efficient marketing of U.S. grains and related products.

Target: 2009

GIPSA offers process-based assessment methods to the market to support the efficient marketing of value-added agricultural products. Intrinsic quality assessment methods are available for major new food, feed, and alternative products entering the market (e.g., low linolenic soybeans and ethanol co-products). Improved measurements for wheat quality are in place to support efforts to increase the U.S. global wheat market share. Collaborative efforts with major trading partners and key emerging markets are

harmonizing quality assessment methods and, in turn, reducing the number of trade disputes resulting from conflicting descriptions of crop quality and value.

Actionable Strategies

GIPSA will provide the agricultural sector with quality assessment terms and methods (content- and process-based) to meet the evolving needs of the grain and related product markets. GIPSA will:

- Establish process-based verification assessment methods and services in cooperation with producer and trade associations to support the grain industry's increased use of identity preservation and similar marketing mechanisms.
- Accelerate the development of quality assessment terms and methods through increased cooperative efforts with academia and technology providers. These terms and methods will align new and emerging crop qualities with food and feed manufacturing needs and alternative uses, thereby increasing crop value and improving U.S. market share.
- Collaborate with the U.S. wheat industry to differentiate wheat quality and better reflect the many end-uses of wheat throughout the world. This will improve the market share of U.S. wheat in the competitive global market.
- Improve the accuracy and consistency of testing for the presence of traits derived through modern biotechnology in grains and oilseeds to enable the U.S. grain market to comply with the ever increasing regulatory requirements for such products, avoid market disruption, and expand market presence.
- Harmonize quality assessment terms and methods with trading partners and key emerging markets to elevate the knowledge of and capacity for accurate and reliable application of quality assessments.

Objective 2.2: Protect the integrity of U.S. grain and related markets.

GIPSA carries out a variety of activities to ensure the markets for grain and related products are fair, transparent, and free from deceptive and fraudulent practices. Buyers and sellers rely on the quality assessments and handling practices established under the USGSA and AMA to promote fairness and minimize transaction costs in both the domestic and global markets. GIPSA also ensures that authorized laboratories assessing post-harvested crop quality provide accurate and impartial service. Overall, GIPSA helps the American agriculture maintain or improve its competitive position in the world grain marketplace.

Performance Measures

Maintain regulatory requirements for grain handling, marketing, and performance of laboratories authorized to provide official grain quality assessments that promote fair marketing with limited government intervention.

Baseline: 2004

Regulatory provisions and oversight activities for the grain and related markets promote fair and transparent market practices in a supply-driven market.

Target: 2009

Regulatory provisions and oversight activities reflect the evolving consumer-driven market resulting in more efficient trade and expanded use of the official inspection system.

Actionable Strategies:

- Maintain market-wide compliance with applicable provisions of the U.S. Grain Standards Act and Agricultural Marketing Act by educating grain handlers and streamlining oversight activities through sweeping new electronic government systems.
- Develop revised regulatory provisions for authorized laboratories that emphasize internal quality management principles to ensure the accuracy and integrity of the official inspection system.
- Implement an innovative, web-based, electronic quality assurance and control system that allows GIPSA to streamline its business practices and organizational structure.

Objective 2.3: Provide official grain inspection and weighing services.

Both U.S. and international grain markets base their trade on official inspection and weighing certificates. America's international trading partners are confident that GIPSA's official certificates accurately and reliably reflect the quality and quantity of grains purchased. This, in turn, reduces transaction costs and improves the U.S. position in the competitive global market. GIPSA-authorized laboratories provide over 3 million quality and quantity certificates in the domestic and export markets annually. Continuous improvement in customer service to all segments of the market, from farmers, grain handlers, processors, and exporters to international buyers, is essential to facilitate the marketing of U.S. grain.

Performance Measures

Improve inspection and weighing service delivery to all customers, including farmers, grain handlers, processors, exporters, and international buyers, to promote greater market efficiencies and improve the competitive position of the U.S. grain industry.

Baseline: 2004

User-fee supported inspection and weighing services are provided in an efficient and cost-effective manner. The services successfully meet the needs of high-volume, supply-driven commodity markets. Electronic access to service results is available on a limited basis. Most customers receive paper hardcopy service results.

Target: 2009

The cost effectiveness of user-fee supported inspection and weighing service improves over the baseline. Our services are sought beyond the high volume supply-driven market, and effectively serve those marketing smaller-volume specialty products to meet the needs of the evolving consumer-driven market. A revolutionary e-government initiative to bring the official inspection and weighing system online is up and running, and customers need only to log on to the Internet to request service and receive final service results.

Actionable Strategies

- Implement process-based verification services to support specialty markets.
- Deploy an accessible, real-time electronic inspection and weighing service system nation-wide to improve the responsiveness, efficiency, and effectiveness of service delivery.
- Implement new technology and information systems to improve the effectiveness and efficiency of front-line inspection and weighing services.
- Strengthen and expand partnerships with State and private entities to improve the availability and cost effectiveness of inspection and weighing services.
- Expand the availability of quality assessment services on regional and national bases to support a market need for greater differentiation of grain and related product quality.

Key External Factors for Strategic Goal 2

GIPSA plays a critically important role in facilitating the marketing of U.S. agricultural products domestically and abroad. The Agency's overall efficacy is influenced not only by a commitment to organizational effectiveness and efficiency, but it is also governed by a variety of external forces, including changing production and marketing practices, supply and demand fluctuations, crop quality and quantity, and international trade influences.

Crops with new quality attributes, some derived conventionally and some through modern biotechnology, are being introduced at a rapid pace. Commensurately, new and more intricate production and marketing processes are emerging that provide greater differentiation of crop quality from the farm to final consumer.

The market's demand for product differentiation extends beyond identifying or measuring physical or intrinsic quality attributes, to methods of production, handling, and processing. For those attributes that cannot be measured through testing technology, the market will require process-based systems that differ in scope based on the desired attribute.

The market is also increasingly demanding greater transaction efficiencies. For example, crossings at the U.S./Mexico border are becoming more time sensitive as the railroads institute new guidelines and financial incentives and penalties. Internet-based access to USDA grain quality and quantity certification required for border clearance, which is a component of GIPSA's enterprise-wide modernization program, will accelerate confirmation of certification and facilitate border clearance.

GIPSA must effectively respond to the fluid and dynamic business environments in which the grain industry operates.

New technology, such as E-Commerce, and increasingly sophisticated buyers (both domestic and international) are creating new opportunities for products and services, and for opening new markets. Emerging technologies are also continuously changing the way businesses operate, as well as the tools and procedures needed to provide service and monitor compliance with the USGSA, and AMA.

The Agency will take steps to monitor these and other factors that may impact achievement of its goals and objectives. Action will be taken to mitigate the impact of any factors that adversely affect progress in meeting these goals and objectives. GIPSA intends to increase its use of information technology to interact with and provide information to its customers.

Consultations and Coordination with External Entities

GIPSA coordinates its program activities with a number of government entities. Within USDA, GIPSA works with the Animal and Plant Health Inspection Service and Agricultural Marketing Service on marketing issues; the Foreign Agricultural Service on international trade issues and

programs; the Agricultural Research Service and the Economic Research Service for research and econometric modeling support; and the Office of the Inspector General on investigative matters. Further, GIPSA cooperates with various non-USDA entities, including the Food and Drug Administration on food safety issues; the Environmental Protection Agency on pesticide residue programs; and the Department of Justice on investigative matters.

GIPSA interacts with trade, industry, and producer groups on a regular basis to facilitate the marketing of U.S. grain and related agricultural products. GIPSA also works closely with the Federal Grain Advisory Committee which provides advice to the GIPSA on the implementation of the USGSA and AMA by the Agency. GIPSA interacts directly with industry on issues of mutual interest and concern, and with delegations from other countries, both governmental and market participants, to carry out the Agency's mission.

Management Initiatives

GIPSA addresses each of USDA's Management Initiatives: improve human capital management, improve financial management, expand electronic government, and establish budget and performance integration. These include efforts to ensure an efficient, high-performing, diverse, competitively sourced workforce that is aligned with mission priorities and which works cooperatively with USDA partners and the private sector. GIPSA continues to enhance internal controls, data integrity, and information management, and to make program and policy improvements. The Agency is implementing business processes and information technology needed to make its services available electronically. Budget decisions and program priorities are linked with program performance through quantitative measures, and aligned with USDA's management initiatives. Each GIPSA management initiative fully supports the President's Management Agenda.

Management Initiative 1: Human Capital Management.

GIPSA's Human Capital Plan integrates strategic alignment and planning with workforce development, accountability, talent management, and leadership development tied to succession planning. The plan guides continued Agency efforts to improve overall agency operations and maintain a high-performing workforce. The Human Capital Plan focuses on strategic workforce planning and maximizing employee performance, and seeks to ensure the workforce remains current with technology, customer service, and business skills. Support systems for human resources, procurement, property management, and finance are provided under a reimbursable agreement by the USDA Animal and Plant Health Inspection Service, and are integrated into the overall GIPSA Human Capital Plan.

In managing the Agency's human capital and delivering services to customers, GIPSA will continue to focus on ensuring civil rights and equal employment opportunity for everyone, regardless of race, color, national origin, gender, religion, age, sexual orientation, disability, marital or familial status, or any other factor. The GIPSA Human Capital Plan addresses the means for maintaining a diverse, skilled workforce, including using workforce planning and

flexible tools to recruit, retain, and reward employees while developing a high-performing and accountable workforce; ensuring employment opportunities for all members of the workforce, while implementing programs targeted at critical occupations with projected skill gaps and underrepresented groups; and increasing the use of competitive sourcing.

GIPSA completed its annual Federal Activities Inventory Reform (FAIR) Act of 1998 inventories of the Agency's authorized number of positions, and established that approximately half were designated "commercial." GIPSA evaluates its commercial activities with the intent to first determine the feasibility of competitive sourcing. The Agency assesses the prospects for substantial cost savings to customers and the taxpayers before allocating substantial resources for competitive sourcing analyses. The process for deciding whether to subject a GIPSA commercial activity to competitive sourcing includes consideration of the results of a cost/benefit analysis; the effect of contracting services on the industries served by the Agency; the impact on Agency employees' civil rights; and the availability of resources needed to conduct a comprehensive A-76 study.

Management Initiative 2: Improve Financial Management

GIPSA's goal is to be a model of effective and efficient financial management. The Agency will enhance internal controls, ensure data integrity, provide timely management information, and implement program and policy improvements. The Foundation Financial Information System will be fully used to systematically limit spending to amounts available and to provide real-time financial reports for analyses and decision-making. Agency-wide training will be conducted so that all fund-holders can obtain, analyze, and report the status of their funds. GIPSA plans to provide this information via an intranet website to further improve the Agency's ability to monitor and control funds.

Management Initiative 3: Expand Electronic Government

GIPSA is developing and deploying enterprise-wide electronic government systems that will improve program operations and service delivery to our customers. This ambitious multi-year project will upgrade information management systems and modernize our business functions. Our current information management system consists of several independent systems that have served specific purposes over the years well, but are not integrated and do not fully support our business needs. This has limited our ability to meet the growing demand for electronic, or web-based, delivery of our services. It also impedes our efforts to improve the cost effectiveness and efficiency of our internal business practices. The enterprise-wide system currently under development will modernize nearly every aspect of GIPSA operations from complaint filing to placing claims to registering as a grain exporter or livestock dealer to requesting grain inspection services to receiving final certified results online. This modernization effort will create synergy across GIPSA programs and data sources, allowing the Agency to improve internal program efficiencies and effectiveness.

Management Initiative 4: Establish Budget and Performance Integration

GIPSA will continue to make funding decisions based on the Agency's strategic priorities and quantitative program results. We will continue to monitor our overall progress toward long-term performance, and continue to develop short term, internal goals/targets to measure performance on a quarterly basis. GIPSA will incorporate results data into the decision-making process for annual resource allocations. The Agency will also strive to use performance information in the status of funds monitoring process.

Management Initiative 5: Homeland Security

GIPSA continues to build on its long history of dealing with grain industry related emergencies, such as grain elevator explosions, to contribute to homeland security. GIPSA's experience in dealing with localized (and accidental) events has positioned the Agency to serve as a technical advisor and partner with USDA, other cabinet-level agencies, and the private sector to develop strategies to protect the Nation's food supply. GIPSA will continue to define and expand its role in helping America better prepare for and respond to terrorist activities that may threaten not only food, but also agriculture in general. As an example, in the process of aiding in the marketing of grain, GIPSA provides testing to aid in the monitoring of the quality of the food supply. Expanding the laboratory capability to analyze samples for chemical, biological and/or radiological agents will contribute to protecting the health and safety of the U.S. public, and ensure that U.S. exports do not contain chemical, biological and/or radiological agents.

Linkage of Agency Goals to the Department-wide Goals

GIPSA's Strategic Goal 1 and the accompanying objectives support USDA's Strategic Plan for FY 2002-2007, Strategic Goal 1, Enhancing Economic Opportunities for Agricultural Producers, and Objective 1.5, Increasing the Efficiency of Domestic Agriculture and Marketing Systems. GIPSA's Strategic Goal 2 and the accompanying objectives support USDA's Strategic Plan for FY 2002-2007, Strategic Goal 1, Enhancing Economic Opportunities for Agricultural Producers, Objective 1.1, Expanding International Marketing Opportunities, Objective 1.2, Supporting International Economic Development and Trade Capacity Building, and 1.3, Expanding Alternative Markets for Agricultural Products and Activities and Objective 1.5, Increasing the Efficiency of Domestic Agriculture and Marketing Systems. The linkages are established in the Agency's outline of its strategic goals and objectives.

Linkage of Agency Goals to the Annual Performance Plan

GIPSA expects to use most of the key performance outcome measures in this strategic plan in the annual performance plan. However, additional or different measures may be used in any given year to report on priority concerns related to the goal or to make use of new data that has become available.

The annual performance plan will be used to help direct resources to implement key strategies

and to help identify specific efforts needed to achieve GIPSA goals and objectives. Each annual plan will include estimated staff years and program costs required to achieve the GIPSA goals. Upon completion of the fiscal year for which the annual performance plan is prepared, a report to Congress will be made defining achievement of the goals.

Program Evaluation

Periodically, GIPSA conducts surveys of customers of the official inspection and weighing system to ascertain customer satisfaction. The Statistics Branch of the Department's Agricultural Marketing Service (AMS) has been used to compile, process, and analyze all customer survey data. GIPSA has relied upon the expertise of the AMS statisticians to ensure the credibility of the data. In the future, the Agency will continue to use USDA statisticians to compile, process, analyze, verify, and validate survey data. Pending clearance, the Agency plans to conduct similar surveys in the future.

In developing the Agency's strategic plan Goal 1, GIPSA relied heavily on the 1997 Office of Inspector General's (OIG) "Evaluation of Agency Efforts to Monitor and Investigate Anti-Competitive Practices in the Meat Packing Industry" report and the 2000 General Accountability Office's (GAO), previously the General Accounting Office, "Packers and Stockyards Programs - Actions Needed to Improve Investigations of Competitive Practices" report. In meeting its goal to promote fair and competitive marketing in livestock and poultry, the Agency continues to place a heavy emphasis on monitoring competitive conditions and conducting competition investigations. Investigations will continue to be conducted by experienced auditors (some certified public accountants), marketing specialists, economists (many with PhD's), and legal specialists (all licensed attorneys), monitored more closely by managers, and reviewed by the Agency's legal specialists. The Agency's legal specialists will continue to be required to work more closely with the Department's Office of the General Counsel (OGC) in the development of investigation plans. The senior management team of the Packers and Stockyards Programs will approve all complex and competition investigations, and the Agency's strategy will continue to stress accountability and performance

In formulating the Agency's strategic plan Goal 2, GIPSA relied upon the Council for Agricultural Science and Technology 7 report on the quality of U.S. agricultural products which, in part, evaluated USDA established grades and standards. The Agency intends to continue to evaluate whether its grades and standards reflect customers' needs. Internal Agency procedures will be used to track method evaluations which are completed and the number of new and/or improved methods or tests. At the start of each fiscal year, the Agency's Technical Services Division (TSD) establishes a prioritized list of those methods which, in its assessment, need to be evaluated. Throughout the year, TSD tracks whether the listed methods have been evaluated and calculates the percentage of planned evaluations which have been completed.

The Agency will use performance measures as an integral part of the budget process, and an evaluation of the degree to which goals are met will be used as justification for supporting requests for funding increases. In addition, the budget formulation process will be tied to the

enterprise architecture and e-government tactical plans, and linked to the Department's strategic goals. Beginning in FY 2006, GIPSA will be fully participating with the Office of Management and Budget's Program Rating and Assessment Tool (PART).