

Texas Agricultural Experiment Station

**Compact with The Texas A&M University System
FY 2008 – 2009**

MISSION

“Serving Texans—and the world— through science and technology”

The faculty and staff of the Texas Agricultural Experiment Station (TAES) create and apply new knowledge to advance science and technology, to strengthen the food and fiber system, to enhance the environment and natural resources, to grow the economy, and to improve quality of life for all Texans. We facilitate this mission by developing strategic internal and external partnerships that are consistent with our land-grant vision (i.e. to serve the needs of the people by creating new knowledge and technologies and by applying them in beneficial ways).

VISION

We will be foremost among state Experiment Stations, having established a national and international reputation for leadership and cutting-edge science, obtained increased public and private funding, and demonstrated the public good resulting from our research.

Our discoveries and development of innovative technologies will produce economic, environmental, and health benefits that are key to Texas’ success and vital in the lives of its citizens.

CEO STATEMENT

The priorities and objectives in this compact were selected because:

1. They assist the Experiment Station in communicating its mission and vision both internally and externally, especially the demonstration of its public service (mission) and the high impact and public good of our research (vision).
2. They represent key priorities for The Texas A&M University System (TAMUS) and the state of Texas.
3. They are supported by measures used internally and externally to evaluate agency performance.

These priorities and objectives complement our current strategic plan as defined in our Science Roadmap (<http://agresearch.tamu.edu/ScienceRoadmap.pdf>) because they are directly aligned with and support our current priority research areas, namely enhancing natural resources, increasing agricultural competitiveness, improving public health, and conducting fundamental and translational research in biological, physical, social, & behavioral sciences. The Science Roadmap will be revised in FY09.

BACKGROUND

The Experiment Station is a state agency and a member of The Texas A&M University System. It is the only public agency in Texas dedicated to research in the agricultural, environmental, and life sciences. It is a science and technology organization that has a state-wide mandate to conduct mission-oriented, problem solving research. It employs approximately 1,200 full time equivalents, including about 425 scientists (head count). Many of these scientists have joint appointments with the College of Agriculture and Life Sciences and the College of Veterinary Medicine at Texas A&M University.

In FY07, its operating budget was approximately \$160M. Major funding sources are state and federal appropriations (\$70M), contracts and grants (ca. \$70M), and sales/local funds (\$15M). In terms of contracts and grants awards in FY2006, TAES was second in the TAMUS.

The Experiment Station was established by the A&M College Board of Directors in 1888 to serve the people of Texas by developing modern farming and ranching methods. Today, the Experiment Station adheres to the historic, founding principle of the land-grant University mission and its influence is felt and will continue to be felt throughout society.

Priority #1: Enhance Program Excellence by Increasing Interactions with and Funding from State, Federal and Corporate Entities

Link to Strategic Plan: This priority supports all the research goals in our Roadmap.

1st Objective of Priority #1: Increase the total dollar value of contract and grant awards, with special emphasis on acquisition of increasing sponsored research funds from corporate entities.

Strategies:

1. Review processes and functions within our contracts and grants office in FY09.
2. Increase return of Indirect Costs to units from 25% to 40% of funds collected in FY08 and FY09, and convey our expectations to units to use these funds to increase the positive impacts of our research and our competitiveness.
3. Work with federal and state legislative affairs teams in FY08 and FY09 to align our research capabilities with state and federal priorities.
4. Continue visits by the Administrative team to units in FY08 and FY09 to provide examples of how sponsored research from corporate entities is consistent with our mission.
5. In FY08, expand recent efforts, conducted in collaboration with the Office of Technology Commercialization (OTC), to effectively interact with potential industry partners.
6. Enhance marketing efforts in FY08 and FY09 with external partners about the value and capabilities of our research programs.
7. Reinforce importance of this objective in unit reviews in FY08 and FY09.

Performance Measures:

1. Total value of awards processed by Experiment Station contract and grant office will increase to \$84M (5%) in FY08 and to \$88M (5%) in FY09.
2. Total value of awards from commercial/corporate sponsors will increase to \$4.6M (15%) in FY08 and to \$5.3M (15%) in FY09.

Budget Impact and/or Resources Required:

1. No additional appropriated resources are required.
2. We will redirect internal resources (ca. \$0.1M) for additional personnel in OTC, TAES, and/or proposed System contracts and grants office.

Challenges to Success:

1. Potential cuts in federal appropriations and earmark funding. We will identify synergies with federal agencies and with other appropriate and relevant state experiment stations.
2. Increased award competition. TAES administration will work with its scientists to facilitate submission of high quality competitive grant and contract proposals.
3. Loss of high performing scientists due to external recruitment. We will respond quickly and effectively with competitive retention offers for key scientists.

4. Perceived barriers/obstacles by external partners about working with the Experiment Station and the System. We will renew our efforts to be responsive and will work with our System colleagues to make sure our employees understand the importance of flexibility and timeliness of response.
5. Lack of historical precedent of seeking corporate funding sources. We will continue to provide positive examples that demonstrate value to faculty and unit heads.

Collaboration/Support Needed (Internal and External to A&M System):

1. Effective communication between System and Experiment Station federal efforts to ensure that clear and consistent messages are delivered in Washington.
2. Coordination within System to develop efficient and effective system for the management of Contracts and Grants.
3. Continued timely and responsive support from the Office of Technology Commercialization to facilitate and encourage corporate-sponsored research.
4. Collaboration with faculty affiliated with other System members.
5. Continued timely response from System components to requests for guidance.

2nd Objective of Priority #1: Increase programmatic linkages with TAMUS members.

Strategies:

1. Meet with Agriculture Deans of TAMUS members and with CEOs and leadership of other relevant TAMUS members (e.g. Engineering and Health Science Center) in FY08 and FY09 to identify areas for collaboration.
2. Organize follow-up meetings involving middle management from TAES and selected members in FY09.
3. Evaluate current and future joint programs and/or faculty appointments in FY09.
4. Revise the number and nature of joint appointments, as necessary, in FY09.

Performance Measures:

1. Number of joint faculty appointments with entities outside Brazos County will increase from 20 to 21 (5%) in FY08 and to 23 in FY09.
2. Number of externally funded joint projects involving TAMUS members outside Brazos County will increase from 10 to 11 (10%) by FY09.

Budget Impact and/or Resources Required:

1. Use redirected, internal funds to support additional personnel and operational costs associated with new faculty hires with joint appointments (ca. \$0.05M/year).

Challenges to Success:

1. Willingness of leadership from other TAMUS members to develop and enhance these linkages. Work with Chancellor and others in TAMUS office to achieve collaboration.

Collaboration/Support Needed (Internal and External to A&M System):

1. Support from leadership from other TAMUS members and TAMUS Offices to develop and enhance these linkages.

3rd Objective of Priority #1: Increase number of Intellectual Property (IP) disclosures by TAES scientists processed through Office of Technology Commercialization (OTC).

Strategies:

1. Continue recent efforts to reinforce the importance and value of commercialization of research products to Experiment Station scientists and unit heads in FY08 and FY09.
2. In FY08 and FY09, continue recent visits by the Experiment Station Administrative team to units to explain the commercialization process and how this is consistent with agency mission.
3. Implement process, in conjunction with OTC, to effectively and efficiently evaluate commercial potential of submitted disclosures by Experiment Station scientists in FY08.
4. Reinforce the importance of this objective in unit reviews in FY08 and FY09.
5. Demonstrate linkage of increased sponsored corporate research funding to this activity in FY09.
6. Capitalize on new funding opportunities, e.g. evolving Governor's Emerging Technology Fund in FY08 and FY09.
7. Continue to share royalty/license income with units in FY08 and FY09.

Performance Measures:

1. Number of disclosures processed by OTC will increase to 23 (15%) in FY08 and 26 in FY09.

Budget Impact and/or Resources Required:

1. Hire additional staff, affiliated with TAES, to work with OTC. Funding (ca. \$0.1M/year) will come from internal sources (e.g. royalty and license income) and from OTC.
2. No additional appropriated resources are required.

Challenges to Success:

1. Limited track record of such efforts by many of our scientists. In response, we will continue to discuss the programmatic and fiscal importance of such efforts by visits to units.
2. Faculty perception that process is inefficient. We will highlight, using a variety of communication methods, recent successes and improvements in processing.
3. Continued improvement in ability of Experiment Station and OTC personnel to properly and timely evaluate potential of intellectual property for commercialization. We are developing, in conjunction with OTC, a system to conduct these evaluations in a timely manner that involves screening committees. Increasing work loads will require careful monitoring.
4. Limited precedents for recognizing and rewarding such efforts by our faculty in our units. We will reinforce value and appropriateness of such efforts to our unit heads and other relevant review committees.

Collaboration/Support Needed (Internal and External to A&M System):

1. Continued excellent support from OTC for commercialization efforts.
2. Continued prompt response from System offices when decisions are needed on legal or commercialization issues.
3. Continued good linkages between staff in TAES Contracts and Grants office and OTC.

Priority #2: Improve Management Operations

Link to Strategic Plan: This priority supports all the research goals in our Roadmap.

1st Objective of Priority #2: Revise definition of TAES Performance Measures reported to Texas Legislature.

Strategies:

1. In FY08, refine changes of performance measure definitions as suggested in 2007 TAMUS audit of TAES performance measures.
2. In FY08, propose definition revisions to the Legislative Budget Board (LBB) and Governor's Office (GO) to ensure there is internal wording consistency and our internal reporting processes are consistent with management intention.
3. Submit definition changes to the LBB and GO in FY08.
4. Conduct background meetings with LBB, GO, and other Legislative leaders in FY09 to allow for implementation of new definitions in FY10.

Performance Measures:

1. Revised definitions approved for use in FY10.

Budget Impact and/or Resources Required:

1. None.

Challenges to Success:

1. Willingness of the LBB and GO to accept revisions. We will work diligently with LBB and GO to demonstrate need for additional clarity and consistency of measures and use of measures that are useful to management decisions.
2. Unit heads need to provide accurate and relevant data used in measures. We will continue to communicate the importance of this to unit heads.
3. Existing large variability in measures used by TAES for different audiences (e.g. LBB, THECB, TAMUS, etc.). We will work to harmonize these and reduce the variation.

Collaboration/Support Needed (Internal and External to A&M System):

1. Support of LBB and GO to develop and accept revisions.
2. Assistance from System and TAES Government Relations staff in communicating with LBB and GO.

2nd Objective of Priority #2: Increase expenditures with Historically Underutilized Business (HUB) vendors, especially minority-owned businesses.

Strategies:

1. Increase communication to unit heads and faculty about the importance of this matter to agency, TAMUS, CEO, and Legislature in FY08 and FY09.
2. Revise HUB plan in FY08 to indicate specific actions.
3. Actively pursue opportunities to target large purchases from HUB vendors (e.g. new construction/renovation) in FY08 and FY09.
4. In FY08, strongly encourage selected expenditures (e.g. Dell computers) be made from HUB (especially minority) vendors with established state DIR contracts.

Performance Measures:

1. Percentage of total purchases made with HUB vendors will increase to 12% by FY09.

Budget Impact and/or Resources Required:

1. None.

Challenges to Success:

1. Some units have a perception of greater cost or complexity and lack of response associated with purchasing goods/services from HUB vendors. We will highlight units that have been successful and will encourage units to do all necessary due diligence to identify all possible responsive HUB vendors that provide competitive pricing.
2. Historical precedents at unit level of using selected non-HUB vendors. Again, we will put forth a significant effort to convey to units the importance of this to the agency, the TAMUS, and the Legislature.
3. Limited number of HUB vendors for specialized scientific equipment. We will work with units to identify HUB vendors that are appropriate and acceptable sources for scientific equipment.
4. Perceived slowness by vendors in payment to them that sometimes creates reluctance to do business with us.

Collaboration/Support Needed (Internal and External to A&M System)

1. Support of unit heads and faculty to make effort to seek and use HUB vendors.

3rd Objective of Priority #2: Improve identification and evaluation of agency risks.

Strategies:

1. Complete Annual Risk Management Matrix in FY08 and FY09.
2. Coordinate closely with TAMUS Internal Audit on their annual Risk Analysis for the agency and the development of audit plan for the agency in FY08 and FY09.
3. Increase number and scope of reviews performed by the TAES Internal Management Review Team in FY08 and FY09.
4. Increase communication to unit heads about areas of concern identified during visits by Review Team and TAMUS Internal Auditors, and assist unit heads with implementation of necessary and appropriate improvements in FY08 and FY09.
5. Communicate necessity of compliance with all applicable rules, regulations, and laws, and importance of reporting instances of non-compliance through various means, including use of "hot lines" in FY08 and FY09.

Performance Measures:

1. Reduce the number of significant findings on TAMUS Internal Audit Reports conducted in FY08 and FY09 from 2.4 findings/audit to 1.9 findings/audit (a 20% reduction).
2. Reduce the number of re-occurring findings on Management Review Team follow-up reports in FY08 and FY09 from 26 to 20 findings/report.

Budget Impact and/or Resources Required:

1. No additional resources are required

Challenges to Success:

1. Cooperation at all levels of TAES. We will continue to stress importance of reducing risk to all levels of organization.
2. Limited evidence that these efforts will significantly reduce agency risk or that agency risk is high now. We will highlight relevant examples in other state agencies.

Collaboration/Support Needed (Internal and External to A&M System):

1. Continued close working relationship with TAMUS Internal Audit Staff.
2. Continued close working relationship with external audit entities such as the State Auditor, State Comptroller's Office, Federal Auditors, and other relevant regulatory entities.

Priority #3: Increase Awareness of Agency's Programs and Services

Link to Strategic Plan: This priority supports all the research goals in our Roadmap.

1st Objective of Priority #3: Implement agency name change from Texas Agricultural Experiment Station to Texas AgriLife Research by the end of FY08.

Strategies:

1. Develop and deliver an internal marketing campaign (“BrandMaster”) focused on use of new brand to agency employees in FY08.
2. Develop and execute an external marketing campaign to key audiences and regions of the state through the use of unpaid media, targeted advertising, Web strategies and face-to-face outreach in FY08.
3. Replace 75 percent of agency identity pieces with new branding material by the end of FY08, with the remainder accomplished in FY09.

Performance Measures:

1. Use a survey to document a majority of employee acceptance rate of the new agency name by the end of FY08.
2. Increase external awareness of the agency across the state by 5 percent by the end of FY09, using the 2006 survey conducted by Big Picture Thinking as a benchmark.

Budget Impact and/or Resources Required:

1. Limited re-engagement of external firm to provide input on internal rollout of new brand identity. This will be internally funded using local funds that we have allocated for this purpose (cost ca. \$0.04M).
2. Replacement of TAES signage is estimated to cost \$0.2M. This will be absorbed as part of regular operations.
3. Costs related to the external marketing campaign are still being developed, but will also be paid for out of internal funds (estimated cost is ca. \$0.3M for the next two years).

Challenges to Success:

1. Internal resistance toward new agency name. This is the rationale for the large amount of resources – time, personnel and financial – being directed toward internal brand training for employees across the state. The training will be delivered onsite in FY08.
2. Potential lack of marketing resources that currently reside within the agency. A new Director of Communications and Marketing was hired in April 2007, who has since restructured the Communications unit to put a greater emphasis on agency marketing, media relations, and Web communications. This restructuring has included the repurposing and retraining of some staff, as well as the creation of a Web communications group.

Collaboration/Support Needed (Internal and External to A&M System):

1. Continued effective engagement with personnel leading similar efforts at TAMU and the A&M System to ensure cohesion and integration of marketing efforts.
2. Collaboration with Texas Cooperative Extension, which is re-branding to Texas AgriLife Extension Service, to maximize co-branding opportunities under the new AgriLife umbrella brand.

2nd Objective of Priority #3: Enhance and optimize the agency's Web presence and operational management efficiency through the implementation of a content management system (CMS) by the end of FY09.

Strategies:

1. Restructure Agricultural Communications to allow creation of a Web development and marketing team in FY08.
2. Launch Phase I of the Content Management System in FY08.
3. Facilitate migration of existing agency Web content beginning in FY08.

Performance Measures:

1. Increase of 5 percent in number of unique visitors to the agency's Web site in FY08 and another 5 percent in FY09.
2. Integration of 75 percent of the agency's departments into the Content Management System by the end of FY09.
3. Achieve a 70 percent or higher web site usability and experience rating based upon both internal and external audience response to online survey.

Budget Impact and/or Resources Required:

1. Funds (ca. \$0.1M) to secure the content management system, related hardware, licenses, and staff training. These costs will be obtained from internal reallocations and existing allocations to this unit, and will be shared with Texas Cooperative Extension and the College of Agriculture and Life Sciences.

Challenges to Success:

1. Web communications team will face bandwidth and project timeline challenges implementing the CMS while simultaneously re-designing and managing multiple agency and college web site initiatives. This risk can be mitigated through effective project management and a consistent focus upon key objectives and priorities.
2. Qualified resource availability from internal IT resources to support additional operational support for the CMS platform may be a limitation. Managers working collaboratively to effectively communicate resource standards and needs prior to project engagements should guarantee appropriate resource alignment. New personnel (ca. 2 FTEs) may be required and will be funded by attrition of existing employees or other means.

Collaboration/Support Needed (Internal and External to A&M System):

1. The CMS is a collaborative initiative between Texas A&M University's Division of Marketing and Communications, the Texas A&M College of Agriculture and Life Sciences, and the Texas Cooperative Extension.

Compact Review and Approval

Date: November 15, 2007

TAMUS Member: Texas Agricultural Experiment Station

Signature: [ORIGINAL SIGNED BY]

TAMUS Member CEO: Dr. Mark Hussey
Director, Texas Agricultural Experiment Station

Signature: [ORIGINAL SIGNED BY]

TAMUS Vice Chancellor: Dr. Elsa Murano
Vice Chancellor of Agriculture,
The Texas A&M University System
Dean of the College of Agriculture and Life Sciences,
Texas A&M University

Signature: [ORIGINAL SIGNED BY]

TAMUS Chancellor: Michael D. McKinney
Chancellor, The Texas A&M University System