

# RMA

# Strategic Plan

## FY 2011-2015



Risk Management Agency



United States  
Department of Agriculture

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# Message from the Administrator

Since the dust bowl days of the Great Depression when President Franklin Roosevelt created the Federal crop insurance program, America's farmers and ranchers have relied upon this component of the farm financial safety net to protect themselves from the inherently risky business of agricultural production. All Americans rely on the Federal crop insurance program to keep an abundant supply of food, fiber, and fuel flowing from farms and ranches, and to help ensure food security for the Nation.




The United States Department of Agriculture's (USDA) Risk Management Agency (RMA), under the direction of the Federal Crop Insurance Corporation (FCIC) Board of Directors, works to ensure the actuarial soundness of our current agricultural insurance products. RMA reaches out to all agricultural producers including minorities, those with small farms, and limited-resource farmers providing products and education to help them with the particular risks they face. And mindful of our fiduciary responsibility to the American taxpayer, RMA employs cutting edge data mining technology linked with geographic information systems to enhance on the ground investigations in ongoing efforts to prevent and uncover waste, fraud, and abuse in the program.

This 2011-2015 Strategic Plan builds on the performance of past years. The new Standard Reinsurance Agreement (SRA) between RMA and private sector insurance companies that helps deliver and provide insurance products for crops and livestock reduces taxpayer spending on the Federal crop insurance program by \$4 billion over the next 10 years. An additional \$2 billion in savings supports the expansion of risk management products, and conservation programs to further strengthen the farm safety net.

America's farmers and ranchers now have several choices of crop policies tailored to provide coverage that best fits their needs. Producers can buy insurance for protection against a yield loss and/or a revenue loss, and choose among various coverage levels that best minimize their deductible. They also have their choice of livestock programs designed to insure against declining livestock market prices, as well as the recently improved dairy program that provides coverage against rising feed costs and falling milk prices. Information systems modernization efforts are positioning RMA support and processing systems for the future, and streamlining the reporting burden on producers while better integrating crop program administration across USDA Agencies.

Strategically, RMA continues to assess and refine the crop insurance program to meet the continuing challenges of a dynamic, production agriculture industry. RMA is reviewing the basic elements of its actual production history process to more effectively incorporate precision agriculture technology and to potentially modify the basis for assessing the risk potential for key staple crops. We continue to address the needs for new programs for emerging commodities through our own research and development initiatives, and in our review of privately submitted products.



This strategic plan is our road map to continue providing effective and efficient risk management tools and products for the production of American agriculture. Four strategic goals – actuarially sound insurance product management, product delivery, risk management education and outreach, plus safeguarding the integrity of the program and the taxpayers’ dollars – are the core of this plan. Various strategies provide direction for reaching the four goals, and key performance measures will help gauge our progress.

In addition, this plan has 10 management initiatives supporting our goals to ensure sustained improvement in RMA’s operations and daily activities. Several of the initiatives revolve around transforming our culture to reflect the realities of today’s workforce, customer base, and performance demands. RMA has embraced continuous process improvement as we rigorously evaluate our operations with an eye for even greater efficiency and effectiveness.

Our vision is to provide world class agricultural risk management products, tools, education, outreach, and program integrity. RMA’s mission of serving America’s farmers and ranchers through effective, market-based, risk management tools and solutions to strengthen the economic stability of farmers and ranchers and rural communities is more important than ever.

I invite you to review this strategic plan and join us in our mission every day, and in every way.



William J. Murphy  
Administrator, Risk Management Agency

## Mission Statement

Serving America's agricultural producers through effective, market-based risk management tools and solutions to strengthen the economic stability of agricultural producers and rural communities.

## Vision Statement

Providing world class agricultural risk management products, tools, education, and outreach.

## Core Values

Our success depends on:

- **Transparency** — Making the Agency's management processes more open so that the public can learn how RMA supports Americans every day and in every way.
- **Participation** — Providing opportunities for RMA's constituents to shape and improve services provided by the Agency.
- **Collaboration** — Working cooperatively at all governmental levels domestically and internationally on policy matters affecting a broad audience.
- **Accountability** — Ensuring that the performance of all employees is measured against the achievement of the Agency's strategic goals.
- **Customer Focus** — Serving RMA's constituents by delivering programs that address their diverse needs.
- **Professionalism** — Building and maintaining a highly-skilled, diverse, and compassionate workforce.
- **Results Orientation** — Measuring performance and making management decisions to direct resources to where they are used most effectively.
- **Stewardship** — Acting as responsible stewards of taxpayer dollars and promoting stewardship of resources.

# Strategic Plan Framework

With sun, soil, water, hard labor, and other inputs, America's farmers and ranchers create food, fuel and fiber for our country and the world. American agriculture creates wealth for the nation.

To secure a continuing supply of safe, affordable, and abundant agricultural products and the wealth created by their production, Congress and the President established the Risk Management Agency (RMA) under provisions of the Federal Agriculture Improvement and Reform Act of 1996, P.L. 104-127. This act amended the Department of Agriculture Reorganization Act of 1994, P.L. 103-354, Title II, to require the Secretary to establish within the Department an independent office responsible for supervision of the Federal Crop Insurance Corporation (FCIC - a wholly owned government corporation), and administration and oversight of programs authorized under the Federal Crop Insurance Act (7 U.S.C. 1501 et. Seq.)

RMA provides a variety of actuarially sound crop and livestock related insurance products as well as risk management education and outreach to help farmers and ranchers manage the risk related to agricultural production. Federal crop insurance programs protect against agricultural production losses due to unavoidable causes such as drought, excessive moisture, hail, wind, hurricane, tornado, lightning, insects, etc. Much of the insurance provided by RMA has a revenue protection component to help producers protect against revenue losses resulting from low commodity prices.

Participation in the Federal crop insurance program by producers is voluntary; however, participation is encouraged through premium subsidies. In addition, participation in the Federal crop insurance program is required in order to participate in the supplemental agricultural disaster assistance programs authorized in the 2008 Farm Bill. Crop insurance is delivered to producers through private insurance companies that share in the risk of loss and the opportunity for gain. The companies are reimbursed for their delivery expenses and receive underwriting gains in years of favorable loss experience. The costs associated with the Federal crop insurance program include premium subsidies, indemnity payments (in excess of premiums), underwriting gains paid to RMA partner private insurance companies, and reimbursements to these insurance companies for delivery expenses and other authorized expenditures.

RMA is committed to transforming the Federal crop insurance program into a broad-based financial safety net for producers to assist rural communities in creating prosperity so they are self-sustaining, repopulating and economically thriving. RMA also ensures that all producers, according to Title VI of the Civil Rights Act, have opportunities to fully participate in all programs and activities.



# RMA Linkage to the USDA Strategic Plan

Founded by President Abraham Lincoln in 1862, when more than half of the Nation’s population lived and worked on farms, USDA has evolved with the economy. Today, the country looks to rural America to not only provide food and fiber, but also for crucial emerging economic opportunities in renewable energy, broadband, and recreation.

To assist the country in addressing today’s challenges, USDA will:

- Assist rural communities to create prosperity so they are self-sustaining, re-populating, and economically thriving (Goal 1);
- Ensure our national forests and private working lands are conserved, restored, and made more resilient to climate change, while enhancing our water resources (Goal 2);
- Help America promote agricultural production and biotechnology exports as America works to increase food security (Goal 3); and
- Ensure all of America’s children have access to safe, nutritious, and balanced meals (Goal 4).

These four strategic goals articulate the Department’s priorities. These goals contain 14 objectives that describe the Department’s major programmatic policies and cover the programs and services that USDA administers. USDA’s strategic goals mirror the Department’s commitment to provide exceptional service and state-of-the-art science through consistent management excellence across the Department. The Department’s strategic plan can be found at [www.ocfo.usda.gov/usdasp/sp2010/sp2010.pdf](http://www.ocfo.usda.gov/usdasp/sp2010/sp2010.pdf)

RMA activities support USDA Strategic Goal 1 in the following manner:

**USDA Goal 1:** “Assist Rural Communities to Create Prosperity so They Are Self-Sustaining, Repopulating, & Economically Thriving;”

**Objective 1.3:** “Support a Sustainable & Competitive Agricultural System;”  
 “Ensure a Strong Farm Financial Safety Net.”

## RMA’s USDA Performance Measure

1.3.5 Annual normalized value of risk protection provided to agricultural producers through the Federal Crop Insurance program.

Baseline 2009		Target 2015	
\$53.9 billion		\$55.9 billion	
2006	2007	2008	
\$48.1 billion	\$50.7 billion	\$51.5 billion	

The normalized value of risk protection is the amount of insurance in effect that is protecting and stabilizing the agricultural economy. The model uses the latest information from the Federal crop insurance program and combines it with USDA baseline projections for major crops. These crops include corn, wheat, soybeans, sorghum, barley, rice, and cotton. In making the projections, the model holds various factors constant, such as premium rates and average coverage level. The model assumes that all non-major crops behave consistently with other USDA projections for major crops.

RMA's Strategic Plan augments USDA's Strategic Plan by providing additional direction for internal and external decision-makers.

## **RMA Goals, Performance Measures, and Strategies**

To help achieve USDA Goal 1, RMA has developed four strategic goals focusing on RMA's mission and work.

A series of performance measures describe specific, quantifiable achievements that show progress towards reaching the goals. Each performance measure establishes a baseline and anticipates a target to be reached by 2015. These measures also will be used in RMA's annual performance plan and report that are part of the Agency's budget submission.

Maintaining this set of goals and performance measures will provide a strong link between long-range goals in USDA's strategic plan and the more output-oriented performance measures in this strategic plan.

RMA describes the specific strategies to be completed during the next 5 years to achieve each performance measure and strategic goal.

## **Management Initiatives**

Management initiatives are actions RMA will take to help reach our vision of providing world class agricultural risk management products, tools, education, and outreach. RMA is linking with the USDA 2011-2015 Strategic Plan Management Initiatives because they provide a comprehensive set of primarily non-programmatic activities that will help us reach our goals.

# RMA STRATEGIC GOAL 1:

Increase the availability and effectiveness of Federal crop insurance as a risk management tool while enhancing and protecting the soundness of the program

RMA works toward making existing insurance plans more available and tailoring and/or combining insurance plans to provide more effective risk management solutions. Crop insurance availability has been expanded by extending existing insurance plans to new commodities grown by producers in certain areas, in addition to offering written agreements to cover existing commodities grown by producers in areas without established county crop programs, until it is deemed appropriate to expand into those areas. New insurance plans and coverage expansion to new crops under existing insurance plans are continually being offered as pilot programs after the development phase of an insurance product. The Act requires RMA to contract for the development of certain insurance products, feasibility studies, and related materials. RMA personnel provide feedback and guidance to contractors ensuring that the projects remain on course with the stated objectives. The Act also provides an avenue through which the private sector can submit proposed insurance plans. New programs and substantial, existing-product modifications are subject to review by no less than five independent, expert, actuarial and underwriting reviewers upon approval by the FCIC Board of Directors (Board). After products are accepted by the Board to be piloted, RMA conducts annual pilot program reviews to monitor and evaluate pilot program experience, operations, and performance at the local level to stay abreast of any shifts in risk associated with production, marketing, waste, abuse, or any other phenomenon that could impact the actuarial soundness of the pilot program. After several years of operation, RMA contracts for an independent formal evaluation of the pilot program to determine whether the program should be continued as a pilot, modified, terminated, or converted to a permanent program. RMA makes recommendations to the Board, who then makes the final determination on these issues.

In addition, Section 522(d) of the Agricultural Risk Protection Act of 2000 authorized RMA to enter into partnerships with public and private entities for the development of non-insurance risk management tools. These tools are developed for producers' direct use to assist in mitigating and adapting to increased risks from climate change, drought,

and other weather related conditions. The partnerships are wide-ranging, multi-year, research projects that offer new and innovative approaches to risk management that extend beyond traditional crop insurance products. Two examples of tools developed as a result of this initiative are: 1) an online decision support tool to assist producers in determining if converting to organic production methods are economically feasible with certification and marketing modules that show how to document an organic plan and receive greater value for organic products; and 2) irrigation management tools that allow producers to determine the yield impacts of reduced water applications and assists producers in maximizing the impact of water applications.

## Performance Measures

- 1.1 The annual normalized value of risk protection provided to agricultural producers through the Federal crop insurance program.

Baseline 2009	Target 2015
\$53.9 (in billions)	\$55.9 (in billions)

- 1.2 The annual actual value of risk protection provided to agricultural producers through the Federal crop insurance program.

Baseline 2009	Target 2015
\$79.6 (in billions)	\$83.9 (in billions)

- 1.3 Overall availability of Pasture, Rangeland, Forage insurance.

Baseline 2010	Target 2015
62.3%	93.4%

1.4 Market penetration of Pasture, Rangeland, Forage insurance.

Baseline 2009	Target 2015
4.5%	5.3%

## Strategies and Means

To accomplish this strategic goal, RMA will:

- Ensure that Federal crop insurance products are fundamentally and actuarially sound and continue to review products and make appropriate changes.
- Establish and develop appropriate crop insurance policies, premium rates, coverage provisions, transitional yields, and other appropriate insurance data.
- Facilitate and foster development of new insurance products, non-insurance risk management tools, and other risk management solutions to fill identified gaps in the farm financial safety net for crops such as pasture, rangeland, and forage, organics, energy crops, and others.
- Expand existing crop insurance programs where appropriate.
- Improve the effectiveness of existing programs in southern states and other regional or local areas by refining offers to be better tailored to unique types and practices, and where appropriate, adjusting premium rates, transitional yields, initial and final planting dates, acreage reporting dates, coverage conditions, and high risk or other map areas within each county to recognize structural changes to the risks of growing the crop in the area.
- Continue to refine and expand the availability of innovative, grid-based, weather-derivative, insurance products to crops and areas that are either uninsured or under insured.
- Monitor climate change research, to the extent that climate changes emerge over time, and update program parameters such as final planting dates and sales closing dates, to reflect such adaptation or other changes.
- Improve the effectiveness of products and services to address demonstrated market needs through product review, handbook reviews, and market assessment(s).
- Provide additional opportunities for risk coverage for producers and commodities through county, crop, type, practice, variety, and whole-farm types of program expansion.
- Monitor and evaluate pilot program operations at the local level to ensure the actuarial soundness and effectiveness of pilot programs.
- Interact with producers, universities, insurance providers, farm organizations, and other stakeholders at a local level to identify improvements in insurance programs and implement recommendations.
- Identify and correct insurance policy and procedural inconsistencies at all levels that contribute to misunderstandings or misconceptions by producers, insurance agents, loss adjusters, and routinely issue guidance until procedures can be clarified.
- Complete the work of the USDA Acreage Crop Reporting Streamlining Initiative and implement the changes to allow producers to report common USDA program data just one time.
- Evaluate and implement improvements to update and modernize the Actual Production History program.
- Regional Offices develop and maintain maps used to identify high risk areas, uninsured acreage, and coverage.
- Regional Offices develop special provisions of insurance to address unique crop or regional conditions to enhance the program or address potential program vulnerabilities.

## RMA STRATEGIC GOAL 2:

### Ensure a fair and effective risk management product delivery system

**E**nsuring a fair and effective delivery system enhances the economic stability of agricultural producers and rural communities by expanding the reach of the USDA farm financial safety net. One avenue of ensuring this equity and effectiveness is to facilitate producer and agent use by simplifying and consolidating existing products wherever feasible. RMA seeks to consolidate additional existing products with the aim to make them more user-friendly and reduce costs to all stakeholders involved as the new Common Crop Insurance Policy Basic Provisions product is doing.

To ensure a fair and effective delivery system, it is important for RMA to ensure that the level of participation of core staple crop producers remains high while simultaneously growing the level of participation within underserved States, other crops, and beginning or limited-resources farmers.

Higher participation rates show the enhanced position of crop insurance as the main risk management tool for American producers and show the acceptability of the products offered. The 10 staple crops consist of corn for grain, soybeans, wheat, cotton, sorghum, barley, rice, potatoes, tobacco, and peanuts.

As modified by the 2008 Farm Bill, there are 16 States that have been underserved by crop insurance. They are Connecticut, Delaware, Hawaii, Maine, Maryland, Massachusetts, Nevada, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Utah, Vermont, West Virginia, and Wyoming. These States have a disproportionately large share of smaller farms and crops other than the 10 staple crops. RMA will continue to advocate enhanced delivery of products by insurance companies through additional agent training and focusing attention on the need for more insurance agents in the States and/or areas determined to be underserved.

Farming and the agriculture industry continue to change and evolve. To meet these needs and keep crop insurance viable, RMA must continually review the products and policies offered. Feedback and analysis from stakeholders across the country provide input to identify areas of program

vulnerability and policy and procedural inconsistencies. Regional Offices' underwriting activities such as: performing cyclical evaluations of rate adequacy; reviewing and updating actuarial documents; and issuing written agreements and guidelines for perennial crops help strengthen program integrity nationwide while meeting local needs. Reviewing and identifying areas where market penetration is weak at the state and county level allows RMA to identify ways to improve the program. RMA will also incorporate analysis of potential program barriers into the development and evaluation of new and pilot programs.

Regional Offices are both the eyes and ears of the Agency. Regional Office staff are experts in risk management and their work contributes directly to the actuarial soundness of insurance products.

RMA's Regional Office presence gives the Agency the flexibility to quickly analyze and respond to emergencies such as hurricanes, soybean rust, and any other potential threats to agriculture. The Agency is well positioned for the future and will serve in many capacities to ensure that it continues to meet its mission to serve producers.

In accordance with Title VI of the Civil Rights Act of 1964 and the Executive Order 13166 "Improving Access to Services for Persons with Limited English Proficiency (LEP)," RMA is taking affirmative steps to provide all LEP persons with reasonable opportunities to participate in its federally funded programs and activities.

The Agency conducts mandatory civil rights compliance reviews on insurance providers and provides civil rights training to partnership agreement holders to ensure that they comply with civil rights laws and Departmental regulations and policies. RMA will identify, evaluate, and report findings of all discriminatory practices regarding program integrity, delivery of services to producers, and promotion of new and revised products. RMA is using mandatory compliance reviews, impact analysis studies, civil rights training, and the number of program complaints and potential program complaints to assess or determine if services to underserved groups are being delivered or if program barriers exist.

# Performance Measures

2.1 Crop insurance participation rate for the ten staple crops.

Baseline 2009	Target 2015
80.5%	82.8%

2.2 The actual value of risk protection provided to agricultural producers in underserved States through FCIC-sponsored insurance.

Baseline 2009	Target 2015
\$1.8 (in billions)	\$1.9 (in billions)

2.3 The number of Civil Rights program reviews based on complaint activity (Title VI).

Baseline 2009	Target 2015
0	0

2.4 The number of Civil Rights compliance reviews for the approved insurance providers (AIP), agents, and loss adjusters (Title VI).

Baseline 2009	Target 2015
150 Reviews	240 Reviews

2.5 The number of Title VII Civil Rights compliance reviews.

Baseline 2009	Target 2015
0	5

2.6 The number of hours of Civil Rights training received by employees, partners, AIPs, agents, and loss adjusters.

Baseline 2009	Target 2015
2000	3700

2.7 Number of customized insurance offers issued through a written agreement from a Regional Office.

Baseline 2009	Target 2015
18,717	12,163

2.8 Percentage of producer identity discrepancies between RMA and Farm Service Agency (FSA) comprehensive information management system (CIMS) data.

Baseline 2009	Target 2015
6.6%	3%

2.9 Percentage of producer acreage discrepancies between RMA and FSA for translated crops.

Baseline 2009	Target 2015
29%	8%

## Strategies and Means

To ensure a fair and effective risk management product delivery system, RMA will:

- Identify and address barriers to the understanding and use of crop insurance, particularly in the underserved States and for producers with limited English proficiency, therefore expanding the ability to reach underserved producers through traditional and nontraditional channels and developing technologies.
- Provide technical assistance to insurance providers to improve producers' ease of access to, awareness of, and understanding of crop insurance products.
- Work with insurance providers to resolve complaints of unequal and impartial servicing of risk management products.
- Provide civil rights training for insurance providers' employees and partners.
- Improve program delivery by implementing the new Standard Reinsurance Agreement (SRA).
- Provide producers customized insurance offers through a written agreement from the Regional Office that makes available insurance coverage for unique regional needs tailored to distinctive types and practices; and where appropriate, adjusting premium rates, transitional yields, initial and final planting dates, acreage reporting dates, conditions of coverage, and high risk or other map areas within each county to recognize structural changes to the risks of growing the crop in the area.
- Continue implementing CIMS to reduce the burden on producers for reporting acreage and yield data and

to lessen reporting of different data for RMA and FSA programs.

- Provide situational reports to headquarters to assist with RMA's response to natural disasters that may require an immediate response and possible temporary adjustments to policies and procedures to meet local program needs.
- Improve the efficiency, effectiveness, and actuarial soundness of handling exceptions to standard crop insurance offers (written agreements, added land, determined yields, and hybrid seed coverage). Develop methods to edit insurance policies with exceptions through the Agency's Data Acceptance System.
- Increase the use of Geographic Information Systems (GIS) remote sensing and data mining technologies to more accurately and efficiently manage RMA's programs to enhance delivery of products.
- Provide program consultation to FSA offices in all states.
- Actually seek prospective crop insurance agents, loss adjusters, claims and underwriting personnel with multilingual and multi-cultural skills through a collaborative effort between RMA and insurance providers.





## RMA STRATEGIC GOAL 3:

### Education and Outreach to stakeholders to ensure access to risk management tools and products

Producers face an increasingly complex agricultural environment that is exacerbated by obstacles such as rapidly changing technology, production alternatives, labor supply, commodity price volatility, and changing socioeconomic and environmental conditions. It has become increasingly important for American producers to understand the risks of their operations and to manage them appropriately.

The 2008 Farm Bill and the Agricultural Risk Protection Act of 2000 established a strong role for the Federal Government in providing farmers and ranchers with risk management education. Risk Management Education, Outreach, and the Regional Offices leverage their limited resources by building relationships with State Departments of Agriculture, Cooperative Extension, farm groups, universities, and others to ensure that producers have the information necessary to make informed risk management decisions. Through partnerships and cooperative agreements, RMA focuses its risk management education in three major areas: underserved States, communities, and commodities. The Agency has focused its education efforts and resources on improving program understanding and participation within the 16 underserved States. RMA also develops and provides guidance to recipients of Federal financial assistance about how they can meet obligations to receive language assistance under Title VI.

Substantial involvement at the local level is the cornerstone for the successful award and operation of these partnership agreements. Regional Offices identify underserved or marginalized farming populations and the educational or non-profit groups that serve them and provide information about RMA funding opportunities. Once a partnership agreement is awarded, RMA's Regional Offices assist the partners by reviewing published educational material for distribution to producers, attending and participating in producer education programs, and assessing or reporting performance under the agreement to ensure the objectives of the partnership are achieved.

In addition, the Regional Offices are independently involved in producer and insurance provider education, which is critical to ensure proper program participation and integrity. Regional Offices sponsor numerous meetings annually with grower/commodity associations, Extension Service, other State and Federal agencies, universities, agricultural lending institutions, etc. This ongoing communication between the RMA Regional Offices, partners, and the agricultural community ensures that underserved areas are identified and assisted, and that RMA program objectives are met by tailoring risk management tools to local area needs.

## Performance Measures

- 3.1 Number of producers reached with risk management education information through Small Sessions Commodity Partnerships and Targeted States Cooperative Agreements.

Baseline 2009	Target 2015
25,000 Producers	44,000 Producers

- 3.2 Number of RMA sponsored hours of producer training available through Small Sessions Commodity Partnership and Targeted States Cooperative Agreements, including classroom, workshop, and conference training.

Baseline 2009	Target 2015
1,757 Hours	3,000 Hours

- 3.3 The number of producer and program stakeholders provided information on risk management tools and products by Regional Offices, not through partnership

Baseline 2009	Target 2015
41,730 People	50,000 People

3.4 Number of producers reached through Outreach Agreements with risk management education information.

Baseline 2009	Target 2015
50,000 Producers	55,000 Producers

3.5 The number of RMA sponsored hours of producer training through Outreach Agreements.

Baseline 2009	Target 2015
100,000 Hours	110,000 Hours

3.6 Total number of partnership agreements targeted to small and limited-resources farmers and ranchers.

Baseline 2009	Target 2015
76 Agreements	25 Agreements

## Strategies and Means

To ensure access to risk management tools and products for stakeholders, RMA will:

- Develop and disseminate risk management tools to assist agricultural producers in developing a better understanding of the interaction of financial markets, marketing, crop insurance, and production costs, and to assist producers in their determination of the optimal combination of risk management strategies.
- Provide crop insurance and risk management education and information to producers with emphasis on the underserved States and to producers of specialty crops and livestock through cooperative agreements and partnership agreements.
- Increase the pool and quality of applicants for Education and Outreach partnership agreements to educate and assist small and beginning farmers and ranchers and limited-resource producers in understanding risk management strategies and using risk management tools.
- Provide technical assistance and training on the availability and use of risk management tools to women, Asian, African American, Native American, Hispanic American producers, and other under-represented groups through Outreach partnerships.

- Develop and deliver a standardized, broad-based curriculum for insurance and other risk management solutions.
- Develop and implement strategies to assist approved insurance providers in developing and implementing efficient and effective marketing strategies.
- Improve access to programs and services to persons with limited English proficiency.
- Use public service announcements, regional newspapers and magazines, FSA, and Natural Resource Conservation Service newsletters in a cooperative effort to deliver important crop insurance program information such as sales closing and acreage reporting dates, etc. and to announce the development of risk management educational materials and new risk management tools to American producers.
- Implement cooperative efforts to develop and deliver risk management educational materials to producers.
- Increase use of Web-based and electronic channels for education and outreach.
- Conduct assessments that will identify barriers to the understanding and use of risk management solutions.
- Improve internal and external communication through company meetings, congressional briefings, listening sessions, Intranet/Web site usage, and other communication channels.
- Conduct evaluations to ascertain the impact of risk management education and outreach programs.
- Collaborate with other Departmental agencies to develop a holistic approach to education, outreach, and promoting understanding of risk management (Holistic Risk Management).
- Provide technical assistance on crop insurance programs to producers and stakeholder groups.

## RMA STRATEGIC GOAL 4:

### Safeguard the integrity of the Federal crop insurance program

The Federal crop insurance program is a self-certification program, and payments can be based upon subjective determinations. RMA believes the overwhelming majority of participants are honest, use good farming and business practices, and comply with Federal requirements. However, the threats of fraud, waste, or abuse are inherent within this type of program, and are the same as other types of insurance programs.

The objectives of this goal are to provide reasonable assurance that the threats of fraud, waste, or abuse to the Federal crop insurance program are detected, deterred, and addressed using the best and most innovative methods, and available resources are focused on addressing the threats of greatest significance.

To achieve these objectives RMA plans to take the following actions to minimize improper payments, strengthen approved insurance providers' crop insurance operations, and pursue criminal, civil, or administrative sanctions to address program violations.

Using innovative technology (data mining, remote sensing, geospatial analysis, GIS, CIMS, etc.) identifies potential areas of vulnerability and the performance of targeted reviews (pre-emptive and after the fact) addresses identified areas of known or potential high vulnerability.

Collaborating with other interested entities [FSA, AIPs, the Office of General Counsel (OGC), the Office of Inspector General (OIG), the General Accountability Office (GAO), State Insurance Commissioners, the National Association of Insurance Commissioners, and U.S. Attorneys' Offices] helps identify, review and/or address potential and/or actual program violations.

RMA also performs oversight of approved insurance providers' crop insurance operations through SRA provisions, operations plan review and approval, and financial and operational reviews.

RMA has and will continue to initiate criminal or civil

actions, and/or administrative actions to disqualify, suspend, debar, or impose a civil fine or penalty upon an entity for non-compliance with the Federal crop insurance program.

## Performance Measures

- 4.1 The number of annual evaluations of insurance companies' operations plans conducted prior to receiving funding through FCIC.

Baseline 2009	Target 2015
16 reviews conducted	16 reviews conducted

- 4.2 The number of National Financial Operations Reviews (NFOR) conducted on AIPs to determine their compliance with FCIC requirements.

Baseline 2009	Target 2015
6 NFOR	6 NFOR

- 4.3 The number of National Program Operational Reviews (NPOR) conducted on AIPs to determine their compliance with the Federal crop insurance program.

Baseline 2009	Target 2015
5 operational reviews conducted annually	6 operational reviews conducted annually

- 4.4 Percentage of written agreement requests received by the Regional Offices from AIPs with discrepancies that required additional information, quantified through RMA Headquarters review of underwriting operations.

Baseline 2009	Target 2015
12% with discrepancies	7.5% with discrepancies

- 4.5 Number of large claims for which RMA participates in loss determinations.

Baseline 2009	Target 2015
56 Claims	40 Claims

4.6 Estimated total savings due to large claim reviews.

Baseline 2009	Target 2015
A cost avoidance of approximately \$14.5M through participation in large claim reviews	A cost avoidance of approximately \$12M through participation in large claim reviews

4.7 Number of good farming practice determinations made.

Baseline 2009	Target 2015
52 determinations	40 determinations

4.8 Earned value of emerging information technology architecture - maintain cost performance index (CPI) and schedule performance index (SPI) indicators within 0.91 to 1.09.

Baseline 2009	Target 2015
0.97 CPI 0.97 SPI	0.91 to 1.09 CPI 0.91 to 1.09 SPI

4.9 Number of administrative actions taken to disqualify, suspend, debar, or impose a civil fine.

Baseline 2009	Target 2015
24 actions	20 actions

4.10 Improper payment rate for the Federal crop insurance program.

Baseline 2009	Target 2015
5.79% of claims	4.30% of claims

insurance provider's crop insurance program operations once every 3 years to determine compliance with stated requirements and initiate corrective action, if needed.

- Perform and enhance, where appropriate, preemptive and targeted compliance reviews and/or investigations of potential areas of high vulnerability to address known or potential threats to the Federal crop insurance program.
- Recover improper payments and pursue criminal, civil, and/or administrative proceedings for program violations.
- Use innovative technology (data mining, remote sensing, geospatial analysis, GIS, etc.) to identify areas of potential vulnerability to increase the effectiveness and efficiency of targeted reviews, and to address data mining requirements.
- Enhance RMA's data management and reporting system, "Compliance Activities and Results System," to improve its abilities to capture and report compliance actions.
- Complete the modernization of RMA's information technology systems and infrastructure through the "Information Technology Modernization" project to more easily accommodate potential changes or initiatives within the crop insurance program and provide improved edits and controls on AIP-provided program data.
- Enhance and continue collaboration with entities (FSA, AIPS, OIG, GAO, State Insurance Commissioners, the National Association of Insurance Commissioners, and U.S. Attorneys' Offices) to identify, review, and address areas of potential high vulnerability to the Federal crop insurance program.
- Enforce administrative sanctions including suspension, debarment, disqualification, and civil fines where appropriate to remove entities from the Federal crop insurance program.
- Impose penalties, where appropriate, on AIPs in accordance with the SRA to address improper patterns and/or practices.
- Calculate an improper payment rate for the Federal crop insurance program each year in accordance with the Improper Payments Information Act, and when appropriate, implement corrective action plans for reducing improper payments.
- Perform, according to Departmental Regulations, risk assessments and management control reviews on RMA's program operations to determine whether there is in place and operational, necessary processes and controls to provide reasonable assurance that the risks to

## Strategies and Means

To safeguard the integrity of the Federal crop insurance program, RMA will:

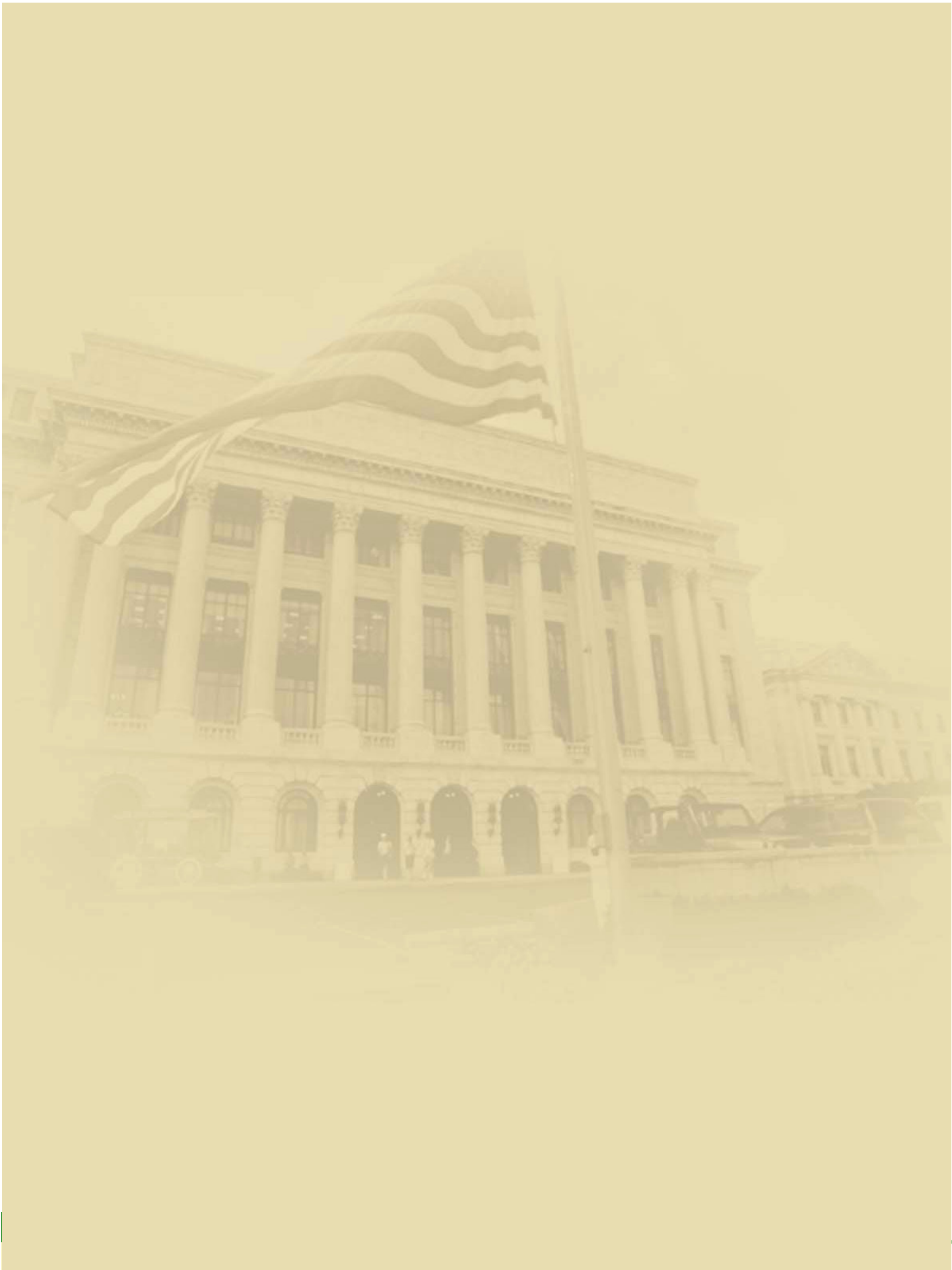
- Perform an in-depth review and analysis of each insurance provider's annual operations plan, including reinsurance arrangements and support contracts, such as data processing agreements, to determine compliance with the SRA, the Code of Federal Regulations, and statutory requirements.
- Perform reviews and evaluations of insurance providers' financial information to determine their financial stability and their ability to meet their ongoing obligations.
- Conduct a national program operations review of each

the Federal crop insurance program are identified and whether proper controls are in place to manage each risk.

- Implement CIMS, which provides an information system that allows RMA, FSA, other USDA agencies and insurance providers to process, share, and report on approved common information, identifies and addresses discrepancies between RMA and FSA information, and addresses data reconciliation requirements.
- Establish and maintain in SRA Appendix IV “Quality Assurance and Program Integrity,” AIP quality control requirements for their crop insurance operations, and evaluation and training requirements for their agents, loss adjusters, and other personnel.
- Use the Special Investigations Branch to conduct investigations involving high-profile, highly complex cases involving multiple subjects, and allegations of major program abuse and/or program vulnerabilities requiring a rapid, highly-skilled investigative response, and normally resulting in criminal, civil, or administrative actions.
- Conduct, where appropriate, individual crop insurance program evaluations to determine whether an acceptable insurance risk does or does not continue to exist within the program, and initiate appropriate actions to address identified risks.
- Monitor rates and identify high risk areas within each county through data analysis and data mining and implement appropriate rating methodologies to address identified risks.
- Monitor and update program rates, rating methodologies, and policy terms and conditions to affect incremental improvements to, and ensure the long-term actuarial soundness of, the crop insurance program.
- Target and undertake comprehensive program reviews of the poorest performing crop programs.
- Administer a process to support good farming practice determinations and use sound agricultural science to support the process of evaluating claims from questionable farming practices to reduce inappropriate claim payments.
- Administer a process to provide timely final agency determinations for any provision of the Federal Crop Insurance Act or any regulation to safeguard the Administration’s interpretations of the statutes and regulations and avoid inconsistencies with crop insurance policies.
- Administer written interpretations of FCIC procedures

under Section 20 of the Common Crop Insurance Policy Basic Provisions in situations where there is a dispute in mediation, arbitration, or litigation that requires an interpretation of procedures.

- Participate with AIPs in the loss determination of high dollar claims to ensure that these insurance policies are adjusted in accordance with RMA regulations and procedures. This participation also assesses approved insurance providers’ operating performances and the effectiveness of RMA’s regulations and procedures. Some determinations may result in appropriate referrals for cases that have identified issues requiring follow up.
- Continue to refer recommendations for program improvements, enhance performance, and address program abuse identified during the large claim review process by recommending administrative sanctions including suspension, debarment, disqualification, and civil fines, where appropriate, to remove entities from the program and SRA penalties on insurance providers to address improper patterns and/or practices.
- Work with OGC to implement and enhance comprehensive legal training and defense strategies at the Regional Office level to address National Appeals Division appeals and Court of Appeals cases.
- For crop disaster programs where RMA’s information is used by FSA to administer a payment, FSA will refer to and RMA will reconcile differences or discrepancies between RMA and FSA information to ensure data reported to each agency is the same.
- Develop and provide to FSA, each spring and fall, a list of producers whose operations warrant an on-site inspection during the growing season. FSA will perform a growing season inspection of the crop and surrounding farms, conditions, and report the results to RMA for further analysis and evaluation.



# Management Initiatives

## OVERVIEW OF MANAGEMENT INITIATIVES

RMA is working to transform itself into a model organization. By strengthening management operations and engaging employees, RMA will improve customer services, increase employee satisfaction, and develop and implement strategies to enhance leadership, performance, diversity, and inclusion. The transformation will result in process improvements and increased performance.

RMA expects to:

- Transform into a model Federal agency for effective program delivery by enhancing leadership, encouraging employee inclusion, and focusing on improving customer and employee satisfaction.
- Provide civil rights leadership to RMA employees, applicants, and customers by increasing the use of an early resolution process for civil rights and equal employment opportunity complaints, reducing the inventory of program civil rights complaints, and analyzing field operations for systemic improvements.
- Coordinate outreach efforts to increase access to RMA's programs and services among small and limited-resource producers as well as all underrepresented groups.
- Use resources more effectively by incorporating into the Agency's current management practices, new strategies and policies that increase performance and encourage efficiency and alignment of activities to the Agency's strategic goals.
- Implement modern information technology systems and policies in a cost effective manner that improve program delivery along with internal and external communications capabilities to better serve RMA constituents.
- Maximize RMA's "green" operations by increasing the use of bio-preferred products and alternative energy, increasing recycling, and decreasing water and energy use at RMA facilities.
- Improve the Agency's emergency preparedness and security measures to protect RMA employees and the public to ensure the continued delivery of RMA products and services.

- Enhance human resources policies and practices to develop a RMA workforce that is more representative of the National population and has the necessary skills to ensure the continued and improved delivery of services by the Agency.

## Initiative I: Engage RMA Employees to Transform RMA into a Model Agency

### IMPROVE HUMAN CAPITAL MANAGEMENT

The President and the Secretary have identified as a priority using the strategic management of human capital to create a high-performing workforce that is more citizen-centered and results-oriented.

RMA is a part of the Farm & Foreign Agricultural Services (FFAS) Mission Area and has submitted input into the FFAS Human Capital Plan, which has been updated and is aligned with the USDA Strategic Workforce Plan and the President's goal to improve human capital management in the Federal Government. The plan focuses on strategic workforce planning and maximizing employee performance, while meeting the challenges of developing a workforce with the leadership, technical, and customer service skills needed to carry out the mission of the Agency.

RMA has identified specific goals toward the improvement of human capital management, including leadership development, succession planning, workforce analysis, and human capital management accountability. RMA will continue to use alternate hiring methods including Merit Promotion, Delegated Examining Unit, and exercising hiring authorities, to recruit a highly qualified, diverse workforce to meet the needs of the Agency and to close the critical skills gap. RMA will also continue to use hiring incentives, such as recruitment bonuses and repayment of student loans, for the same purpose: to recruit a highly qualified, diverse workforce. Workforce analyses will be conducted, and competitive sourcing will be considered among the alternatives when deciding to close skills gaps or determining how to operate more efficiently and effectively.

RMA will ensure that a cadre of qualified, competitive candidates will be available to lead and manage the Agency's programs in the future, through established leadership training programs (including SES) and development of new programs. RMA is also creating training programs to develop a future workforce in occupations facing a critical shortage of available candidates.

Key Focus Areas:

1. Leadership
2. Employee Development
3. Talent Management
4. Recruitment and Retention
5. Customer Focus and Community Outreach

RMA will:

- Institute a practice of systematic human capital management that is aligned with Agency strategic plan and integrated with the budget.
- Institute a practice of systematic human capital management that is aligned with the USDA plan for a diverse workforce.
- Recruit at minority job fairs including 1890 Historic Black Colleges, Hispanic Serving Institutions, Disabled, Veterans, and Special Emphasis Programs that target the desired talent pool.
- Institute and maintain succession planning and workforce planning activities that enable RMA to efficiently and effectively eliminate and prevent skill gaps.
- Improve internal and external communication and relationships.
- Evaluate and design leadership and employee training through career development programs.
- Link the Recruitment and Retention Strategic Plan to skills gaps and workforce analysis.
- Develop a method of accountability through the Human Capital Assessment and Accountability Framework.
- Enhance organizational culture and quality of work-life balance for employees.

Progress on activities is monitored quarterly through the use of the RMA quarterly performance report. In managing its human capital and delivering its services to customers, RMA 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, political belief, marital or familial status, or any other

factor. The Agency is committed to continuous civil rights progress in the workplace, program delivery, and processing complaints timely and efficiently.

## Initiative II: Provide Civil Rights Services to RMA Employees and Customers

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RMA is fully committed to carrying out the Secretary's vision to move into a new era of civil rights. RMA will engage all levels of our workforce to ensure we are a model agency for respecting the civil rights of our employees, customers, and potential customers. RMA accepts the challenge to learn from past mistakes and will use this knowledge to make significant improvements in the delivery of civil rights products and services to both our internal and external customers. These changes will help us foster a workplace culture where all employees can come to expect that they will be treated fairly and equitably in all aspects of their employment. Our new focus will further help us create a business culture where access to RMA funded programs is accessible to every person entitled to these services. RMA will work to restore our employees and constituents' confidence in the civil rights process. Our plans include:

- Increasing the use of alternate dispute resolutions at all stages of the program civil rights and equal employment opportunity complaint process.
- Reducing the inventory of program civil rights and equal employment opportunity complaints.
- Analyzing business processes for systemic improvements.
- Expanding civil rights training hours for employees, AIPs, and partners.
- Using existing data collections systems fully to track outreach activities, training events, and complaint activity.
- Collaborating with Human Resources to address diversity issues within the Agency.
- Reviewing program statistical data and identifying workable solutions to improve program delivery.

## Initiative III: Coordinate Outreach and Improve Consultation and Collaboration Efforts to Increase Access to RMA Programs and Services

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RMA will coordinate and measure the performance of strategic outreach efforts to ensure that all Americans have equal and fair access to key Department and Agency programs



and services. By promoting USDA's values and priorities, RMA looks to enhance the public's knowledge of sustainable growing practices and the importance of the American farm community. RMA will develop or expand enterprise-wide, results-driven initiatives and coordinated efforts. This collective work will increase the viability and profitability of small farm operators and beginning and socially disadvantaged farmers and ranchers. RMA will coordinate various services for such priority populations as farm workers. RMA also will improve its compliance with executive directives by improving collaboration with tribal governments. Significant improvements will be made and tracked regarding RMA's consultation processes, policies, reporting, and outcomes.

RMA's outreach and education plans include:

- Measuring and increasing participation in key programs among small and beginning farm operators and socially disadvantaged farmers and ranchers.
- Coordinating and enhancing programs and services for farm workers to ensure the stability of the agricultural labor force.
- Expanding the use of online submission of proposals and electronic review to simplify the procurement and program application processes and to ensure fairness and equity of opportunity.
- Storing agreement final reports and producer stories on the AgRisk Library web site to increase transparency of funding outcomes.
- Building and leveraging partnerships between the Agency and non-profit and faith-based organizations to better serve individuals, families, and communities.
- Coordinating with the USDA Office of Tribal Relations to increase dialogue opportunities for tribal governments, tribal communities, and individuals served by tribal governments.
- Improving tribal relations through improved consultation in compliance with President Obama's presidential proclamation, related directives, and executive orders, and the use of targeted means to reach tribal governments, communities, and individual tribal members.
- Collecting educational materials created by partnership agreements and storing these materials for future use during educational and training events.
- Using performance based criteria in future requests for applications.
- Using data mining and analysis to track producer contacts, producer needs, and producer participation.

## Initiative IV: Leverage RMA Management to Increase Performance, Efficiency, and Alignment

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Secretary Vilsack's call for cultural transformation shines a light on the effort to ensure all USDA agencies are as efficient and effective and they can be. RMA is increasing its focus on improving the way it measures its performance to better demonstrate its efficiency and effectiveness in providing the critical piece (crop insurance) for the farm financial safety net. RMA's Chief Financial Officer and Strategic Planner will continue to lead the effort to better integrate planning and the budget.

The Strategic Planner and the Human Resources Advisor to the Administrator are champions of the USDA Continuous Process Improvement effort using the Lean Six Sigma method. Initial process improvement projects are the partnership agreements for education, outreach, and product development and the Civil Rights Compliance review process. Additional ideas for process improvement are being generated for action during the time frame of this strategic plan.

Astute stewardship of Federal funds remains a high priority for RMA. The Office of the Chief Financial Officer intends to ensure that all expenditures are properly accounted for by continuing to eliminate all material weaknesses, eradicating improper payments to unauthorized claimants, and enhancing its budgetary and financial management responsibility through the Financial Management Modernization Initiative (FMMI). RMA's financial accounting staff will maintain its record of acceptable audits of financial activities. The RMA budget staff is integrating budget and performance through extensive analysis of the Agency's operating expenses and the Federal Crop Insurance Corporation's budget model to determine the effectiveness and efficiency of each account. The Office of the Chief Financial Officer will work diligently to analyze and evaluate its procedures to ensure smooth and seamless business practices of crop insurance.

## Initiative V: Optimize Information Technology Policy and Applications

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RMA continues to promote new and innovative insurance products to the agricultural community, to validate the utility of current insurance products, to ensure outreach to small and limited-resource farmers, to promote equity in risk sharing, and to guard against fraud, waste, and abuse within the program. RMA is strongly committed to an integrated, business-driven approach that closely links information technology (IT) objectives to the needs and strategies of businesses and

the Department. RMA is actively involved in Federal and Departmental initiatives that have the potential to increase efficiency or capabilities.

RMA plans include:

- Promote data consistency and standardization through the development of policies and best practices to improve the integrity, delivery, and usability of Agency information.
- Implement a technology environment that supports business processes through workflow tools, business intelligence tools, and collaboration tools.
- Expand the role and use of technology, such as data mining and GIS, to increase program compliance.
- Enhance the integration of CIMS.
- Expand the use of Enterprise Architecture (EA) in building a business driven enterprise architecture, characterized by business process improvement, integrated systems, shared and secure data, reusable services, and a robust infrastructure designed to improve the overall performance of RMA and achieve measurable business outcomes.
- \* Implement Architecture Principles to communicate and direct decisions regarding enterprise data sharing, data standardization, system integration and interoperability, business process improvement and system and data security.
- \* Develop and implement EA policies and standards to guide and support opportunities to streamline investments, eliminate duplication of effort and encourage adoption of technologies and best practices.
- \* Define an EA Technical Reference Model (TRM) to guide technology decisions and provide the foundation for advancing the re-use and standardization of technology and component services.
- \* Establish and support EA Governance activities to ensure policy and standards adherence.
- \* Expand the use and utilization of the RMA EA Modeling Repository tool (Mega) in building agency business intelligence through the creation and capturing of enterprise models and other artifacts providing collaboration and information sharing opportunities.
- Ensure that personally identifiable information and other sensitive information is appropriately protected and secure.
- Expand and improve internal and external access to RMA products and data via the Web; fully use the Web

for RMA education and outreach programs.

## **Initiative VI: Optimize RMA “Green” or Sustainable Operations**

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RMA will promote the “greening” of its operations by making a concerted effort to reduce its energy consumption, waste, and impact on the environment through several educational and implementation efforts in the following areas:

- Energy and water-use reduction;
- Rethinking, reducing, reusing, and recycling material things;
- Using products made from recycled material;
- Telework;
- Reducing travel and using more video conferencing; and
- Supporting the USDA People’s Gardens at all RMA offices.

## **Initiative VII: Enhance RMA Homeland Security and Emergency Preparedness to Protect RMA Employees and the Public**

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### **Enhance Continuity Plans**

In support of this effort, RMA offices will participate in annual continuity exercises whenever possible. The RMA National Office will deploy emergency relocation group personnel when participating in the National Level Exercise Eagle Horizon continuity component. The RMA Kansas City devolution emergency response group will activate when the RMA National Office is elevated to continuity of Government Readiness Conditions (or as directed by the Administrator or successor). All other locations participate in annual continuity exercises conducted by the local Federal executive board or location continuity lead agency, as applicable. In addition, the RMA National Office conducts periodic alert notification and/or call tree tests and documents the results. Per National Continuity Policy, RMA offices participate annually in continuity training specific to that location and track training for the Emergency Relocation Group and the Devolution Emergency Response Group. The RMA National Office maintains vital records at the emergency relocation facility, devolution location, and the USDA Office of the Secretary emergency relocation facility, with key records maintained in paper form. Orders of Succession/Delegations of Authority are updated as needed and maintained in the vital records files.

### **Enhancing pandemic flu planning and response**

To support this initiative, RMA offices participate in the Department pandemic exercise or conduct internal exercises

at least annually, including an after action review and a corrective action plan, as necessary. Per the SRA, Appendix II, Section VI, the “Risk Assessment and Contingency Plan” for each crop insurance company participating in FCIC programs is evaluated as part of the annual plan of operations submission to RMA.

#### **Upgrading physical security at USDA facilities;**

RMA supports this initiative by periodically reviewing RMA office compliance with applicable physical security policies and procedures at our office locations and documenting the results for analysis/improvement. In addition, we take measures to identify employees unable to successfully complete the LincPass issue process or with defective/terminated LincPass badges, and ensure that the situation is resolved. This is primarily accomplished by periodically compiling LincPass exception reports and disseminating the reports to management and other key LincPass processing personnel.

### **Initiative VIII: Enhance the RMA Human Resources Process to Recruit and Hire Skilled, Diverse Individuals to Meet RMA’s Program Needs**

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RMA is reforming its hiring process to ensure a streamlined, user-friendly environment for both the applicant and the hiring manager. Such an environment will lead to the identification and selection of the most talented and competent workforce possible. In doing so, the Agency will experience increased diversity while addressing current and future skills gaps. RMA is evaluating its human resources policies relative to talent management. Where necessary, the Agency is also realigning its policies to further support its transformation of recruitment and retention initiatives. In addition, RMA is addressing the gap between employee engagement and performance expectations.

Through a strategic planning process and development of an approach customized to the FFAS mission area, competitive sourcing is one of several tools that can be used in workforce planning or restructuring efforts to improve RMA operational and organizational efficiencies. The Agency will balance the commitment to improve operational efficiency while minimizing disruption to its ongoing operations and workforce.

RMA’s plans include:

- Addressing current or future competency and skills gaps.
- Increasing diversity of the talent pool and address under-representation through recruitment and retention programs while streamlining the hiring process.

- Aligning its human resources policies and establishing metrics and reporting tools for human resource performance tracking.
- Conducting workforce analyses and developing plans to address human capital needs.

### **Initiative IX: Enhance Collaboration and Coordination on Critical Issues through Cross-cutting Department wide initiatives**

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RMA continues to work with FSA and the Natural Resource Conservation Service to develop a single identifying method for common land units – each individual field throughout the country. This ‘streamlining’ effort holds great promise on reducing producer reporting burden and enhancing program integrity.

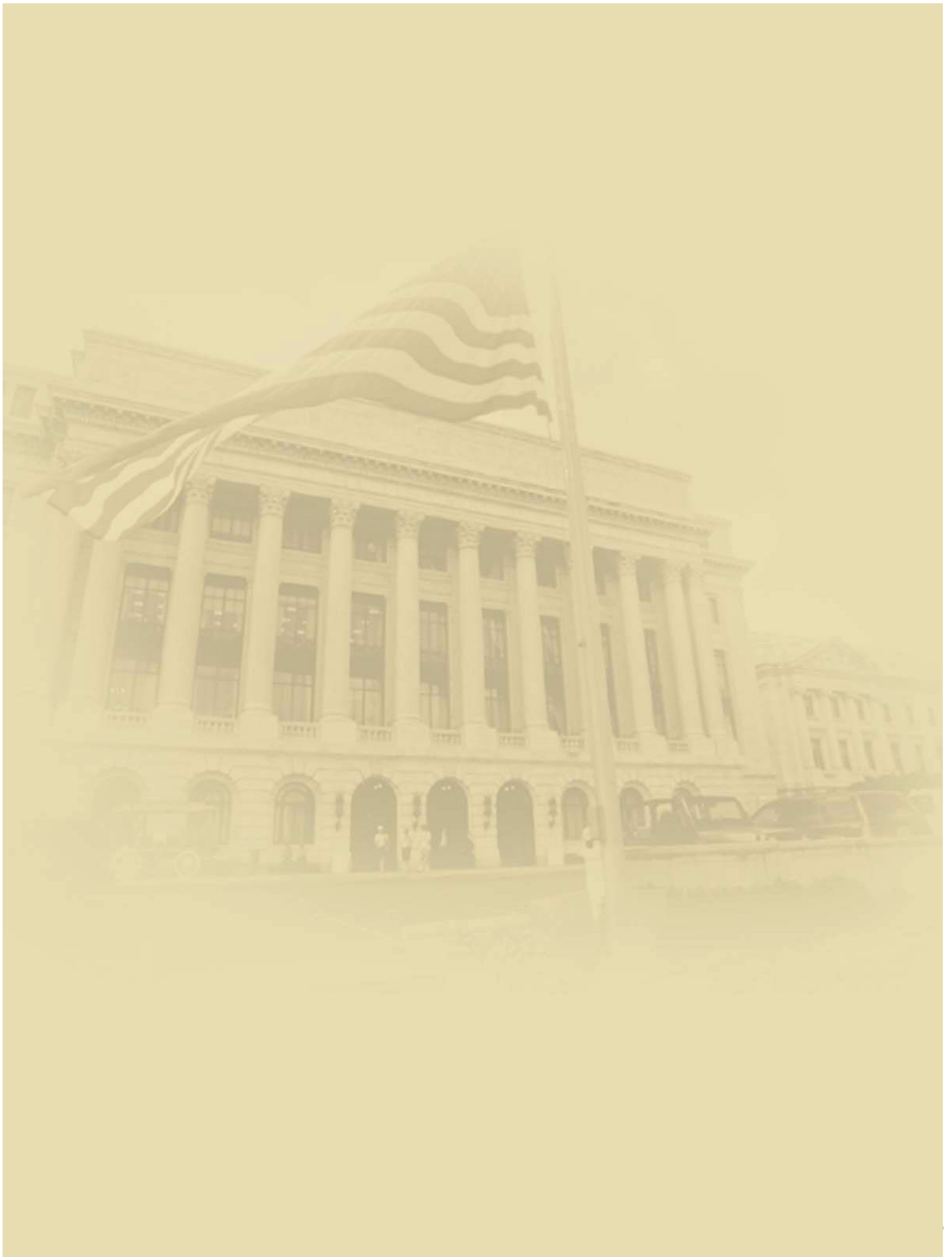
RMA participates in USDA’s Global Food Security Council and provides a leadership role in the Risk Management Work Group for Africa.

### **Initiative X: Enhance Correspondence, Communications, and Congressional Relations**

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This initiative supports the Secretary’s initiative for improved Departmental responses to important inquiries of our partners, customers, and Legislative Officials and for improved release of information to the press and public. RMA plans include:

- RMA will increase transparency, responsibility, and accountability for preparing quality and timely correspondence on behalf of the Administrator and the Secretary through collaboration and partnership with all RMA offices and USDA offices and agencies.
- RMA will increase accountability for Agency staff dealing with Congressional and state and local intergovernmental relations on behalf of the Administrator and the Secretary.
- RMA will increase accountability of Agency staff at all levels regarding external communications with the press and the public about RMA, USDA, Secretary Vilsack and the Obama Administration.



# APPENDIX A:

## Program Evaluations

RMA used several tools in developing this strategic plan, including:

- Program evaluations;
- The Office of the Inspector General (OIG), the Government Accountability Office (GAO), and other external reviews; and
- Internal management studies and performance measurement systems.

Program Evaluations Used to Develop the Strategic Plan				
Goal	Evaluations/ Analyses	Brief Description	What Was The Effect	Date
Goal 1	GAO Beginning Farmers and Ranchers report	Report focused on coordination of USDA* activities affecting beginning farmers and ranchers (all USDA agencies evaluated)	Congress provided mandatory funding for the Beginning Farmers and Ranchers Development Program	2007
	American Customer Satisfaction Index comprehensive program evaluation for FRPP*	Program delivery assessment for program administered by NRCS*	All Federal Government programs have a combined average of 69 for an ACSI* indexing score; FRPP received a 73	2009
All Goals	NIFA* portfolio assessments	Assessments focus on current and/or emerging issues of societal importance	Improvements in program-planning and management, informing performance-based budgeting and staffing changes	Annually
	IPIA* reviews	Analysis and testing using required IPIA thresholds	Reduction in amount of improper payments	Annually
	OIG and GAO audits and reviews	Financial statement audited annually and programs reviewed on a variable schedule	Staff made improvements to address recommendations	Annually

\*The United States Department of Agriculture (USDA)  
 The Farmland Ranch Lands Protection Program (FRPP)  
 The Natural Resources and Conservation Service (NRCS)  
 American Customer Satisfaction Index (ACSI)  
 National Institute of Food and Agriculture (NIFA)  
 Improper Payments Information Act (IPIA)

The following table highlights some of these tools as they relate to RMA's strategic goals.

RMA will undertake many new and ongoing evaluations over the next 5 years. The following table highlights some of the longer-term studies as they relate to RMA's strategic goals.

Future Program Evaluations and Other Analyses				
Goal	Evaluations/ Analyses	General Scope	Methodology	Timetable
All Goals	OIG* review of National Organic Program	Audit to evaluate whether agricultural products marketed as organic meet the requirements of the program and to assess the adequacy and consistency of program oversight	OIG will issue a report and USDA's* Agricultural Marketing Service will respond to the recommendations as appropriate	FY* 2010
	Analysis of FCIC's* product portfolio	Comprehensive review of the risk-management products offered by FCIC	Actuarial and underwriting experts review current and proposed crop insurance products and opportunities to assist the FCIC Board in developing a product strategy	Ongoing
	Review of FCIC policies, insurance plans, and related materials	Comprehensive quality review of FCIC's materials	Actuarial and underwriting experts review FCIC legislation, regulation, and program materials to recommend potential ways to improve the overall quality of the program	Ongoing
	CPI-LSS*	Evaluation of various Agency processes for improvement using the Lean Six Sigma method	Using the Lean Six Sigma method as part of the USDA-wide effort under the Cultural Transformation initiative	Beginning in FY 2011 and ongoing
	Improving Performance Measures	Working throughout the Agency to develop, pilot, and implement better outcome, output, and indicator measures	Using both the CPI-LSS and individual work groups of employees to study Agency efforts and what can be measured that show we are effective and efficient	DAPM* already working on two new measures for the Pasture, Rangeland and Forage products which will measure availability and market penetration
	SWOT*	As part of developing the next strategic plan –due now in February of 2014 (GPRA* Modernization Act of 2010)	Using a mix of Agency employees and others with knowledge and experience of the Agency, a general review of the SWOT to the Agency	2012

\*The Office of Inspector General (OIG)  
 The United States Department of Agriculture (USDA)  
 The Federal Crop Insurance Corporation (FCIC)  
 Continuous Process Improvement (CPI-LSS)

Fiscal Year (FY)  
 Deputy Administrator for Product Management (DAPM)  
 Strengths, Weaknesses, Opportunities and Threats (SWOT)  
 The Government Performance Results Act (GPRA)

## APPENDIX B: Cross-Cutting Programs

The Risk Management Agency's (RMA) work often cuts across jurisdictional lines within the United States Department of Agriculture (USDA), with other Federal agencies, and with State, local, and private partners. This table lists the primary partnerships that will enable RMA to reach the outcomes in this Strategic Plan.

Cross-cutting Programs		
Goal	RMA Primary Office	External Organizations
All Goals	RMA All	Agribusiness industry officials, Bio-Based Products and Bio-Energy Coordination Council, commercial lenders, commodity groups, grower groups, land-grant and other universities and colleges, National Science Foundation, private and cooperative lending institutions, private industry trade groups, private sector insurance companies, producers, regional development banks, State and regional trade associations, State departments of agriculture
	Deputy Administration for Product Management, CIMS*	FSA*, NRCS*
	Deputy Administrator for Insurance Services & Office of Civil Rights and Outreach	NIFA*

\*The Comprehensive Information Management System (CIMS)  
 The Farm Service Agency (FSA)  
 The Natural Resources Conservation Service  
 The National Institute of Food and Agriculture (NIFA)

# APPENDIX C:

## Strategic Consultations

RMA regularly consults with external stakeholders, including RMA’s customers, partners, landowners, policy experts, and industry and consumer groups regarding our programs’ effectiveness. While many of the consultations were not conducted expressly for the development of RMA’s Strategic Plan, they did impact strategic goals, strategies, and targets. In addition, the Strategic Plan was developed in accordance with guidance from the Office of Management and Budget (OMB) and the Government Performance and Results Act (GPRA).

With the full support of its senior leadership, RMA regularly consults with stakeholders and seeks validation of all goals, objectives, and performance measures from employees and the public.

Strategic Consultations			
Goal	Date	Who	Purpose
All Goals	Regularly, at least Quarterly	Federal Crop Insurance Corporation Board of Directors	Legal entity in charge of Federal crop insurance programs
	Regularly	Approved Insurance Providers	Ongoing program administration – these are our private sector partner insurance companies selling and servicing the individual crop insurance policies
	Regularly	Commodity Groups	Ongoing, two-way communications with the Agency reaching out with education and awareness efforts and the commodity groups providing feedback on program operation and new products needed



# APPENDIX D:

## External Risk Factors

External Risk Factors	
Goal	Factors
All Goals	Commodity Prices and all that factors into prices such as production, carry-over stocks (Corn reserves lowest in many years), weather supply & demand
	Changes in environmental conditions including climate change, especially more near-time weather patterns
	Congressional Action, especially related to funding
	Private Insurance Industry's willingness to partner under the Standard Reinsurance Agreement