



PROGRAM EVALUATION DIVISION

NORTH CAROLINA GENERAL ASSEMBLY

May 2008

Report No. 2008-05-1

Consolidating Agricultural Research Facility Management Would Improve Efficiency and Effectiveness

Summary

Legislation passed by the NC General Assembly during the 2007 session directed the Program Evaluation Division to evaluate the state's 18 agricultural research stations. The aim of the evaluation was to identify efficiency savings associated with station structure and management, with particular attention to examining whether or not all 18 stations should be owned and managed by a single entity. The evaluation scope included 11 additional research facilities owned and operated by the state land-grant universities.

Evaluation findings suggest the current divided management structure hinders planning, monitoring, and accountability across agricultural research facilities. In addition, reducing the number of facilities would allow limited funds to be allocated more strategically. Finally, an effective and efficient system for agricultural research is important to North Carolina's agricultural industry and citizenry.

The General Assembly should consider legislation that creates a system of all agricultural research facilities managed by the two land-grant universities instead of the NC Department of Agriculture and Consumer Services (NCDA&CS). The legislation also should establish an advisory board that includes representatives from NCDA&CS and both land-grant universities to provide guidance to the system from a much-needed statewide perspective. One of the board's first tasks should be the appointment of an independent panel to conduct a comprehensive review of facilities, including consideration of the recommendations in this report for streamlining the system. Finally, system management should consistently track data on system inputs, resource utilization, and research outcomes and provide annual reports to the public.

As shown in the following table, implementing these recommendations could save up to \$3.7 million in recurring and \$54.7 million in non-recurring state funds.

Estimated Recurring Fiscal Impact	Estimated Nonrecurring Fiscal Impact	Proposed Legislative Action
\$ 500,000	\$ -	Consolidate central management of agricultural facilities (Recommendation 1)
3,171,413	39,856,546	Close seven research stations, pending review of scientific necessity (Recommendation 3)
-	1,299,780	Sell or transfer discrete parcels attached to research stations but not used for research (Recommendation 3)
-	13,590,175	Sell or transfer NCDA&CS forest management tracts (Recommendation 1)
\$ 3,671,413	\$ 54,746,501	Total Estimated Fiscal Impact

Source: Program Evaluation Division.