



621 NW 53rd Street, Suite 240, Boca Raton, Florida 33487 - Phone: 561-995-1474 - FAX: 561-995-1499
Email: info@privatelands.org Web: <http://privatelands.org>

ATTACHMENT 3

DIFFERENT ROLES FOR DIFFERENT TYPES OF TSPs?

April 11, 2003

Melissa Hammond
Technical Service Provider Coordinator
Natural Resources Conservation Service
U.S. Department of Agriculture
P.O. Box 2890
Washington, D.C. 20013

Dear Melissa:

Major concern was expressed during the April 8, 2003 teleconference among the members of our Conservation Delivery Team about the roles that different types of entities might play in the TSP program.

We already have explained our concerns in Attachment 1 (especially on page 3 and the middle of page 11) about inequities that exist in the way prices are set, and the factors that must be taken into consideration in setting a price, between different types of entities, including:

- government agencies;
- employees of government agencies acting as consultants to soil and water conservation districts, resource conservation districts or “freelancing” on their own;
- colleges and universities;
- nonprofit organizations;
- private companies; and
- private consultants.

The intent of this attachment is to emphasize four key points and, fifth, suggest a means that USDA can adopt to ensure a “level playing” field between different types of TSPs. The points we wish to emphasize are:

1. Inequities that exist between different entities that may wish to participate in the TSP process need to be understood;
2. The contributions that different entities can make to the TSP process need to be recognized; and
3. Appropriate roles for each type of entity within the TSP process should be identified so that the resources and capacities that are unique to each type of entity can be harnessed and coordinated effectively through cooperative working arrangements. This way, the chance of creating synergies will be increased, since each type of entity can be supportive and complementary to the other, and producers and the environment will be able benefit to the greatest degree possible.
4. If different entities try to compete with each other for the same types of business, they very well could end up undermining each other’s efforts and foreclosing opportunities

for enriching the number of resources and types of skills that could be made available to producers.

For these reasons:

5. NRCS should adopt guidelines for encouraging different entities to fulfill the roles that are best suited to each type of entity.

First, inequities that exist between different entities that may wish to participate in the TSP process need to be understood.

These inequities include:

- sources of outside revenues to pay for salaries and overhead (discussed in Attachment 1), as well as
- advantages in location and access to producers.

As Don Ross, President/CEO of EarthBalance, pointed out during the teleconference, “Pricing needs to be balanced between vendors and government service needs. How sincere is USDA in following through with TSP? Who do they imagine conducting work? Do they have plans to create specific roles for different types of entities? Or is it going to be a free-for-all?”

As Ross said, “Commercial companies cannot compete on costs with employees of government agencies acting as consultants. Nor can they compete with nonprofits.”

Kyle Thompson, of Prairie Land Management, Inc., also expressed concern that “Resource Conservation Districts/Soil and Water Conservation Districts can become TSPs,” and put private companies at a disadvantage. As Thompson notes, “they are located with NRCS and have access both to NRCS staff and producers who come into the USDA service centers.” This provides them with opportunities that the private sector will not be able to match.

Thompson also said, “Nonprofits are out-competing private corporations because they are allowed access and locations in the NRCS offices as well. All of these organizations are usually well funded or at least partially subsidized by tax dollars, contributions (which are tax deductible), fundraisers, memberships, grants, and other sources of revenue, that give them a distinct advantage over private businesses in paying for salaries, travel, overhead and educational and marketing efforts.”

As Thompson pointed out, “First contact is essential in the marketing of the programs. That is why landowners going into an NRCS office are often solicited by RCDs/SWCDs, nonprofits and government employees who are acting as consultants. This gives them a distinct advantage in marketing TSP services.

“These organizations, including NRCS and FSA, often endorse each other in newsletters, field days, web sites, etc., which gives them another edge over small businesses.”

Second, the contributions that different entities can make to the TSP process need to be recognized.

Each type of entity offers different capabilities, expertise, resources, and opportunities to producers:

- Government agencies provide specialized staff, vast information resources and access to programs targeted to the needs of producers;
- Colleges and universities have great strengths in their research and extension service programs;
- RCDs/SWCDs have locally elected boards who often have been long-time members of the local farm community, staff (in some places), and well-established partnerships with conservation agencies;
- Nonprofits have the ability to launch projects, educational efforts and training programs and conduct research funded by contributions and grants that can “fill in the gaps” and benefit producers; and
- Private companies have more flexibility than any other entity to respond to specific needs, situations and requests, and to respond quickly, in an on-demand, at-the-time needed fashion. They are a source of ongoing innovation, which is honed by and kept at a keen edge by their own marketplace competition. They also are in tune with the dynamics of business and monitor changes in the marketplace. Hence, they tend to understand the business side of farming better than any other entity, which ultimately is the world in which all producers must operate, since it is the key to their very survival.

Each entity brings something important to the TSP team. USDA should *capitalize* on the strengths and capabilities represented by each entity.

A flow chart developed by Kyle Thompson appears on the next page. This chart shows the flow of funds and lines of responsibility that have been established in one of the counties in which Prairie Land Management, Inc. works. It is a successful model that could provide a blueprint for defining roles and responsibilities for each type of entity within the TSP process.

The flow chart addresses the following points:

Third, appropriate roles for each type of entity within the TSP process should be identified so that the resources and capacities that are unique to each type of entity can be harnessed and coordinated effectively through cooperative working arrangements. This way, the chance of creating synergies will be increased, since each type of entity can be supportive and complementary to the other, and producers and the environment will be able benefit to the greatest degree possible.

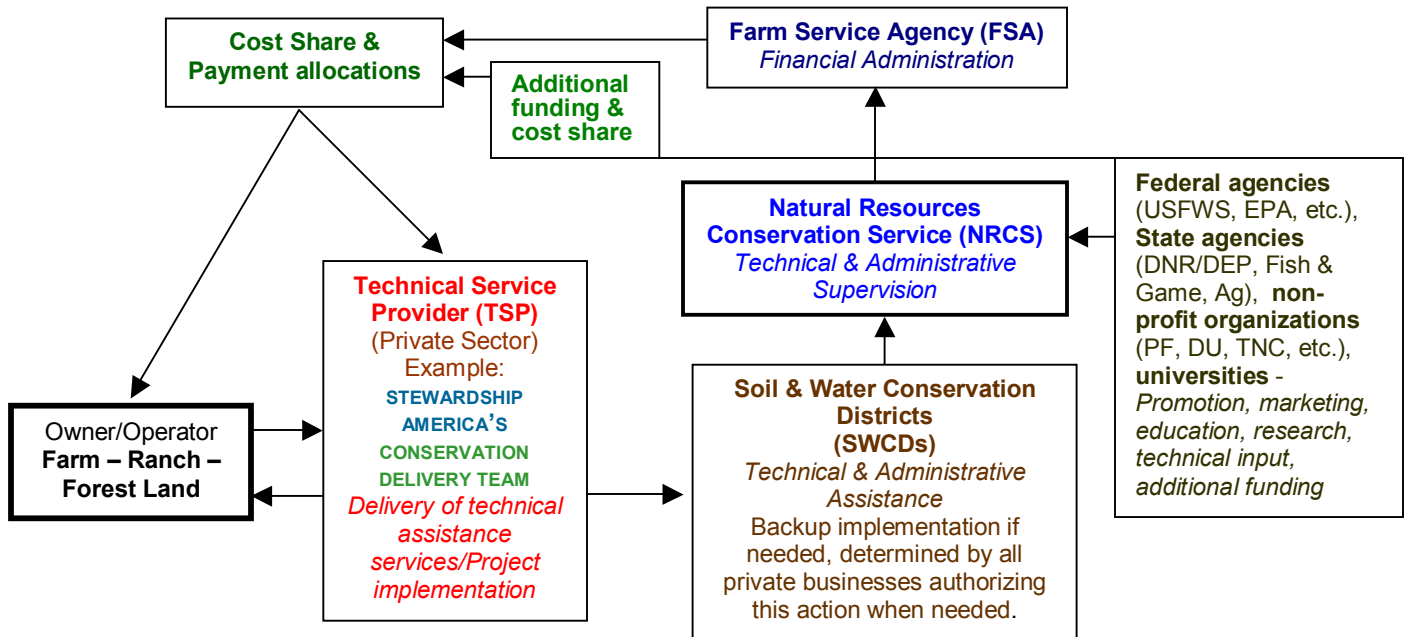
Fourth, if different entities try to compete with each other for the same types of business (selling seed and trees, for example) and services (consulting and planting), they very well could end up undermining each other’s efforts and foreclosing opportunities for enriching the number of resources and types of skills that could be made available to producers.

And, finally ...

Fifth, this is why we urge NRCS to adopt guidelines for encouraging different entities to fulfill the roles that are best suited to each type of entity.

Again, the flow chart on the next page could provide a blueprint to this type of cooperative, supportive working relationship.

Flow of Money & Technical Services to Owners/Operators of Farm, Ranch & Forest Land



DEFINITIONS/FUNCTIONS

Agency/Organization Acronyms – **FSA** – Farm Service Agency, U.S. Department of Agriculture; **NRCS** – Natural Resources Conservation Service, U.S. Department of Agriculture; **USFWS** – U.S. Fish & Wildlife Service, U.S. Department of Interior; **EPA** – U.S. Environmental Protection Agency; **DNR** – Department of Natural Resources; **DEP** – Department of Environmental Protection; **PF** – Pheasants Forever; **DU** – Ducks Unlimited; **TNC** – The Nature Conservancy.

Technical Service Provider (TSP) – Consists of private sector businesses that market and deliver technical assistance services to agricultural owners and operators. Stewardship America has organized a group of businesses with extensive ag production, scientific and conservation delivery expertise. These private sector businesses already have pre-established relationships with ranchers, farmers and producers which position these companies to be both effective and successful at reaching and assisting agricultural landowners and operators. Due to the nature of private business, these businesses can consistently deliver services at a lower cost (when *both direct and indirect* costs are taken into account) and increased timeliness compared to government agencies.

Soil and Water Conservation Districts (SWCDs) – Many NRCS field offices lack sufficient staff to keep up with the work loads that are expected of the agency through its field offices. As a result, there often are “bottle necks.” With increased capabilities for the delivery of technical assistance through TSPs there is an opportunity to open up these bottle necks. But there is going to be a corresponding increase in the number of applications needing technical review and the number of projects requiring administrative oversight. SWCDs are positioned to become the primary technical and administrative “assistants” to NRCS. Currently, however, many SWCDs are forced to generate funds from retail sales of product sales and services to meet budget needs, which then compete with private businesses, and distracts them from the critical support roles they can play as local conservation partners to NRCS. It is therefore critical that SWCDs be funded 100% so that they do not compete with private businesses for retail sales (seed and trees) and services (consulting and planting). This will ensure a “united effort” – with each agency, conservation district, nonprofit organization and private sector business having specific roles that support and complement each other – to effectively and efficiently deliver technical services to private landowners and operators.

Natural Resource Conservation Service (NRCS) – NRCS will continue to supervise the delivery of technical and administrative services. It is important that NRCS operate as a “one minute manager,” to quickly and efficiently review applications and contracts and provide technical oversight to avoid “bottle necks” in the delivery of services.

Farm Service Agency (FSA) – FSA will continue as the administrator of cost share, service and contract payments. Additional staff may be needed to accommodate increased applications and contracts. SWCDs also are well-suited for assisting FSA in application and contract preparations, crop history reviews, mapping, etc.

Prepared by Kyle Thompson, **Prairie Land Management, Inc.**, Land Management /Wildlife Enhancement Services – www.HabitatNOW.com – a member of Stewardship America’s Conservation Delivery Team.

Melissa Hammond
Attachment 3
April 11, 2003
Page 5

I hope you find these comments of value. Should you have any questions or need additional clarification, please to do not hesitate to contact me, or one of the other members of the Conservation Delivery Team.

Sincerely,

A handwritten signature in blue ink that reads "Craig Evans". The signature is written in a cursive style with a large initial "C" and "E".

Craig Evans
President

See cover letter for members of the Conservation Delivery Team contributing to this letter
Conservation Delivery Team website: http://privatelands.org/FSP/FSP_partners.htm