# FQPA/Strategic Agricultural Initiative Program Grants
# EPA Region 5/American Farmland Trust
# REQUEST FOR PROPOSALS
Originally Posted November 5, 2009

## REPOSTED WITH IMPORTANT CHANGES IN PROJECT FOCUS
December 2, 2009

Since the original posting of this RFP on November 5, 2009, the regional EPA offices responsible for the Strategic Agricultural Initiative program at EPA agreed to limit the types of projects eligible for funding.  As a result, we are reposting this RFP and request that you follow these new project guidelines.  We apologize for any confusion.  The timeline has been adjusted by two weeks to accommodate this change.

## SUMMARY
U.S. Environmental Protection Agency (EPA) Region 5 is continuing a small-grant program in Fiscal Year 2009-2010 to help implement the Food Quality Protection Act (FQPA) and support "transition" efforts by growers.  The program supports innovative efforts that enable growers to reduce their reliance on pesticides reviewed under FQPA while maintaining or enhancing their present income.  The program is administered by American Farmland Trust's Center for Agriculture in the Environment through a cooperative agreement with EPA.  We are looking for projects that focus on results or actual on-the-ground changes, rather than activities.  **Each award will be up to $76,000.**

A total of **$152,648** is available for funding this year.  **Proposals must be postmarked by Friday, January 22, 2010.**  Decisions will be made **by Friday, March 12, 2010**.  Funding must be used within **a 24-month** period after the award date.

## INTRODUCTION AND PURPOSE
The Food Quality Protection Act (FQPA), passed by Congress in 1996, establishes health-based standards for pesticide exposures from food, drinking water and residential sources.  It is intended to protect public health and encourage the development and adoption of lower risk, effective crop protection tools for U.S. agriculture.  The Environmental Protection Agency, along with the U.S. Department of Agriculture, is working on efforts to help implement FQPA.

To help accomplish these goals, EPA has established regional programs for FQPA implementation and "transition."  "Transition" is interpreted as a positive opportunity to reduce the health and environmental risk posed by some pesticides and move towards the widespread implementation of Integrated Pest Management (IPM).

American Farmland Trust's Center for Agriculture in the Environment and EPA R5 provide a small-grant program to help implement FQPA and support "transition" efforts by growers.  The grant program encourages "systems" approaches that integrate pest, soil, water and crop management practices.  More importantly, projects must focus on actual results, getting information and practices into the hands of growers who actually use them to shift away from

FQPA-targeted pesticides to other methods of pest control.  For example, instead of holding a workshop and reporting on how many people attended, grantees should focus instead on what happened as a result of the workshop—how many people used what they learned and did it work for them.  Although some research and development activities may be justified, we are looking for projects that result in successful implementation.

**2010 PRIORITIES**
**[NOTE: THERE HAS BEEN A CHANGE IN FOCUS SINCE ORIGINAL RFP POSTING ON NOVEMBER 5, 2009 – ONLY THE FOLLOWING  PROJECT AREAS WILL BE ELIGIBLE FOR FUNDING]**

In 2010, U.S. EPA Region 5 will continue to focus on projects that help growers transition away from high-risk pesticide usage toward reduced-risk pest management strategies.  Projects that will be considered for funding must address one or more of the following priorities:

Projects that seek reduced-risk alternatives or practices for:
- Azinphos methyl, especially in cherries, apples, parsley and other specialty crops;
- Soil fumigants, including metam sodium, metam potassium and chloropicrin;
- Other high-risk pesticides, including organophosphates, carbamates and synthetic pyrethroids.

Projects may also focus on developing localized weather data and degree day models to inform and reduce use any of the above pesticides.

Projects that address resistance management issues and practices, such as:
- Control of the Colorado Potato Beetle, Onion Thrip, Carrot Weevil and other comparable pests;
- Overuse and/or non-pest use of strobilurin fungicides;
- Development and demonstration of multiple-class rotation schedules for pesticides and fungicides for ginseng and other vegetables.

Projects in line with national priorities that:
- Address runoff and water quality issues, (protecting both endangered species and pollinators);
- Address pesticide exposures through the urban-rural interface; or
- Repeat emergency exemption requests under FIFRA Section 18.

For all project submissions, applicants should keep in mind that EPA Region 5 is trying to quantitatively measure and document the effects of using the reduced risk/IPM programs on the environment, human health and community so outcome or performance measures for your project are important.

**ELIGIBILITY**
This grant opportunity is open to non-profit organizations, including commodity groups/associations and farmers' groups, extension and university programs, state and federal government agencies, and tribes.  Private enterprises such as pest consultants, food processors and others may also apply but we encourage them to involve participation by

additional partners in their projects.  Preference will be given to those projects that involve cooperation among diverse organizations and involve farmers as active participants and decision-makers.

If your project has leveraged funding sources (in-kind contributions, commodity-based matching, other sources), please include that information with your proposal.  However, leverage will not be a factor in our evaluation of your project.

Projects must be located within EPA Region 5, which includes the states of Illinois, Indiana, Michigan, Minnesota, Ohio and/or Wisconsin (see http://www.epa.gov/region5/).

### CRITERIA FOR SELECTION
Since successful projects will be those focused on outcomes, we recommend that you use an outcome funding framework developed by The Innovation Group of The Rensselaerville Institute and adapted by AFT specifically for this purpose (see "Workbook" on page 5).  This framework will help you think about who your customers are, what kinds of changes you seek in their behavior, what you can offer to these customers to persuade them to change their behavior and how you can track their progress to make sure they are indeed changing their behavior.

The changes in customer behavior we seek should include either one or both of the following general objectives:

1. Significantly reducing or eliminating the use of organophosphate, carbamate and carcinogenic pesticides identified in the Food Quality Protection Act (FQPA).
2. Successful adoption of reduced-risk alternatives and/or ecologically-based IPM on a significant number of acres under commercial production.

Successful applicants will most likely use innovative and collaborative means for education, demonstration or technology transfer in order to change the behavior of their customers and provide documentation on impacts or likely impacts of their project on the environment.

Proposals are ranked on potential for success and potential to achieve the two desired outcomes of reducing pesticide use and/or risk and increasing the adoption of biointensive IPM.  Depending on the number of submissions, success rates for funding have ranged from 40 percent to 70 percent.

### FUNDING AND PROJECT DURATION
Each award will be up to **$76,000**.  Two or more awards will be made, depending on the size of grant.  The awards will be announced **March 12, 2010** and funding must be used up within 24 months after the award date.  **American Farmland Trust allows only direct costs.**

**APPLICATION PROCESS AND FORMAT**
Proposals must be submitted using the Grant Application Cover Sheet (pg 6), Project
Reporting Sheet (pg 7) and Program Plan templates (pg 8).  The proposal cannot be more
than eight single-spaced pages (not including cover sheet and Project Reporting Sheet), using
a 12-point font.  Provide a hard copy *and* an electronic version (CD in MS Word) of your
proposal.  Please refer to the *Small Grants to Support FQPA Implementation and Transition
Application/Program Plan Workbook* (pg 5) for Program Plan section requirements.

**REPORTING**
The selected grant recipients will submit an Interim Performance Report every six months and
a Final Compliance Report to AFT upon completion of the project.  All reports must be in
electronic form (MS Word) for posting on EPA's and AFT's websites.

In addition, grant recipients are expected to work closely with AFT and EPA in our efforts to
evaluate project performance and we will need information about the number of acres
impacted by your project, how many growers will change their behavior because of your
project and the reduction in pounds of a pesticide's active ingredient achieved by your project.

**SUBMISSION OF GRANT PROPOSALS**
Proposals must be **postmarked by Friday, January 22, 2010.**  Send proposals to:

Teresa Bullock                                          For overnight delivery other than USPS:
FQPA Grant Program                                     Teresa Bullock
AFT CAE                                                FQPA Grant Program
P. O. Box 987                                          AFT CAE
DeKalb, Illinois 60115                                 Monat Bldg
                                                       Northern Illinois University
                                                       148 N. Third Street
                                                       DeKalb, Illinois 60115
                                                       (815) 753-6365

A panel will review and rank the proposals based on potential for success and potential to
achieve the two desired outcomes of reducing pesticide use and/or risk and increasing the
adoption of biointensive IPM.  We will make funding decisions by **March 12, 2010**. We will
notify successful applicants immediately and require you to sign a contractual agreement with
AFT before the release of any project funds.

For further information, please contact either:

Ann Sorensen: (815) 753-9349 (asorensen@niu.edu)
or, Anita Zurbrugg:  (815) 753-9686 (azurbrugg@niu.edu)

*American Farmland Trust*

## SMALL GRANTS TO SUPPORT FQPA IMPLEMENTATION AND TRANSITION
## APPLICATION/PROGRAM PLAN WORKBOOK

### INTRODUCTION

Through a grant program made possible by a cooperative agreement from the U.S. Environmental Protection Agency, American Farmland Trust's Center for Agriculture in the Environment has shifted to an outcome funding framework. This takes us from being a "funder" to being investors, which means that we are looking for results as a return on our investment in your projects.

Our desired return on investment for FQPA implementation and transition projects is to either 1) have growers significantly reduce or eliminate the use of organophosphate, carbamate and carcinogenic pesticides identified in the Food Quality Protection Act (FQPA) or 2) have reduced-risk alternatives and/or ecologically based IPM successfully adopted on a significant number of acres under commercial production.

Outcome funding focuses on results—the actual on-the-ground changes—rather than on activities. For example, from an outcome perspective, it does not necessarily matter how many workshops (activities) were held or how many people attended. More important is what happened as a result of holding a workshop—how many people used what they learned and did it work for them.

The following sections will guide you through the process of developing a program plan. This program plan helps us better understand your project, allowing us to make a wise investment rather than simply "grade" your proposal.

A glossary of terms is provided at the end for your reference.

## THE GRANT APPLICATION COVERSHEET

Your grant application coversheet MUST provide the following information:

Application Date:
Name of Applicant Organization:
Address:
City:
State:
Zip Code:

Contact Person and Title (program):
Telephone:
E-Mail address:
Fax:

Contact Person and Title (fiscal)
Telephone:
E-Mail address:
Fax:

Award Amount Requested:

Project Start Date:
Project End Date:

Title of Project:

Brief description of proposed project that identifies outcomes (250 words or less)

Your project reporting sheet MUST provide the following information:

P.I.:

NAME OF PROJECT:

ORGANIZATION:

PERIOD OF PROJECT:

AMOUNT OF GRANT:

- No. of acres impacted:
- No. of farmers involved:
- Current SAI level of pest management:
- SAI Level expected by end of project:

### SECTION 1: MARKET & CUSTOMERS

In a traditional funding approach, the applicant is asked to detail "need."  As investors, we are not funding need, but rather the <u>response to that need</u>.  Most effective programs believe their approach is better suited to some potential customers than others.  How well you understand your "customers" is far more helpful to you, and to us, than whether you can provide statistics about overall need.

Your **market** describes all potential customers for your program (for example, all potato growers in Idaho or all peppermint growers in Oregon).  Your **customers** are the people who will be directly interacting with your services (for example, 15 growers representing 40 percent of the acreage).  The importance of regarding people who interact with your services as customers is its implication of <u>choice</u>. Outcome thinking stresses that program success depends on people consciously deciding to seek and use your services.  As you think about your potential customers, consider why your project's results may be important to them.  For example, your project may address a need they have identified in a commodity pest management strategic plan (PMSP) or a priority issue identified by the growers.

*In your program plan under Section 1: Market & Customers, please describe your market, including the number of potential customers, the amount of acreage involved, geographic location, any environmental issues to be addressed (e.g. water quality, air quality, endangered species, impacts on beneficals, etc.), importance of the commodity (economic and social, if appropriate), key players and institutions.  Provide a brief description of a typical customer— what commodities they grow, how much acreage they have in production, typical production behaviors/practices, etc.  Knowing exactly who your customers are increases your ability to achieve success in changing behavior. And document why your project's results will be important to your customers (this may include reference to a commodity pest management strategic plan, research commission priority funding topic, or identify a gap of information that will be filled by the project).*

### SECTION 2: PERFORMANCE TARGETS

Performance targets are those changes in customer behavior that define success. They are commitments (as opposed to goals, which are usually intentions), and they refer to what will be achieved (as opposed to objectives, which usually refer to what will be done). They must be tangible, verifiable and within the realm of possibility for you to influence.

Focusing on results allows you greater flexibility in the implementation of your program.  Traditional project proposals lock you into a specific work plan or activities, leaving results to fall where they may. In an outcome framework, you have the ability to change and adapt your program to achieve the stated targets.

A strong performance target integrates four elements:
1. The behavior(s) you seek to change (*e.g., using organophosphates to control a particular pest; using a calendar spray schedule instead of monitoring; not following recommended application rates; etc.)*;
2. The current level of this behavior (*e.g., 85 percent of the growers use chemical X; 92 percent do not monitor, etc.  If exact figures are not available, use your best estimate)*;
3. The degree of change being sought (*e.g., 10 percent reduction in toxic loading; 50 percent increase in time spent monitoring, reduction in number of applications from eight to three, etc.)*;
4. The number of customers projected to achieve the desired outcome (*this can also be expressed in terms of acreage*).

Putting these four elements together presents the performance target in a succinct form: "Of the 75 growers who presently do not monitor their fields for pests or beneficials, 15 percent will consistently monitor their fields throughout the entire growing season." or: "Of the 220 growers using organophosphate X, 20 percent will eliminate or reduce their use of this chemical."

***In your program plan under Section 2: Performance Targets, please use the four elements above to develop your performance target(s).  We strongly recommend that you keep these targets to a minimum—one or two targets.***

## SECTION 3: THE PRODUCT
The product is a program, or service(s), with specific core features offered to your customers.  Use of the term "product" is deliberate because you should be describing your program in terms of benefit or value to a customer rather than in inputs or activities that you will do.  Traditionally, people who provide programs focus on service delivery.  Thinking of these services as a "product" with core features and benefits should help you be clearer on what you're really offering and how and why customers will choose to use it. For example, in selecting whether to buy a truck or a car, it should be the right vehicle for your customers.  In the same way, it is important to know whether field days or newsletters are the best way to get to your targets.

**Core features** are those design aspects of your program central to its working.  These features often cover:

- **Intensity/duration** — How often does the customer interact with your product and for how long?  Is there a limit to how long a customer can be engaged? Is there a minimum time of engagement for your product to be effective?
- **Essential elements** — What is it about your product that must always be present or is most critical to its success with customers?  What is your "core technology?"
- **Comparative advantages** — What sets your product apart from others trying to accomplish the same thing?
- **Delivery strategy** — How do you get your customers, and once you have them, how do you keep them long enough to succeed with them?

An example of a monitoring program:
- **Intensity/duration**—The monitoring program runs an entire growing season, from pre-planting to harvesting.  Field days are held twice during the season, and one-on-one training with growers and managers occurs monthly.
- **Essential elements**—The use of a contract to gain commitment from customers (program participants); field days held at a respected grower's farm; establishing a helping and friendly relationship; monthly newsletters, pest identification guide, and web site for information.
- **Comparative advantage**—One-on-one training in the field with pest identification guide and building a trusting relationship are critical.
- **Delivery strategy**—Actively engaging customers in field days, involving crop consultants and industry representatives will help solidify support for monitoring practices.

***In your Program Plan under Section 3: The Product, please describe the core features of your program using the above outline as a guide.  Do not hesitate to be creative here.  Your ability to design a program that will help your customers achieve success is dependent on your ability to be creative.***

Milestones are the interim behaviors that define customer progress. Effective programs and their investors need a way to "track" progress to ensure that the program is on course to reach the performance target. They also need a way to make course corrections if they find they are off-track. The milestones focus on the number of customers completing critical incremental behavior changes.

In thinking about your product, it's logical to do so in a step-wise fashion, outlining what you must do to reach, engage, serve and help customers. But this is only half the story. Each product step is intended to lead to a customer behavior. This might range from reading a newsletter to calling to make an appointment with a project coordinator for one-on-one training. By lining up your product steps with the anticipated customer behaviors, a clear picture of the project emerges.

These "customer behaviors" are the basis for customer milestones, and will be highly important since they give an early indication of whether a project is on course to reach its performance target. They will form a chronological progression of behaviors critical to the eventual achievement of the performance target.

An example:

| Product Steps (what you do) | Customer Behaviors (what your customers do in response) |
|---|---|
| 1. Mail newsletter | 1. Call for more information |
| 2. Field days to demonstrate monitoring, record keeping and using thresholds for spraying. | 2. Try it on their own fields, keep records and spray according to thresholds. |
| 3. Develop pocket-guide to pest identification | 3. Use the guide to record pest levels. |
| 4. One-on-one training in the field. | 4. Refine/improve monitoring procedures. |
| | **Performance target:** use monitoring to reduce number of applications. |

The above example is very rough, but should give you a good idea. While we recommend only having one or two performance targets, the number of milestones should be high. This gives you more opportunities to verify you are on the right track and to make adjustments as necessary.

The next step in developing your milestones is to estimate the number of customers who will make it through each step and provide a reasonable timeline for this to happen.

| Milestone | Number of Customers | Timeline |
|---|---|---|
| 1. Call for more information | 30 | September-November 2007 |
| 2. Try it on their own fields, keep records and spray according to thresholds. | 15 | December 2007-March 2008 |
| 3. Use the guide to record pest levels. | 13 | December 2007-May 2008 |
| 4. Refine/improve monitoring procedures. | 12 | April-July 2008 |
| **Use monitoring to reduce number of applications.** | **10** | **August 2008** |

*In your Program Plan under Section 4: Milestones, please outline the milestones or interim behaviors of your customers that define their progress that you will use to track your progress. Use the table format that includes number of customers and timeline.*

Performance measures provide data or trends on the human health or environmental impact of each specific project. **We require each proposal to choose at least one direct or two to three surrogate environmental project measures.  Every project must report on overall measures both at the beginning and end of the project.**

**Environmental Performance Measures**
Direct measures identify actual environmental changes occurring with IPM adoption (or Organic adoption).  In contrast, surrogate measures identify changes in strategies or behavior that should lead to environmental changes.  In most cases, projects need to be successful and easily replicated in other areas to have a significant regional or national impact.  Although direct measures are more powerful than surrogate measures, most are prohibitively expensive unless monitoring by other entities is already underway.

We provide examples of direct and surrogate measures below. If your project can provide measures not included on the current list, please feel free to suggest the metric and how you will collect the data to support it.

**Direct Measures** will report changes in (either increases or decreases) observed with these measures. Examples include:
- Mortality to non-target aquatic and terrestrial organisms caused by pesticides (In ideal circumstances, this measure should decrease)
- Populations of beneficial organisms in field and adjacent habitat (This measure should increase).
- Pesticide movement and transport using monitoring data in air or water (Pesticide transport should decrease).

**Surrogate Measures** will collect data that can be used to extrapolate impacts to the resource. Examples include:
- An estimate of the presence of pesticides in soil, water and air using environmental indicator models such as SYNOPS to model potential residues over time.
- Pest management/nutrient management records showing reduction or change in use patterns of chemical applications.
- Number of producers implementing production standards for reduced risk certification programs with metrics (Eco-label).
- Increased sales of biopesticides or reduced risk pesticides vs. FQPA priority pesticides.

**Overall Measures:**  These measures provide common measurement metrics for all projects.  **You are required to report on these measures at the beginning and end of the project**.

1)   **Number of Acres** Likely to be impacted by the project
2)   The **percent reduction or lb/acre reduction in high-risk ingredients/pesticides** you expect to achieve.
3)   **How many growers are expected to change their behavior** as a result of your project and **how many growers end up changing their behavior** as a result of your project.
4)   **Current level of pest management** and the level that should be achieved at the end of the project **based on the SAI Transition Index** below:


### SAI "Transition" Index to Evaluate Pesticide Risk Reduction Projects
### (0 – 5  Scale)

| SAI Transition Number | Description of the level of IPM adoption or pesticide risk reduction. Select where the project will begin on the scale and what level will be attained at the end of the project. |
|---|---|
| 0 | No transition; growers resistant to change current conventional pest management practices; growers rely almost entirely on prophylactic pesticide applications with little effort to monitor pest populations through scouting or forecasting. *Project seeks to raise awareness and provide incentives for change or to identify pest management needs of cropping system*. |
| 1 | Growers are interested in learning about reduced risk pest management practices. *Project will provide training on specific practices, including a basic introduction to environmental impacts resulting from the mix of practices utilized.* |
| 2 | Reduced risk pest management practices have been initiated at grower level on a pilot basis; growers at early stages of implementation; *growers need more experience with available tools; economic aspects addressed.* |
| 3 | Growers utilize key management practices such as scouting, pest identification, knowledge of pest life cycles and monitoring of weather conditions to determine when and what tools to utilize in managing pests; environmental and human health benefits being addressed. *Project might consider ways to make bio-controls and other cultural practices such as crop rotations more affordable.* |
| 4 | Full implementation of reduced risk pest management practices with primary reliance on bio-controls to manage pest populations when present at economically damaging levels; cultural practices to manage pest populations fully utilized; health and environmental benefits are clearly defined with the use of quantitative and qualitative measures. Growers are actively mentoring others and moving toward a whole systems approach. *Project might focus on possibility of introducing new crops/animals into system. Training being provided in Integrated Crop Management.* |
| 5 | Adoption of a whole systems approach, such as Integrated Crop Management (ICM) that integrates pest, soil, water, and crop management practices; incorporates conservation planning and focuses on sustainable agriculture with long term outcomes using quantitative measures throughout the project. *Project focuses on transferring existing systems knowledge to other appropriate areas and utilization of new cutting-* |

*edge tools to cut costs or reduce risks even further.*

**In your Program Plan under Section 5:  Performance Measures, include the number of acres likely to be impacted by the project and how many growers you expect to change their behavior as a result of your project (also included in Market and Customers), current level of pest management using the SAI transition index and the percent reduction of lb/acre reduction in high risk ingredients/pesticides you expect to achieve. Then list the two to three performance measures you feel you can track and describe the method you will use to attain data to support the measures indicated.**

## SECTION 6:  KEY INDIVIDUALS AND ORGANIZATIONS

In any program, success is directly related to the energy, capability, stamina and skill of those who implement it.  The outcome funding perspective emphasizes this understanding—it is the people who make projects work, not plans or even money.

**In your Program Plan under Section 6: Individuals and Organizations, please list by name and function, who will have primary responsibility for program implementation and achieving performance targets.  Please specify how their strengths are complementary and not redundant. Also, list critical resources that key individuals (or groups) will contribute.**

## SECTION 7. VERIFICATIONS

In most cases, what makes a target verifiable is the ability to see that customers have changed their behavior.  You need to be specific about the evidence you need to collect to show that the target has been achieved.  This should be done for milestones as well.  Once you've created your targets and milestones, you need to think through what evidence you'll need to verify achievement (i.e., the documentation or testimony that illustrates you've been successful in changing customer behavior). While your targets and milestones may be very specific, the range of evidence you could collect to verify success may vary.

An example:

| Milestones and Target | Verifications |
|---|---|
| 1.  Call for more information | Telephone log book |
| 2.  Try it on their own fields, keep records and spray according to thresholds. | Interviews, survey and/or field observations |
| 3.  Use the guide to record pest levels. | Interviews, survey and/or field observations |
| 4.  Refine/improve monitoring procedures. | Interviews, survey and/or field observations |
| **Use monitoring to reduce number of applications.** | Interviews/survey and pesticide use records. |

**In your Program Plan under Section 7: Verifications, please outline the verifications you intend to use for your milestones and targets to show that your performance targets have been achieved.**

## SECTION 8:  BUDGET

In outcome funding, budgets are usually translated to financial projections, (i.e., how much it will cost per customer to achieve the performance target).  At this time, however, we are limited with our ability to track expenditures in this way.  Therefore, please provide a standard line item budget for your project.  It will be most helpful if you can provide this in terms of milestones and targets, but this is not required.

*In your Program Plan under Section 8:  Budget, please provide a standard line item budget for your project.  This should include an annual budget for each year of the proposed project and a summary budget for the total project.  Any matching funds and their source should be clearly identified.  Only direct expenses are allowed.*

## SECTION 9:  CUSTOMER EVIDENCE

Please provide the names and contact information of two growers who have expressed a strong interest in participating in your program.  We will be contacting these growers to get a better understanding of your project and performance targets from your customers' perspective.

*In your Program Plan under Section 9: Customer Evidence, please provide the names and contact information of two growers who are familiar with your proposed work and likely to participate in it.*

## SECTION 10:  CURRENT AND PENDING SUPPORT

List any current or pending support for your proposed work and the source of those funds.

*In your Program Plan under Section 10: Current and Pending Support, please list any current or pending support for your proposed project and the source of those funds.*

## Glossary of Outcome Funding Terms

**Baseline:** The condition against which a program's performance target is compared. The baseline is usually either a pre-existing condition or a projection of what would have happened without a given project or service intervention.

**Customer:** Customers are people who directly interact with an organization's product and its implementors. This interaction is intended to result in a change in customer behavior or condition in line with organizational outcomes and mission.

**Investment criteria:** These are the guidelines used to make investments. They focus on understanding what is to be achieved, the probability it will happen and the degree to which an investment opportunity represents the best possible use of resources. Investment criteria are very different from the traditional "review process" which focuses on the adequacy of a proposal and its conformance with requirements.

**Investor:** The person or entity allocating resources to achieve a specific set of outcomes. Monies and other resources are invested in implementors who commit to achieve a performance target directly linked to the investor's outcome. The investor's responsibility includes defining the outcome statements and performance target areas that connect to those outcomes.

**Market:** That set of people who could benefit from an organization's products, programs or services.

**Milestone:** A critical point that customers must reach to ensure that a project is on course to achieving its performance target.

**Outcome:** The result the investor seeks (generally an end state) to which all performance targets must contribute. Outcomes are specific states or conditions that can be understood to be caused or at least influenced by the achievement of performance targets.

**Outcome Funding**®: The methodology developed by The Innovation Group of The Rensselaerville Institute to enable investors and those in whom they invest to define and achieve results.

**Performance Measures**: Performance measures are intended to help grantees determine if their work either impacts or could lead to an impact on environmental quality as a result of the increased adoption of Integrated Pest Management (IPM). In most cases, projects need to be successful and easily replicated in other areas to have a significant regional or national impact. We have grouped measurements into nine categories they help measure impacts to: Dietary (D), Human (H), Behavior (B), Economic (E), Soil (S), Water (W), Air (a), Plant (P) and Animals (a). Behavioral change can be measured in different contexts (e.g. behavioral changes in project participants, consumers, food processing companies, etc.) and is almost always a prerequisite of environmental improvement. Direct measures are more powerful than surrogate measures.

**Performance Target**: The specific result that an implementor seeking investment will commit to achieve. It is tangible in the sense that it can be verified and narrow enough to be directly achieved by the implementor. It almost always represents a change in behavior for the customer of a program.

**Product:** A program or service with specific core features that is offered to a customer. In Target Planning, a product is described in terms of benefit or value to a customer.

**Product Step:** Those actions taken by the implementing organization to met milestones and, in turn, a performance target.  Taken together, the product steps (including the strategy to deliver them) make up the product.

**Performance Target Outline:** A plan prepared by an individual or entity seeking investment.  The outline focuses on what is being bought (the *Performance Target*) and the chance that it will be delivered (the *Product and* the *People* who deliver it).

**Verification**: Establishing that something represented to happen does in fact take place.  Verification in Outcome Funding replaces measuring.  It is kept as simple as possible and looks more to answer the question yes or no than to measure small differences.  Verification typically focuses on milestone and performance target accomplishments.