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### AT A GLANCE

The Agricultural Utilization Research Institute (AURI) helps create a thriving economic environment by developing new food and agricultural business opportunities in Minnesota. Minnesota clients served between state fiscal years 2017 and 2021 reported the following impacts resulting from AURI programs and services:

- Created and retained 579 jobs
- Over \$118 million of capital investment in new plants or equipment in Minnesota
- Increased gross sales revenue for client businesses by \$321 million annually

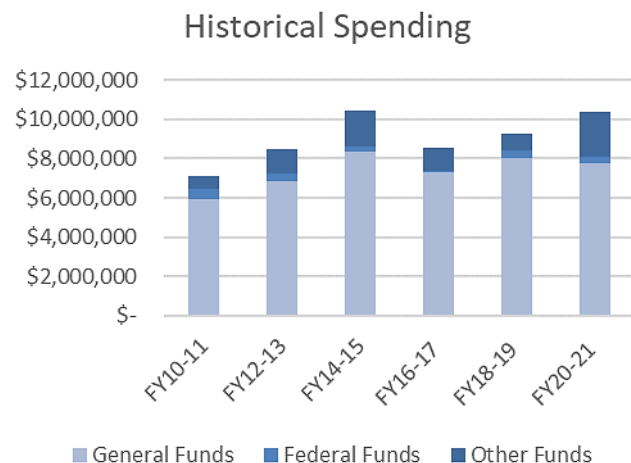
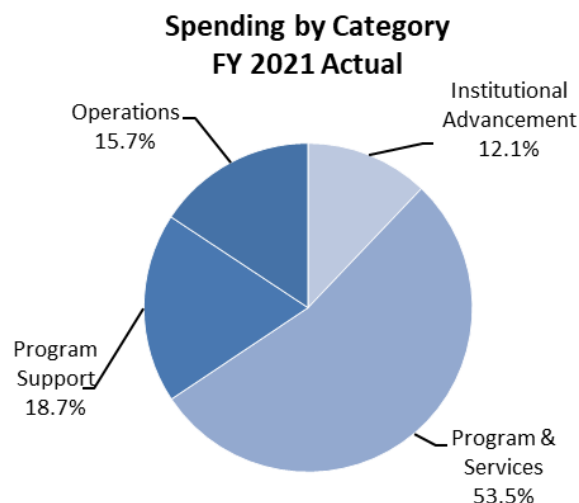
These results are reported by clients of AURI-assisted projects between state fiscal years 2017-2021, which represents 53 percent of AURI's client projects and 62 percent of total client project hours during this 5-year timeframe.

### PURPOSE

The purpose and mission of the Agricultural Utilization Research Institute (AURI) is to foster long-term economic benefit for Minnesota through value-added agricultural products. It accomplishes this by offering a unique mix of applied research and development, hands-on scientific assistance, and opportunities for creating or expanding professional networks.

AURI helps Minnesota producers, businesses and entrepreneurs identify and develop new markets for agricultural commodities and byproducts. This, in turn, strengthens Minnesota's agriculture industry and economy.

### BUDGET



**Source: AURI Microsoft GP Accounting System, Netsuite System and Annual Audited Financial Statements**

Past funding came from three general sources:

- 1) Minnesota's General Fund
- 2) Federal funds such as U.S. Department of Agriculture and U.S. Department of Energy grants.
- 3) Other funds include project funds from commodity research and promotion councils, grants, and research partnerships with the University of Minnesota.

AURI utilizes its funding to provide Minnesota agricultural producers, entrepreneurs and agribusinesses with the following resources and services:

- **Applied research and development** identifies opportunities for innovation and commercialization in collaboration with commodity organizations, industry, higher education institutions, federal agencies, and research organizations. This public-domain research de-risks emerging opportunities and spurs innovation in new uses and value-added agriculture.
- **AURI Connects** develops and enhances professional, innovation-based networks by convening in-person and online events for a variety of groups, including producers, entrepreneurs, business representatives, industry leaders, and academic researchers. This program offers access to extensive knowledge and insight into Minnesota’s agricultural industry, commercialization pathways and business development resources. AURI Connects is a valuable platform to disseminate early-stage value-added opportunities to a wide audience. AURI Connects provides participants with techniques to manage innovation and support entrepreneurship, while considering the dynamics and challenges faced by rural and urban communities.
- **Hands-on scientific assistance** provides entrepreneurs and small- to medium-sized businesses access to laboratories, equipment and scientific expertise, which are critical aspects of product and process development that may otherwise be prohibitively expensive.
- **Commercialization services** help producers, entrepreneurs and businesses develop their product or service for market launch. This includes economic or feasibility assessments and providing assistance on how to best position innovation ideas and to scale opportunities.

## STRATEGIES

AURI utilizes five primary strategies to spur innovation and grow Minnesota’s economy when working with producers, entrepreneurs and agricultural processors. The following proven strategies support organizational goals and are effective to successfully bring new and enhanced agricultural products and processes to market:

- **Generate ideas for new agricultural innovations for the marketplace.** AURI utilizes applied research and development to grow the economy and create new jobs.
- **Select the best ideas for agricultural innovation.** AURI works with producers, small businesses, entrepreneurs, stakeholders, industry thought leaders, and other research leaders to select ideas most likely to succeed in the marketplace.
- **Connect the best ideas to the marketplace.** Staff assist small businesses and entrepreneurs with hands-on scientific assistance and leverage resource networks to bring ideas to reality.
- **Build professional and innovation-based networks.** AURI Connects events bring together interested parties to build synergy and capacity to accelerate innovation and support ecosystem development.
- **Conduct public initiative research.** AURI conducts multiple public domain research projects each year to mitigate risks around new opportunities and advance commercialization potential.

## RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Results	Percent of clients who agreed that “AURI’s programs and services have been vital to growing my business.”	78%	82%	2020; 2022
Results	Percent of clients who agreed that “Because of your work with AURI, your business is more successful.”	80%	86%	2020; 2022
Results	Percent of affected clients agreed “AURI connected you to valuable resources/organizations.”	80%	82%	2020; 2022
Quality	Percent of affected clients who agreed that “AURI improved your product/process significantly.”	72%	77%	2020; 2022
Quality	Percent of clients who agreed that “AURI significantly helped in addressing business needs.”	92%	95%	2020; 2022

M.S. 116V.01 provides the legal authority for AURI.

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Enacted Budget	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
<b><u>Expenditures by Fund</u></b>								
1000 - General	3,893	3,893	4,543	4,043	4,543	4,243	6,143	4,343
2050 - Environment & Natural Resources			200					
<b>Total</b>	<b>3,893</b>	<b>3,893</b>	<b>4,743</b>	<b>4,043</b>	<b>4,543</b>	<b>4,243</b>	<b>6,143</b>	<b>4,343</b>
Biennial Change				1,000		0		1,700
Biennial % Change				13		0		19
Enacted Budget Change from Base								1,700
Enacted Budget % Change from Base								19

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Enacted Budget	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
1000 - General								
Direct Appropriation	3,893	3,893	4,543	4,043	4,543	4,243	6,143	4,343
Expenditures	3,893	3,893	4,543	4,043	4,543	4,243	6,143	4,343
Biennial Change in Expenditures			800		200		1,900	
Biennial % Change in Expenditures			10		2		22	
Enacted Budget Change from Base							1,700	
Enacted Budget % Change from Base							19	

**2050 - Environment & Natural Resources**

Direct Appropriation			200					
<b>Expenditures</b>			<b>200</b>					
Biennial Change in Expenditures				200		(200)		(200)
Biennial % Change in Expenditures								
Enacted Budget Change from Base								0
Enacted Budget % Change from Base								

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
<b>Direct</b>				
<b>Fund: 1000 - General</b>				
<b>FY2023 Appropriations</b>	<b>4,043</b>	<b>4,043</b>	<b>4,043</b>	<b>8,086</b>
<b>Base Adjustments</b>				
All Other One-Time Appropriations		300		300
Current Law Base Change		200	200	400
<b>Forecast Base</b>	<b>4,043</b>	<b>4,543</b>	<b>4,243</b>	<b>8,786</b>
<b>Change Items</b>				
Maintain Current Service Levels		100	100	200
Capital Equipment		1,500		1,500
<b>Total Enacted Budget</b>	<b>4,043</b>	<b>6,143</b>	<b>4,343</b>	<b>10,486</b>

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Capital Equipment

This provision installs and upgrades equipment at the Agricultural Utilization Research Institute's laboratories in Crookston, Marshall, and Waseca.

1000 - General Fund Cost (Savings)	0	1,500	0	1,500	0	0	0
Expenditures	0	1,500	0	1,500	0	0	0

Maintain Current Service Levels

This provision provides additional operating funds to maintain the current level of service delivery at the Agriculture Utilization Research Institute.

1000 - General Fund Cost (Savings)	0	100	100	200	100	100	200
Expenditures	0	100	100	200	100	100	200