Appendix C.
Statistical Methodology

THE CENSUS MAIL LIST AND SCREENER PHASE

The National Agricultural Statistics Service (NASS) maintains a list of farmers and ranchers from which the census mail list (CML) is compiled. The goal is to build as complete a list as possible of agricultural places that produce and sell, or would normally sell, $1,000 or more of agricultural products per year. This is the same list used to define sampling populations for NASS surveys conducted for the agricultural estimates program. Each record on the list includes name, address, and telephone number plus additional information used to efficiently sample and administer the NASS census of agriculture and its agricultural estimates programs.

NASS builds and improves the list on an ongoing basis by obtaining outside source lists. Sources include state and federal government lists, producer association lists, seed grower lists, pesticide applicator lists, veterinarian lists, marketing association lists, and a variety of other agriculture-related lists. NASS occasionally obtains special commodity lists to address specific list deficiencies. In 2000, NASS began an intensive push to increase list coverage in preparation for the census.

Most names on a newly acquired list are already on the list sampling frame. Those found on the list are set aside. Those not found are treated as potential farms until NASS can confirm their existence as a qualifying farm. Field offices routinely contact these potential farms to determine their status, however, the increased pre-census list building activity generated much more followup work.

Beginning in April 2002, NASS conducted the 2002 Farm Identification Survey to screen 591,288 potential farms before placing them on the CML. These records were mailed a one-page report form and a nonresponse followup mailing was made in May 2002. A second mailing to a group of 568,692 additional potential farm records was conducted in mid-July 2002. There was no followup mailing. The entire screener phase confirmed 349,664 qualifying farms that were added to the CML. A total of 282,901 names were confirmed as out of scope and were dropped from the list. Names returned as undeliverable-as-addressed totaled 92,203 and they were excluded from further census mailings. The remaining 435,212 names did not respond and were mailed census forms although they were not added to the CML as active farms.

During the spring and summer of 2002, measures were taken to improve name and address quality. Checks were made to detect and remove duplication both within states and across states. List addresses were processed through the National Change of Address registry and the Locatable Address Conversion System to ensure they were correct and complete. Records on the mail list with missing or invalid phone numbers were matched against a nationally available telephone database to obtain as many phone numbers as possible.

Records requiring special handling for census data collection or for analysis and summarization were identified. These were mostly farms considered unique because of their size or because they produced specialty commodities.

The official CML was established on September 1, 2002. The list contained 2,841,788 records. There were 1,839,533 records that were thought to meet the NASS farm definition and 1,002,255 potential farm records.

CENSUS SAMPLE DESIGN

All name and address records on the final CML received a 2002 Census of Agriculture report form. Two different types of census report forms, sample and

nonsample, were used to collect data. Sections 1 through 16 and 22 through 25 of the sample form were identical to sections on the nonsample census form. Sections 17 through 21 of the sample form contained additional questions on usage of fertilizers and chemicals, farm production expenditures, value of machinery and equipment, value of land and buildings, and hired workers. There were 12 regional versions of the nonsample form and 13 regional versions of the sample form with listings of crops varying by region. *The sample form was mailed to all mail list records in Alaska.*

The regional report form versions and the sampling scheme were used to provide reliable data for a large number of items/commodities at the county level, while reducing response burden.

EDITING DATA AND IMPUTING FOR ITEM NONRESPONSE

The mailing label on all forms returned to the National Processing Center (NPC) were scanned using bar code readers to capture identifiers and for check-in purposes. Forms determined to represent qualifying, in-scope farms were submitted for imaging. A snapshot was taken of each page of every report form and optical mark recognition (OMR) and intelligent character recognition (ICR) techniques were used to capture reported data from the images. The ICR engine determined a confidence level for every cell read. Any cell with a confidence level below a prescribed value was referred to analysts to review and correct from the image, when necessary. The images and the captured data were transferred to NASS on a flow basis. Data collected by telephone were captured using computer-assisted telephone interview software.

Captured data were processed through a format program. This program verified that record identifiers were valid and checked the basic integrity of the data fields. Rejected records were referred to analysts for correction. Accepted records were posted to the database.

All 2002 census data were passed through a complex computer edit. Data were batched by state for submission to the computer edit. The edit determined whether a reporting operation met the minimum criteria to be counted as a farm in the census.

Operations failing to meet the minimum criteria were referred to analysts for verification. The edit examined each report for reasonableness and completeness and determined whether to accept, delete, impute (supply), or alter the reported value for each data record item.

Whenever possible, imputations, deletions, and changes made by the editing system were based on related data on the respondent's report form. For some items, such as operator characteristics, available data for that farm from the previous census were used. Values reported on previous NASS surveys were used, where applicable.

When these and similar methods were not available and values had to be supplied, the imputation process used information reported for another farm operation in the same state or in a neighboring state with characteristics similar to those of the farm operation with incomplete data. For example, a farm operation that reported acres of corn harvested, but did not report bushels of corn harvested, was assigned the same bushels of corn per acre harvested as that of another farm from that region having similar characteristics and reporting an acceptable yield. Assigned values for one operation could come from more than one respondent because imputation for missing items in each section of the report form was conducted separately.

Each execution of the computer edit consisted of records from only one state. Successfully edited records were made available as potential "donors," to supply values needed in subsequent imputations. These records were accumulated into pools of donors according to geographic location, so that each pool might be used during the computer edit of any reports from appropriate states. When imputation was required, a report's collective imputation needs for a section were used to identify a group of matching variables for the report which contained acceptable data relating to the missing items. For example, acres of corn harvested would be a matching variable for bushels of corn harvested, in consideration of the high correlation between the two items.

Similarity to the report being edited was evaluated for the matching variables for all farms in the appropriate donor pool. Values were imputed from the donor report considered most similar, referred to in this

context as the "nearest neighbor" to the report being edited. Similarity between the edited record and a donor was calculated as the Euclidean distance between their selected matching variables. As part of the distance computation, the values of the matching variables were normalized to have the same variance within each donor pool. Latitude and longitude were consistently included in all imputation requests as matching variables, so that geographic proximity played a role in all donor selections.

Imputation conformed to logic provided by the complex edit. When appropriate, only donors able to contribute a nonzero imputed value were considered. For a farm reporting harvested corn acreage, for example, imputed bushels of corn harvested would be taken only from farms with harvested corn. In addition, imputed values were often adjusted. In some cases, acceptable data in another field of the edited report were used to establish a ratio between the edited report and the donor report. This proportion was applied to the imputed value as a scale factor. In the corn example, total bushels of corn from the donor would be scaled by the ratio of the acres of corn in the edited report to those in the donor report.

To maintain consistency with the complex edit, the imputed values in most sections of the report were tested to ensure they satisfied critical relationships among items within the section. If any of these constraints were not met, alternative donors were considered in order of their similarity to the edited report, until all the constraints for the module were satisfied.

In some cases, nearest-neighbor imputation was not possible. The requirement of a positive imputed value might rule out all available donors, resulting in an imputation failure. However, if some members of the donor pool were found to satisfy this requirement, then as many as 25 nearest neighbors were given further consideration. But if none of the candidate donors could provide qualifying data, the result was also noted as an imputation failure. Processing of records that encountered these imputation failures was suspended at the section where the failure occurred. These records were made available for analyst review and later reconsidered by the automated edit as a followup to corrective actions taken by the analyst.

The donor pool for each region was frequently updated with records from its area which had completed the editing process. As records were added to the donor pool, the records became available to donate values to incomplete reports subsequently edited for that region. Prior to editing, all donor pools were empty and no donors were available. Initial donor pools were created by giving special treatment to the first batches of data received from each state. Similar to the way that imputation failures were resolved through analyst review of the reports, early reports from initial batches were reviewed and adjusted manually by teams of analysts. This process was employed until each donor pool became self-sufficient in consistently providing imputed values for its region through the automated nearest-neighbor selection process.

To streamline editing once they had reached a mature stage in their growth, donor pools for some regions were not expanded in size beyond a chosen plateau. This provided assurance that computer edits would not exceed a reasonable processing time for nearest-neighbor searches. Although their size was limited, these donor pools did not become static. They were regularly recreated with representative samples of all records available from their regions. Within a given region, all successfully edited sample form records were included in the appropriate donor pool. Successfully edited nonsample form records were ordered by farm size and sales volume for a given region, and then systematically sampled. Every "ith" record from the nonsample form list was joined to the complete list of sample forms for its region to form a refreshed donor pool. The steady renewal of donor pools for regions with large numbers of records assured a more diverse selection of donors over time.

All records with data changes were resubmitted to the edit to verify that acceptable corrections were made. Records with imputation failures were referred to an analyst for resolution. Corrected data were posted and the record was re-edited.

The complex edit ensured the full internal consistency of the record. Analysts were provided an additional set of tools to review record-level data across farms. These examinations detected extreme outliers or unique data distribution patterns that were possibly a result of reporting, recording, or handling errors. Potential problems were researched and, when

necessary, corrections were made and the record re-edited.

NONMEASURABLE CENSUS ERROR

Extensive efforts were made to compile a complete and accurate mail list for the census, to design an understandable report form with instructions, and to minimize processing errors through the use of quality control measures. Despite these efforts, nonmeasurable errors are inevitable and arise from many sources, including respondent or enumerator error, incorrect data capture, editing, and imputing for missing data. These errors are discussed in this section.

Respondent and Enumerator Error

Incorrect or incomplete responses to the census report form or to the questions posed by an enumerator can introduce error into the census data. To reduce reporting error, detailed instructions for completing the report form were provided to each respondent. Questions were phrased as clearly as possible based on previous tests of the report form. Computer-assisted telephone interviewing software included immediate integrity checks of recorded responses so suspect data could be verified or corrected. In addition, each respondent's answers were checked for completeness and consistency by the complex edit and imputation system.

Item Nonresponse

As information flowed from data collection to tabulation, various types of item nonresponses were identified on the census report forms. Nonresponse to particular questions on the form that logically should have been present created a type of nonsampling error in both complete count and sample count data. In this case, information from a similar farm was used to impute for these missing data items. The resulting data may have been biased if the characteristics of the nonreporting farms were different from those of reporting farms for those items. The section titled "Editing Data and Imputing for Item Nonresponse"

provides a detailed explanation of item imputation procedures.

Processing Error

All phases of processing for each census report form were potential sources of nonsampling error. An automated check-in procedure recorded that the report had been returned and excluded it from further followup mailings. Approximately one-third of the mail returns were reviewed to resolve questions dealing with multiple reports, respondent remarks, or no reported data. The remaining mail returns (about two-thirds), along with some of the reviewed cases containing farm data, were batched and sent directly to imaging and data capture. Data were transmitted, formatted, and run through the complex edit and imputation system to ensure within record consistency. About one-fifth of all forms edited were clerically reviewed for inconsistencies, omissions, or questionable values. While reviewing these forms, staff determined if the action taken by the computer edit and imputation system was correct. Additional analysis tools were used to examine data across records for distributional irregularities and extreme values. Edited records were tabulated to the county level. Each county was reviewed and, when necessary, individual records were corrected prior to publication.

Developing accurate processing methods is complicated by the complex structure of agriculture. Among the complexities are the many places to be included, the variety of arrangements under which farms are operated, the continuing changes in the relationship of operators to the farm operated, the expiration of leases and the initiation or renewal of leases, the problem of obtaining a complete list of agriculture operations, the difficulty of contacting and identifying some types of contractor/contractee relationships, the operator's absence from the farm during the data collection period, and the operator's opinion that part or all of the operation does not qualify and should not be included in the census. During data collection and processing of the census, all operations underwent a number of quality control checks to ensure results were as accurate as possible.