

FY 2012 Explanatory Notes

Office of the Secretary

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OFFICE OF THE SECRETARY

Purpose Statement

The Secretary of Agriculture, assisted by the Deputy Secretary, Under Secretaries and Assistant Secretaries, and members of their immediate staffs, directs and coordinates the work of the Department. This involves providing policy direction for all areas of the Department's responsibilities including research, educational and regulatory activities, nutrition, conservation, and farm programs, forestry, and international agriculture. It also involves maintaining relationships with organizations and others in the development of programs and maintaining liaison with the Executive Office of the President and members of Congress on all matters pertaining to Departmental policy.

The Office of the Secretary also oversees special projects that are conducted at the behest of the Congress. These projects include short-term studies, investigations, and research on matters affecting agriculture or the agricultural community. Usually, specific appropriations are provided to carry out these projects. Project results are reported to the appropriate Congressional Committees.

The general authority of the Secretary to supervise and control the work of the Department is contained in the Organic Act (7 U.S.C. 2201-2202). The delegation of regulatory functions to the Department employees and authorization of appropriations to carry out these functions are contained in 7 U.S.C. 450c-450g. The authority of the Secretary to streamline and reorganize the Department is contained in the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994, Public Law 103-354.

As of September 30, 2010, there were 96 employees located in Washington, DC.

The Office of the Secretary did not have any Office of Inspector General or Government Accountability Office evaluation reports during the past year.

## OFFICE OF THE SECRETARY

Available Funds and Staff Years  
2010 Actual and Estimated 2011 and 2012

<u>Item</u>	<u>Actual 2010</u>		<u>Estimated 2011</u>		<u>Estimated 2012</u>	
	<u>Amount</u>	<u>Staff Years</u>	<u>Amount</u>	<u>Staff Years</u>	<u>Amount</u>	<u>Staff Years</u>
Office of the Secretary.....	\$14,741,814	70	\$14,538,000	77	\$15,299,000	77
Cross-Cutting Trade Negotiations and Biotechnology Resources.....	1,622,000	--	1,622,000	--	1,656,000	--
Office of Tribal Relations.....	681,694	5	1,000,000	5	1,015,000	5
Healthy Food Financing Initiative.....	--	--	--	--	35,000,000	--
Lapsing Balances.....	1,009,492	--	--	--	--	--
Total, Salaries and Expenses.....	18,055,000	75	17,160,000	82	52,970,000	82
<u>Obligations under other</u>						
<u>USDA appropriations:</u>						
Reimbursements:						
Advisory Committee Liaison Services.....	192,219	2	374,000	3	374,000	3
Faith Based Initiative.....	409,000	4	409,000	4	409,000	4
Intertribal Technical Assistance Network.....	2,000,000	--	2,000,000	--	2,000,000	--
Tribal Cooperative Agreements.....	1,115,901	--	1,120,000	--	1,120,000	--
Environmental Markets.....	474,761	2	--	--	--	--
Other Reimbursable Programs.....	4,262,172	13	4,300,000	25	4,300,000	25
Subtotal, Reimbursements.....	8,454,053	21	8,203,000	32	8,203,000	32
Homeland Security Balances.....	616,861	--	--	--	--	--
Transfers to other USDA agencies.....	-2,023,000	--	a/	--	a/	--
Total, Office of the Secretary.....	25,105,914	96	25,363,000	114	61,173,000	114

a/ Amount to be transferred to USDA agencies for Congressional Relations to be determined.

## OFFICE OF THE SECRETARY

Positions By Grade and Staff Year Summary  
2010 Actual and Estimated 2011 and 2012

Grade	2010	2011	2012
	Washington, D.C.	Washington, D.C.	Washington, D.C.
Senior Executive Service	39	36	36
GS-15.....	21	25	25
GS-14.....	4	8	8
GS-13.....	6	11	11
GS-12.....	8	9	9
GS-11.....	10	13	13
GS-10.....	4	4	4
GS-9.....	2	5	5
GS-8.....	1	1	1
GS-7.....	1	2	2
Total Permanent Positions.....	96	114	114
Unfilled Positions end-of-year.....	0	0	0
Total, Permanent Full-Time Employment, end of-year.....	96	114	114
Staff Year Estimate.....	96	114	114

OFFICE OF THE SECRETARY

Appropriation Language  
(Including Transfers of Funds)

The estimates include appropriation language for this item as follows (new language underscored).

Office of the Secretary

For necessary expenses of the Office of the Secretary, \$5,883,000: *Provided*, That not to exceed \$11,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary.

Office of Tribal Relations

For necessary expenses of the Office of Tribal Relations, \$1,015,000: to support communication and consultation activities with Federally Recognized Tribes, as well as other requirements established by law.

Office of the Assistant Secretary for Administration

For necessary expenses of the Office of the Assistant Secretary for Administration, \$820,000.

Office of the Assistant Secretary for Congressional Relations  
(Including Transfers of Funds)

For necessary expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded by this Act, including programs involving intergovernmental affairs and liaison within the executive branch, \$4,041,000: *Provided*, That these funds may be transferred to agencies of the Department of Agriculture funded by this Act to maintain personnel at the agency level.

Office of the Under Secretary for Research, Education and Economics

For necessary expenses of the Office of the Under Secretary for Research, Education and Economics, \$911,000.

Office of the Under Secretary for Marketing and Regulatory Programs

For necessary expenses of the Office of the Under Secretary for Marketing and Regulatory Programs, \$911,000.

Office of the Under Secretary for Food Safety

For necessary expenses of the Office of the Under Secretary for Food Safety, \$828,000.

Office of the Under Secretary for Farm and Foreign Agricultural Services

For necessary expenses of the Office of the Under Secretary for Farm and Foreign Agricultural, \$911,000.

OFFICE OF THE SECRETARY

Office of the Under Secretary for Natural Resources and Environment

For necessary expenses of the Office of the Under Secretary for Natural Resources and Environment, \$911,000.

Office of the Under Secretary for Rural Development

For necessary expenses of the Office of the Under Secretary for Rural Development, \$911,000.

Office of the Under Secretary for Food, Nutrition and Consumer Services

For necessary expenses of the Office of the Under Secretary for Food, Nutrition and Consumer Services, \$828,000.

Healthy Food Financing Initiative

For necessary expenses of the Secretary to carry out demonstration projects to increase access to healthy foods through retail outlets in rural and urban areas, \$35,000,000, to remain available until September 30, 2013, which the Secretary may use for the cost of grants (including for technical assistance), loans, and loan guarantees (as defined in section 502 of the Congressional Budget Act of 1974); and may use, not to exceed \$2,000,000, for the Federal administrative costs of carrying out and evaluating such demonstration projects: *Provided*, That the Secretary, in carrying out such demonstration projects, may make or guarantee loans notwithstanding any applicable legal limitations regarding participant eligibility that the Secretary determines would interfere with the objectives of such demonstration projects: *Provided further*, That the Secretary, to carry out such demonstration projects, may use one or more consolidated solicitation and application processes: *Provided further*, That any funds provided for under this heading for such demonstration projects shall be in addition to any other funds that the Secretary may use for carrying out such projects.

## OFFICE OF THE SECRETARY

Lead-off Tabular Statement

Annualized Continuing Resolution, 2011 .....	\$17,160,000
Budget Estimate, 2012 .....	<u>52,970,000</u>
Change in Appropriation.....	<u>+35,810,000</u>

Summary of Increases and Decreases  
(On basis of appropriation)

<u>Item of Change</u>	<u>2011 Estimated</u>	<u>Program Change</u>	<u>2012 Estimated</u>
Office of the Secretary...	\$17,160,000	+\$35,810,000	\$52,970,000



## OFFICE OF THE SECRETARY

Project Statement  
(On Basis of Appropriation)

	Actual 2010		Estimated 2011		Increase or Decrease	Estimated 2012	
	Amount	Staff Years	Amount	Staff Years		Amount	Staff Years
1. Office of the Secretary.....	\$3,225,409	19	\$3,663,000	23	+\$564,000	\$4,227,000	23
Cross-cutting Trade Negotiations and Biotechnology Resources..	1,622,000	--	1,622,000	--	+34,000	1,656,000	--
Healthy Food Financing Initiati	--	--	--	--	+35,000,000	35,000,000	--
2. Under/Asst. Secretaries:							
Office of Tribal Relations.....	681,694	5	1,000,000	5	+15,000	1,015,000	5
ADM.....	790,528	4	806,000	4	+14,000	820,000	4
Congressional Relations.....	1,940,544	14	3,968,000	17	+73,000	4,041,000	17
REE.....	885,624	4	895,000	5	+16,000	911,000	5
MRP.....	882,675	4	895,000	5	+16,000	911,000	5
Food Safety.....	802,531	4	813,000	4	+15,000	828,000	4
FFAS.....	894,686	4	895,000	5	+16,000	911,000	5
NRE.....	866,776	4	895,000	5	+16,000	911,000	5
RD.....	841,303	4	895,000	5	+16,000	911,000	5
FNCS.....	693,777	4	813,000	4	+15,000	828,000	4
Civil Rights.....	894,961	5	--	--	--	--	--
Unobligated Balance.....	1,009,492	--	--	--	--	--	--
Subtotal available or estimate.....	16,032,000	75	17,160,000	82	+35,810,000	52,970,000	82
Transfer to other agencies.....	2,023,000	--	a/	--	--	--	--
Total, Appropriation.....	18,055,000	75	17,160,000	82			

a/Amount to be transferred to USDA agencies for Congressional Relations to be determined.

## OFFICE OF THE SECRETARY

Justification of Increases and Decreases

(1) An increase of \$35,810,000 for the Office of the Secretary (OSEC) consisting of:

(a) An increase of \$810,000 for increased operating and support staff costs.

This increase is needed for higher operating and support staff costs for the Office of the Secretary. In past years the Office of the Secretary has been financially constrained, commonly having to fund operating costs by shifting more costs to the agencies. This increase will improve the oversight, policy guidance and supervision of the programs and activities of the Department.

(b) An increase of \$35,000,000 for the Healthy Food Financing Initiative.

The 2012 Budget provides funding for a multi-year Healthy Food Financing Initiative (HFFI) that will increase the availability of affordable, healthy foods in underserved urban and rural communities, particularly through the development or equipping of grocery stores and other healthy food retailers. To support this initiative, the Departments of Agriculture, Health and Human Services, and Treasury have partnered to make available over \$400 million in financial and technical assistance to community development financial institutions, other nonprofits, public agencies, and businesses with sound strategies for addressing the healthy food needs of communities. These organizations will use Federal grants, below-market rate loans, loan guarantees and tax credits to attract private sector capital for an even greater investment in projects that increase access to fresh produce and other healthy foods. The goal is to eliminate food deserts in our Nation in the next several years.

Food deserts are communities in which residents do not have access to affordable and healthy food options. Instead of supermarkets and grocery stores, these communities are typically served by fast food restaurants and convenience stores that offer little if any healthy options. This lack of access contributes to a poor diet and can lead to higher levels of obesity and other diet-related diseases, such as diabetes and heart disease. Most often, these communities are economically distressed and less attractive, under conventional financing, to retailers of healthy food. But effective local programs have shown that well-targeted financing and technical assistance can create viable business outcomes and access to healthier food options. Targeting Federal financial assistance to these areas will not only increase the supply of healthy foods and create new markets for farmers, but also create jobs and support broader development efforts to revitalize distressed communities.

For FY 2012, the Budget includes a request of \$35 million for the Healthy Food Financing Initiative, which is designed to support local and regional efforts to increase access to healthy food, particularly for the development of grocery stores and other healthy food retailers in urban and rural food deserts and other underserved areas. In addition, USDA will reward relevant grant and loan applications through a variety of existing USDA programs. Through the initiative, financial and technical assistance will be made available to support market planning and promotion efforts as well as infrastructure and operational improvements designed to stimulate consumer demand, enhance marketing, expand demand and retail outlets for farm products, and increase availability of locally and regionally produced foods.

## OFFICE OF THE SECRETARY

Geographic Breakdown of Obligations and Staff Years  
2010 Actual and Estimated 2011 and 2012

	<u>2010</u>		<u>2011</u>		<u>2012</u>	
	<u>Amount</u>	<u>Staff Years</u>	<u>Amount</u>	<u>Staff Years</u>	<u>Amount</u>	<u>Staff Years</u>
District of Columbia.....	\$17,045,508	75	\$17,160,000	82	\$52,970,000	82
Unobligated balance.....	1,009,492	--	--	--	--	--
Total, Available or Estimate.....	18,055,000	75	17,160,000	82	52,970,000	82

## OFFICE OF THE SECRETARY

Classification By Objects  
2010 Actual and Estimated 2011 and 2012

	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Personnel Compensation:</b>			
Washington, D.C.....	\$10,341,733	\$11,130,000	\$11,560,000
11 Total personnel compensation.....	10,341,733	11,130,000	11,560,000
12 Personnel benefits.....	2,816,779	3,039,000	3,147,000
Total pers. comp. & benefits.....	13,158,512	14,169,000	14,707,000
<b>Other Objects:</b>			
21 Travel and transportation of persons.....	1,045,805	556,000	556,000
22 Transportation of things.....	2,064	2,000	2,000
23.3 Communications, utilities, and misc. charges.....	762,004	714,000	762,000
24 Printing and reproduction.....	233,473	173,000	233,000
25 Other Service.....	155,740	76,000	126,000
25.2 Other services Related Expenditures.....	84,993	55,000	35,055,000
25.4 Contract Services – Other.....	1,106,280	1,059,000	1,110,000
26 Supplies and materials.....	356,443	256,000	279,000
31 Equipment.....	140,162	100,000	140,000
43 Interest and Dividends.....	32	--	--
Total other objects.....	3,886,996	2,991,000	38,263,000
<b>Total direct obligations.....</b>	<b>17,045,508</b>	<b>17,160,000</b>	<b>52,970,000</b>
<b>Position Data:</b>			
Average Salary, ES positions.....	\$157,668	\$161,000	\$161,000
Average Salary, GS positions.....	\$93,474	\$96,000	\$97,000
Average Grade, GS positions.....	13.3	13.4	13.4