2022 USDA EXPLANATORY NOTES – WORKING CAPITAL FUND

AGENCY-WIDE

PURPOSE STATEMENT

The USDA Working Capital Fund (WCF) was established in 1944 (7 U.S.C. 2235). Its mission is to provide an effective financing mechanism to support those services that the Secretary, with the approval of the Director of the Office of Management and Budget, determines may be performed more effectively as central services rather than as separate services within the Department's agencies. The WCF is used to finance services provided to USDA and non-USDA agencies on a centralized, fee-for-service basis. The WCF has not received, and does not receive, funds as an individual discretionary account; instead, it serves as a financing mechanism for which costs of operations are 100 percent reimbursable. Services to non-USDA agencies reduce USDA's share of fixed costs for WCF-supported services. Centrally managed operations provide efficient, economical services through economies of scale, extensive management attention, and regular fund reviews. The WCF finances activity centers under five functional categories as follows:

Administration:

Materiel Management Service Center (MMSC)
Mail and Reproduction Services (MRS)
Integrated Procurement Systems (IPS)
Human Resources Enterprise Systems Management (HRESM)
Procurement Operations (POD)

Communications:

Creative Media and Broadcast Center (CMBC)

Financial Management:

National Finance Center (NFC)
Financial Shared Services (FSS)
Internal Control Support Services (ICSS)
Financial Management Support Services (FMSS)

Information Technology:

Digital Infrastructure Services Center (DISC)
Department Administration Information Technology Office (DAITO)
Client Experience Center (CEC)
Enterprise Network Services (ENS)

Correspondence Management:

Office of the Executive Secretariat (OES)

The WCF is managed by the Office of the Chief Financial Officer. As of September 30, 2020, there were 2,248 permanent full-time employees, including 368 in Washington, D.C., and 1,880 in field offices.

AVAILABLE FUNDS AND FTEs

Table WCF-1. Available Funds and FTEs (thousands of dollars, FTEs)

Item	2019 Actual	FTE	2020 Actual	FTE	2021 Enacted	FTE	2022 Budget	FTE
USDA Fee for Service:								
Administration	$44,355	136	$46,097	139	$49,408	202	$43,422	144
Communications	5,405	18	2,968	9	3,154	9	3,595	9
Correspondence Management	5,193	24	4,281	21	3,140	13	3,124	13
Financial Management	138,309	411	144,163	477	148,329	514	148,144	514
Information Technology	540,871	833	691,628	925	790,901	1,378	812,970	1,395
Subtotal	734,133	1,422	889,137	1,571	994,930	2,116	1,011,255	2,075
Purchase of Equipment	55,657	-	22,008	-	21,022	-	29,123	-
Purchase Card Rebate Proceeds	17,168	-	8,108	-	18,689	-	23,320	-
Unobligated Balances Transfers	20,704	-	17,998	-	13,488	-	-	-
Technology Modernization	2,643	-	8,485	-	-	-	-	-
Subtotal (USDA).........................	830,305	1,422	945,735	1,571	1,048,130	2,116	1,063,698	2,075
Non-USDA Fee for Service:								
Administration	1,473	6	1,232	6	1,472	6	174	-
Communications	704	-	652	-	553	-	577	-
Financial Management	172,847	857	168,392	671	175,917	671	176,250	671
Information Technology	-	-	-	-	58,348	29	61,265	27
Subtotal (Non-USDA).................	175,024	863	170,276	677	236,290	706	238,266	698
Total Available, WCF..................	1,005,329	2,285	1,116,011	2,248	1,284,420	2,822	1,301,964	2,773

PERMANENT POSITIONS BY GRADE AND FTEs

Table WCF-2. Permanent Positions by Grade and FTEs

Item	2019 Actual D.C.	Field	Total	2020 Actual D.C.	Field	Total	2021 Enacted D.C.	Field	Total	D.C.	Field	2022 Budget Total
SES..	6	3	9	9	2	11	12	3	15	11	3	14
GS-15..	33	47	80	32	45	77	34	46	80	34	46	80
GS-14..	73	156	229	64	168	232	68	179	248	67	178	246
GS-13..	92	499	591	114	471	585	114	473	588	117	485	603
GS-12..	42	559	601	50	557	607	89	1,006	1,095	90	1,008	1,097
GS-11..	34	314	348	21	306	327	22	317	339	21	307	328
GS-10..	2	2	4	4	1	5	2	1	3	3	1	3
GS-9..	18	79	97	12	79	91	12	81	93	12	77	89
GS-8..	15	26	41	7	33	40	6	29	35	6	28	34
GS-7..	15	184	199	14	182	196	15	202	217	14	190	204
GS-6..	5	20	25	21	12	33	15	9	23	12	7	20
GS-5..	11	19	30	18	14	32	18	14	32	12	9	21
GS-4..	1	4	5	4	8	12	6	13	19	5	11	16
GS-3..	1	-	1	1	-	1	1	-	1	-	-	-
Other Graded	21	4	25	-	-	-	33	2	35	18	1	19
Total Permanent.................	369	1,916	2,285	368	1,880	2,248	447	2,375	2,822	422	2,351	2,773
Total Perm. FT EOY..............	369	1,916	2,285	368	1,880	2,248	447	2,375	2,822	422	2,351	2,773
FTE..	369	1,916	2,285	368	1,880	2,248	447	2,375	2,822	422	2,351	2,773

LEAD-OFF TABULAR STATEMENT

Table WCF-3. Lead-Off Tabular Statement

2021 Recurring Operations Estimate 1/...	$1,231,221
Change in Estimate..	+18,301
Recurring Operations Estimate, 2022..	1,249,522
2021 Capital Availability	$21,022
Change in Availability...	+8,100
Capital Availability, 2022	29,123
2021 Purchase Card Rebate Proceeds Availability 2/...	$18,689
Change in Availability...	+4,631
Purchase Card Rebate Proceeds Availability, 2022..	23,319
2021 Unobligated Balances Transfer Availability 3/..	$13,488
Change in Availability...	-13,488
Unobligated Balances Transfer Availability, 2022...	0
2021 Technology Modernization Availability 4/...	-
Change in Availability...	-
Technology Modernization Availability, 2022..	-

NOTES

1/ This amount includes both USDA and non-USDA fee for service activities.

2/ Under 7 U.S.C. 2235a, refunds or rebates received on an on-going basis from a credit card services provider under the Department of Agriculture's charge card programs may be deposited to and retained without fiscal year limitation in the Department's Working Capital Fund to fund management initiatives of general benefit to the Department of Agriculture bureaus and offices as determined by the Secretary of Agriculture or the Secretary's designee, subject to further limitations under general provisions of annual appropriations acts that funds be spent on capital investments.

3/ The Secretary has authority to transfer unobligated balances to the WCF for acquisition of plant and capital equipment for financial, administrative, and information technology services of general benefit to agencies of the Department of Agriculture. The amount for 2022 (unobligated 2021 funds) will not be known until the end of 2021.

4/ Funds available for investment under authority of the Modernizing Government Technology Act; the USDA Working Capital Fund is designated as the Department's information technology working capital under this authority.

PROJECT STATEMENT

Table WCF-4. Project Statement (thousands of dollars, FTEs)

Item	2019 Actual	FTE	2020 Actual	FTE	2021 Enacted	FTE	Inc. or Dec.	Chg Key	FTE	2022 Budget	FTE
Fee for Service:											
Administration	$44,355	136	$46,097	139	$49,408	202	-$5,985		-58	$43,422	144
Communications	5,405	18	2,968	9	3,154	9	441		-	3,595	9
Correspondence Management	5,193	24	4,281	21	3,140	13	-15		-	3,124	13
Financial Management	138,309	411	144,163	477	148,329	514	-185		-	148,144	514
Information Technology	540,871	833	691,628	925	790,901	1,378	22,069		17	812,970	1,395
Subtotal	734,133	1,422	889,137	1,571	994,930	2,116	16,325	(1)	-41	1,011,255	2,075
Purchase of Equipment	55,657	-	22,008	-	21,022	-	8,100	(2)	-	29,123	-
Purchase Card Rebate Proceeds	17,168	-	8,108	-	18,689	-	4,631	(3)	-	23,320	-
Unobligated Balances Transfers	20,704	-	17,998	-	13,488	-	-13,488	(4)	-	-	-
Technology Modernization	2,643	-	8,485	-	-	-	-		-	-	-
Subtotal (USDA).........................	830,305	1,422	945,735	1,571	1,048,130	2,116	15,568		-41	1,063,698	2,075
Non-USDA Fee for Service:											
Administration	1,473	6	1,232	6	1,472	6	-1,298		-6	174	-
Communications	704	-	652	-	553	-	24		-	577	-
Financial Management	172,847	857	168,392	671	175,917	671	333		-	176,250	671
Information Technology	-	-	-	-	58,348	29	2,917		-2	61,265	27
Subtotal (Non-USDA)	175,024	863	170,276	677	236,290	706	1,976	(1)	-8	238,266	698
Total WCF	1,005,329	2,285	1,116,011	2,248	1,284,420	2,822	17,544		-49	1,301,964	2,773

JUSTIFICATION OF INCREASES AND DECREASES

Base funds will allow the Working Capital Fund (WCF) to serve as the Department's financing mechanism for provision of centralized financial, information technology, administrative, and communications services. The WCF also serves as the principal financing mechanism for investment in corporate-level systems and as the Department's information technology working capital fund under the authority of the Modernizing Government Technology Act.

1) <u>A net increase of $18,301,000 and a net decrease of 49 FTEs for reoccurring operations ($1,231,221,000 and 2,882 FTEs available in 2021).</u>

   The increase reflects estimates of costs in response to anticipated levels in service demand from USDA and non-USDA agencies for WCF-supported services. Amounts shown for 2021 are estimates of costs only, and USDA and non-USDA agencies will be billed their share of actual costs. The staff years represent activity centers' best estimate of the most economical use of human resources to deliver expected demand for goods and services.

2) <u>An increase of $8,100,000 for purchase of equipment availability ($21,022,000 available in 2021).</u>

   The amount available in 2022 represents capital resources available to the WCF to support the purchase of capital assets defined as those assets with an acquisition cost of at least $25,000 for equipment and at least $100,000 for software, with a useful life of at least 24 months. Allocations are made to WCF-supported activities up to the limits of availability in support of the provision of services with amounts allocated to be repaid to the fund to preserve available capital.

3) <u>An increase of $4,631,000 for purchase card rebate proceeds availability ($18,689,000 available in 2021).</u>

   The amount available in 2022 represents the estimated proceeds to be deposited in the WCF under existing legislative authority, plus any residual unallocated amounts from prior years. Amounts are allocated up to the limits of availability for management initiatives of general benefit to the agencies of the Department, subject to further limitations that might be imposed by Congress limiting spending to capital items.

   Expenditures under this section are deemed a high priority by the Department and are estimated as follows:

Item	2021	2022
Amount Available......................................	$18,689,000	$23,320,000
Allocated..	5,369,061	0
Unallocated...	13,319,939	0

USDA plans to utilize this funding flexibility to pay for critical investments that would otherwise not be possible due to constrained budgets. Notification is herein provided to the Committees on Appropriations of the intent to make the following investments, including a request to obligate funds transferred to the Working Capital Fund in FY 2021 of the following allocation ($5,369,061), and the remaining available balances ($13,319,939) will be prioritized and utilized by the new Administration:

> ▪ **NFC Location New Building Infrastructure – $5,369,061**
> Since February 2017, approximately 800-900 Office of the Chief Financial Officer (OCFO) New Orleans employees have been displaced and located in temporary housing, including modular buildings on the National Aeronautics and Space Administration's (NASA's) Michoud Assembly Facility (MAF). This displacement was caused by a tornado destroying the 350,000 square foot building that housed the OCFO employees. The current arrangements were not intended to be permanent in nature, and the modular buildings are rapidly nearing the end of their shelf life (approximately 5 years). NASA has indicated that they are focusing solely on space-related projects, and the organization (NASA) is not committing to serving as OCFO's future landlord.
>
> This project requires initial funding for several specific expenditures, starting with the anticipated cost of the lease for the space. OCFO is requesting funding to lease approximately 100,000 square feet of Class "A" or "B" office space. Additionally, the project will require the purchase of office furniture, office equipment, and workstations for 800-900 OCFO New Orleans employees. The number of workstations purchased will reflect the realities of the current work environment (expanded use of telework and hoteling or sharing of workspaces).
>
> The new location will require an extensive IT infrastructure investment, including (at a minimum) a dedicated high-speed circuit, new network switches, cabling plants, telephones, copiers/printers, and wireless wire-less capabilities. To protect this investment will require physical security expenditures, including cameras (internal and external to the building), card readers, alarms, and security doors and bollards. These security measures will ensure OCFO is following the USDA Office of Homeland Security measures and requirements.

4) <u>A decrease of $13,488,000 for unobligated balances transfer availability ($13,488,000 available in 2021).</u>

No funds are included in the 2022 estimate. The estimate may change should Congress renew authority provided in general provisions of the FY 2022 annual appropriations to implement transfers of discretionary unobligated balances. Allocations would be made up to the amount available, consisting of amount transferred plus any residual unallocated amounts from prior years.

Expenditures under this section are deemed a high priority by the Department and are estimated as follows:

Item	2021	2022
Amount Available......................................	$13,488,000	$0
Allocated..	9,743,359	0
Unallocated...	3,744,641	0

USDA plans to utilize this funding flexibility to pay for critical investments that would otherwise not be possible. Notification is herein provided to the Committees on Appropriations of the intent to make the following investments, including a request to partially obligate funds transferred to the Working Capital Fund in FY 2021 of the following allocations ($9,743,359):

- **Headquarters Campus Video Surveillance System (VSS) – $2,697,650**

The Headquarters Campus Video Surveillance System is to complete Phase Two and Three of a three-stage initiative to replace existing outdated Closed-Circuit Television (CCTV) software, monitoring and recording capabilities located in the Emergency Communications Center. The Department of Homeland Security's Interagency Security Committee (ISC) governs all requirements for assessing and implementing Physical Security for all non-Department of Defense (DOD) Federal facilities. Recently, USDA conducted a Physical Security Assessment of the Headquarters (HQ) Complex that found the existing CCTV camera system provided inadequate coverage and was beyond its lifecycle.

Funding for this initiative would be used to complete the install of a National Capital Region (NCR) wide VSS system used throughout the USDA Headquarters Complex. The VSS will replace the antiquated and failing closed circuit television system with a modern IP based solution with advanced AI and analytics such as facial recognition and detection, dropped packages, and event driven activities/alarms. This will align the USDA with ISC/RMP countermeasures and greatly improve the security and safety posture of the HQ Campus. In addition, it will bring current USDA systems into compliance with federal guidance and would allow locations throughout the NCR to leverage the same architecture, should they choose to. Phase Two would install updated cable plant to accommodate Internet Protocol (IP) based CCTV cameras. Phase Three would replace and increase CCTV coverage around the HQ Complex. In addition, funding would be used to establish a VMS network to provide communications for future VMS Cameras and would include new VMS Cameras at key locations and sensitive areas around the USDA South and Whitten Buildings.

- **Rural Development's Program Loan Accounting System (PLAS) integration with FMMI – $6,000,000**

Rural Development (RD)'s Program Loan Accounting System (PLAS) integration with FMMI is part of the RD legacy systems to be consolidated with FMMI enabling USDA to complete its goal to have one Financial System. This is for the first phase of an overall implementation of $29M. The investment will interface RD data so that FMMI will become the financial system of record and the borrower loans will continue to be serviced/managed, using the loan system servicing logic, in the loan servicing systems (feeder systems). The implementation will be phased due the significant functionality that will be migrated to FMMI and the time needed to develop quality processes along with modifications to fully integrate interfaces with FMMI to all the RD loan servicing systems. RD middleware will transition the loan servicing data into a FMMI ready format. The Middleware will provide functionality for management control reporting, improved process flows and select interface staging. The interfaces between the RD systems and FMMI will provide information exchanges of data needed by both systems. By developing the Middleware solutions, the passing of information will often interface from the same source.

- **USDA Print Services Tracking System – $110,000**

The existing system used to track spending, production, and shipping of USDA publications and print products is beyond its service life, on an unstable operating environment, and increasingly at risk for catastrophic failure. The USDA Print Services Tracking System will modernize and upgrade the existing system into an Enterprise solution across USDA on a modern, stable operating environment.

This investment provides for redevelopment of the Printing Operations Tracking System (POTS) on the ServiceNow platform, allowing OC to process print order requests for the Department. The initial phase would redevelop the existing system in ServiceNow, a cloud computing platform for managing enterprise operations digital workflows, aligning the same inputs and outputs with the current system. This would allow for a rapid delivery to expedite migration off the current unstable environment. This would be followed by a series of Sprints to add any desired customizations.

- **USDA Radio Server Replacement – $135,709**

USDA Radio, despite the pandemic and telework requirements, increased the number of news stories produced in FY 2020 to 2,523 daily news stories and 572 features, and this funding is needed to ensure the sole distribution channel for this content continues, as the current server is now beyond its OCIO service life. CMBC and USDA Radio also provide technical support and coverage for news conferences with the Secretary, Deputy Secretary, sub cabinet, and other top government officials.

This proposal is for a replacement IT server, the key to distributing USDA Radio's stories and features to radio broadcasters, especially Farm Broadcasters, throughout the United States. The current distribution server is now beyond its service life and USDA OCIO has flagged the system for replacement in the 2nd

Quarter of FY21. This would allow for a rapid delivery to expedite migration off the current out-of-service-life environment.

- **Next Chapter USDA.gov – $800,000**

This comprehensive process is a ground-up rebuild of the USDA.gov website leveraging technological advances since the last version to improve usability. By ensuring the new website works better for the user, USDA reaches the public with relevant information about USDA programs and policies. Research indicates that slow load times, broken links and outdated website architecture that requires more than 2.3 clicks to reach the desired information result in users abandoning the transaction by leaving the website. In many cases, the alternative requires calls to USDA call centers or field offices, resulting in a higher transaction cost for USDA versus self-serve through USDA.gov.

With more than 739 unique, public-facing web domains, the USDA web presence is complicated, making it more difficult for the public to navigate and quickly find the information they need. Website technology evolves very quickly, and USDA.gov undergoes a redesign and rebuild every five years to ensure its websites follow the most current Federal and industry best practices, meeting the requirements of the IDEA Act, Federal Web and Accessibility Standards, and the USDA Digital Playbook requirements. Through website redesign, upgrades and advancements and content modernization with new functionality, USDA looks directly at how we can sunset or consolidate underutilized websites.

Leveraging research and current industry best practices, USDA essentially sunsets the current version and launches a newly built website with the newly evolving technologies, functionalities, and improved customer delivery. Through an iterative process, USDA will develop a common Drupal web architecture to be used across the Department to ensure a common look-and-feel and to provide customers a consistent experience as they seek information from different program areas and agencies. This consistency requires a strong foundation based on research developed while working with customers and employees. An integral part of successfully meeting customer needs will require user-lab testing to ensure actual users behavior matches USDA's projections. Partnering with the Department of Health and Human Services user experience lab, USDA ensures the proper delivery of assistance, resources, information, and programs to our customers.

The remaining available balances ($3,744,641) will be prioritized and utilized by the new Administration.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS AND FTES

Table WCF-5. Geographic Breakdown of Obligations and FTEs (thousands of dollars, FTEs)

State/Territory/Country	2019 Actuals	FTE	2020 Actuals	FTE	2021 Enacted	FTE	2022 Budget	FTE
Alabama	$4,366	8	$3,597	7	$2,457	6	$2,464	6
Alaska	970	2	1,028	2	819	2	821	2
Arizona	2,426	5	2,569	5	1,638	4	1,643	4
Arkansas	4,851	9	3,597	7	4,094	10	4,107	10
California	4,851	9	6,202	12	4,913	12	4,929	12
Colorado	140,000	147	162,586	169	198,863	316	213,291	330
Connecticut	970	2	1,028	2	819	2	821	2
Delaware	1,941	4	2,055	4	819	2	821	2
District of Columbia	107,901	326	127,400	314	172,291	409	158,518	363
Florida	4,782	8	4,468	7	5,754	11	5,885	11
Georgia	4,851	9	5,138	10	4,094	10	4,107	10
Guam	485	1	514	1	409	1	411	1
Hawaii	970	2	1,028	2	819	2	821	2
Idaho	3,396	6	4,110	8	2,866	7	2,875	7
Illinois	7,762	14	9,285	18	6,961	17	6,982	17
Indiana	5,822	11	6,202	12	6,164	12	6,296	12
Iowa	9,703	18	8,771	17	8,189	20	8,214	20
Kansas	7,762	14	8,257	16	6,551	16	6,572	16
Kentucky	5,337	10	5,652	11	4,679	12	4,695	12
Louisiana	228,438	969	221,056	861	251,126	897	251,324	896
Maine	1,596	3	2,306	5	1,821	5	1,827	5
Maryland	23,415	45	32,530	48	24,565	61	27,436	45
Massachusetts	970	2	1,028	2	819	2	821	2
Michigan	3,881	7	4,624	9	3,685	9	3,696	9
Minnesota	7,277	14	6,716	13	6,368	16	6,389	16
Mississippi	3,881	7	4,110	8	3,276	8	3,286	8
Missouri	193,933	359	289,317	392	392,497	650	405,977	650
Montana	3,881	7	5,138	10	6,387	11	6,014	11
Nebraska	6,792	13	7,230	14	5,732	14	5,750	14
Nevada	1,455	3	1,028	2	1,228	3	1,232	3
New Hampshire	485	1	-	-	-	-	-	-
New Jersey	970	2	1,541	3	1,228	3	1,232	3
New Mexico	2,074	4	2,293	5	1,228	3	1,232	3
New York	3,396	6	3,597	7	2,866	7	2,875	7
North Carolina	7,762	14	8,257	16	6,551	16	6,572	16
North Dakota	4,851	9	4,624	9	4,094	10	4,107	10
Ohio	6,792	13	6,716	13	5,323	13	5,339	13
Oklahoma	4,851	9	4,624	9	3,685	9	3,696	9
Oregon	3,396	6	3,597	7	2,866	7	2,875	7
Pennsylvania	3,881	7	3,796	8	3,685	9	3,696	9
Puerto Rico	1,455	3	1,541	3	1,228	3	1,232	3
South Carolina	3,396	6	3,597	7	2,866	7	2,875	7
South Dakota	5,337	10	5,652	11	4,094	10	4,107	10
Tennessee	6,307	12	6,202	12	4,504	11	4,518	11
Texas	35,761	103	39,080	108	35,415	116	36,187	116
Utah	5,337	10	5,652	11	4,504	11	4,518	11
Vermont	1,455	3	1,541	3	1,228	3	1,232	3
Virginia	2,911	5	3,597	7	3,685	9	3,696	9
Washington	3,396	6	4,110	8	3,276	8	3,286	8
West Virginia	1,941	4	2,055	4	1,638	4	1,643	4
Wisconsin	6,307	12	6,716	13	4,504	11	4,518	11
Wyoming	2,426	5	2,055	4	2,047	5	2,054	5
Total, Obligations	909,157	2,285	1,059,412	2,248	1,231,221	2,822	1,249,522	2,773
Capital Funding Available	96,172	-	56,599	-	53,200	-	52,443	-
Total, Available	1,005,329	2,285	1,116,011	2,248	1,284,420	2,822	1,301,964	2,773

CLASSIFICATION BY OBJECTS

Table WCF-6 Classification by Objects (thousands of dollars)

Item No.	Item	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
	Personnel Compensation:				
	Washington D.C..	$28,793	$35,867	$38,776	$36,640
	Personnel Compensation, Field........................	187,319	190,598	199,287	204,766
11	Total personnel compensation	216,112	226,464	238,063	241,406
12	Personal benefits..	72,964	79,995	89,585	89,390
13.0	Benefits for former personnel	124	129	93	128
	Total, personnel comp. and benefits	$289,200	$306,588	$327,741	$330,924
	Other Objects:				
21.0	Travel and transportation of persons................	3,863	2,095	5,275	5,354
22.0	Transportation of things....................................	782	929	875	837
23.1	Rental payments to GSA.....................................	6,780	6,618	7,717	7,544
23.2	Rental payments to others..................................	22,475	2,497	13,385	10,476
23.3	Communications, utilities, and misc. charges	133,363	161,243	167,475	173,394
24.0	Printing and reproduction..................................	368	293	377	374
25.1	Advisory and assistance services	117	33	-	-
25.2	Other services from non-Federal sources.........................	221,407	282,153	384,806	398,667
25.3	Other goods and services from Federal sources	55,564	95,559	106,948	108,881
25.4	Operation and maintenance of facilities...........................	2,288	2,034	4,751	4,176
25.7	Operation and maintenance of equipment.......................	150,390	175,532	167,358	170,434
26.0	Supplies and materials	9,556		3,435	3,425
31.0	Equipment...	13,004	7,263	41,078	35,036
	Total, Other Objects..	619,957	752,824	903,480	918,598
	Total, new obligations...	909,157	1,059,412	$1,231,221	1,249,522
	DHS Building Security Payments (included in 25.3).......... .	$2,225	$2,312	$2,255	$2,117
	Position Data:				
	Average Salary (dollars), ES Position.............................	$145,328	$185,548	$134,149	$134,149
	Average Salary (dollars), GS Position	$92,039	$99,427	$84,129	$86,820
	Average Grade, GS Position	12.4	12.6	11.7	11.8

STATUS OF PROGRAMS

The Working Capital Fund (WCF) is a financing mechanism that provides support to financial, administrative, and information technology Activity Centers across five Departmental organizations. The Office of the Chief Financial Officer (OCFO), in addition to its responsibilities in financial policy and operations, is responsible for the administration of the WCF. The staff attached to the Chief Financial Officer supports the OCFO in fulfilling this mission.

Administration

Current Activities

Activities under this heading are managed under the Assistant Secretary for Administration and include the following (all activities in Washington, D.C., unless otherwise noted):

Human Resources Enterprise Systems Management (HRESM) provides Human Resources (HR) Enterprise System Management in support of USDA's strategic goals and is aligned with the Office of Personnel Management's (OPM) Human Resources Line of Business (HRLOB). The vision of OPM's HRLOB is to create government-wide, modern, cost-effective, standardized, and interoperable HR solutions, providing common core functionality to support the strategic management of human capital. To realize this vision, USDA has moved to a Shared Service Center delivery model where HR information system operations reside. The vision of HRESM is to improve mission delivery through the deployment of an integrated workforce system, which facilitates strategic and advisory HR service delivery and streamlined HR transaction execution.

Integrated Procurement Systems (IPS) provides modern, integrated procurement automation tools to the USDA acquisition community through the Integrated Acquisition System (IAS). IAS serves as the enterprise-wide administrative procurement system for the Department and continues to prove its value daily. The Credit Card Service Center has responsibilities to plan, develop, and implement its charge card program under SmartPay3 and to provide consolidated, Department-wide governance in this program to further USDA's mission.

Mail and Reproduction Services (MRS) is responsible for managing and directing for analysis, development, evaluation, and promotion of improvements in the policies, plans, methods, procedures, and systems of the USDA Mail Management Program, Departmental Mailing List System, Transportation Operations, and Copier/Duplicating Operations. MRS has responsibility for directing centralized printing and copier/duplicating systems, automated systems providing mailing list services, package delivery and chauffeur services, and a staff support system in the areas of divisional financial management, program analysis, and administration. MRS has established excellent mail management and print-on-demand programs through the implementation of the latest technology, and has achieved cost savings through best practices, postal discount programs, and centralized services.

Materiel Management Service Center (MMSC) (Washington, DC and Beltsville, MD) is responsible for the general management and coordination of Departmental logistics operations and activities including forms and publications acquisition, management, warehousing and worldwide distribution; excess personal property accountability, reuse, sales and disposal; office and general supply acquisition, receipt and shipment of parcels, warehousing and sales, as well as maintaining unified, coordinated supply support systems that meet the ongoing and numerous emergency needs of various programs of the Department. MMSC also provides services to several non-USDA agencies and activities for basic services, and operates the USDA Sales Center, which is part of the Federal Asset Sales Program.

Procurement Operations Division (POD) (Washington, DC and Fort Collins, CO) provides the full range of cradle-to-grave procurement support (acquisition planning, market research, solicitation, evaluation, negotiation, source selection, contract award, contract administration, and contract closeout) to the Office of the Secretary of Agriculture, Departmental Administration (DA) and its Staff Offices, and other USDA agencies in support of Information Technology services and other Department-wide procurement actions.

Selected Examples of Recent Progress

During FY 2020, HRESM made strides with Robotics Processing Automation (RPA)/Bot Development and Implementation as a trailblazer in the creation of unattended bots in several USDA Human Resources systems and tools. This effort required collaboration with the Office of the Chief Information Officer (OCIO) and the National Finance Center (NFC) to establish credentialing of the bots for security access as a user. HRESM played an integral role in pioneering the establishment of unattended bots in HR systems, the first of this kind for the HR community. HRESM's unattended bots were built to improve the efficiency of personnel action processing with the first designed to assist managers and the Human Resources Office in the execution of documenting and processing

performance ratings and awards. The bot translated data from system reports to automatically populate forms for finalization by Human Resources managers. The second bot was designed to process reassignment actions and eliminate duplicate data entry by HR specialists. HRESM's RPA usage ensures streamlined processes, consistency, enhanced compliance, improved productivity, and data integrity while allowing focus on proactive Human Resources consultative and advisory services for customers.

In FY 2020, HRESM led the transition and implementation of the new Government Retirement and Benefits (GRB) Enterprise Retirement Calculator that is used by all USDA agencies. This new platform provides support for over 3,000 USDA retirements that occur each year as well as enables informed decision making for 18,000 retirement eligible employees. HRESM rolled out the new calculator, established reliable connectivity with USDA employee databases, and trained over 250 HR Specialists in its use. The new system provided enhanced functionality for 80,000+ federal employees to determine preliminary retirement calculations. As the central HR systems office managing this transition for the entire Department, HRESM's successful implementation ensured minimal system downtime, reduced manual processing, and caused minimal disruption to employees' retirement intentions.

Also, in FY 2020, HRESM established the first USDA Enterprise relationship with Equifax for unemployment compensation and employment verification. This effort covered all USDA employees, resulting in streamlined processing, increased productivity, and the elimination of individual, redundant, agency contracts. HRESM oversees and administers this work for all USDA agencies and offices.

Additionally, in FY 2020, HRESM, in collaboration with OCIO, enhanced several of the Chief Executive Officer (CXO) online Dashboards. Enhancements included new data streams to create visibility into the USDA "Time to Hire" and track COVID-19 pandemic leave more flexibly. With this project, USDA created greater visibility into agency activity in "real time" to drive trend analysis and comparisons that facilitate enterprise-wide, data driven business decisions and, ultimately, improved business processes. The CXO dashboards are utilized by senior level managers and executives across the Department and have eliminated the need for data calls and hours of data consolidation to expedite reporting on information for over 80,000 employees.

Finally, in FY 2020, HRESM began preparation to design, develop, and deploy the Enterprise Performance Management Application (EPMA) in support of USDA's adoption of a Pass/Fail (two tier) performance system to replace the five-tier system for enterprise usage beginning FY 2021. The EPMA empowers supervisors and HR professionals by automating, tracking, and reporting performance management processes and practices across USDA. Prior to its implementation, USDA agencies administered separate systems or used paper-based processes, which hindered tracking, reporting and standardization at the Department level. The EPMA was deployed on September 28, 2020 to approximately 18,000 supervisors, surpassing the targeted October 1, 2020 go-live date. EPMA delivers substantial value by enabling USDA to conduct enterprise-wide reporting on performance management while providing a single repository for approximately 80,000 employee performance plans.

In FY 2020, IPS Activity Center's Charge Card Service Center (CCSC) Program implemented a soft launch of the Master Card Insight On Demand (IOD) data mining tool and case management solution. This is the first data mining and case management solution that USDA has implemented in SmartPay 3 with 10% of Purchase Card program coordinators having adopted usage of the IOD tool to monitor, detect and address instances of fraud, waste and abuse. With the IOD tool, every transaction is analyzed and transactions with a high probability of fraud are identified based on policy guidelines and industry best practices, resulting in 100% transaction review. The IOD tool provides a workbench for program auditability, capturing workflow actions, emails, cardholder responses, attachments, and notes in one location providing a connection between risk analysis and resolution management. The implementation of the IOD solution helped to integrate and streamline several oversight activities including: Office of Management and Budget (OMB) Circular No. A-123 Testing Controls, the monthly Quarterly Transaction Review (QTR) report, and the annual receipt sampling exercise conducted by the CCSC.

During FY 2020, the CCSC program designed and released the first phase of automated reports, to ensure agencies comply with overall Program Management goals and criteria of the Purchase Card Program. The Reporting Architecture built on a Tableau/SharePoint platform is 85% completed and scheduled for implementation in FY 2021. The Reporting Architecture improvement initiative was designed to reduce the time and effort required to create and disseminate monthly oversight reports, created a central repository, and streamlined the method of response. This improvement initiative fulfilled the FY 2020 goals of creating and maintaining a data repository of transactions, dashboards for metrics, and rebate analytics and reporting. In addition, the CCSC, through partnership with the OCFO, Financial Shared Services (FSS) and the bank card provider, facilitated interface development efforts to capture the Procurement Instrument Identifier (PIID) and transfer to the Financial Management

Modernization Initiative (FMMI) via the reallocation interface. The collection of PIID information via the Purchase Card reallocation process accomplishes the following: improves the quality and transparency of the Federal Government's award data, reinforces the responsibility of the cardholder to follow the proper procedures required to exceed the Micro-Purchase Threshold (MPT), and spotlights any failures to obtain the PIID early.

In FY 2020, the IAS Program successfully completed the Organizational Change Management (OCM) Plan for Acquisition Planning, developed training materials and a training schedule, and launched its communications campaign informing the IAS user community of the upcoming changes. The IAS Program obtained approval from the USDA Contracting Policy Advisory Board for the acquisition planning templates, procurement forecasting templates, and modification to the acquisition planning processes and procedures. This is a significant step toward standardizing and streamlining USDA procurement processes.

During FY 2020, the IAS Program continued with the development of several key changes to existing technical architecture to position the IAS system for the future state, IAS Consolidation. This will include elimination of Oracle E-Business Suite (EBS) with an EBS Decommission Plan developed and elimination scheduled to occur January 2021, resulting in savings of approximately $2 million. In FY 2020, the IAS Program successfully completed the OCM Plan for IAS Consolidation, developed training material and schedule, and launched its communications campaign informing the IAS user community of the upcoming changes to Requisitioning. The IAS user group that will be most impacted by IAS Consolidation are Requisitioners, Requisition Managerial Approvers, and Budget Approvers.

Additionally, in FY 2020, the IAS Program collaborated with the Forest Service (FS) agency to implement a RPA to create awards in IAS for incident procurements and to mass load Virtual Incident Procurement Blanket Purchase Agreements (BPA) into IAS as Indefinite Delivery Indefinite Quantity Contracts. For their contribution to the deployment of the FS incident bots, the IAS Project Team was awarded an Assistant Secretary for Administration Honors award.

In FY 2020, the IAS program continued to streamline and improve its operation with strategic planning improvement culminating in the development of a 5-Year Strategic Plan (2020-2024). An alternative analysis was conducted, and results concurred with the FY 2017 Alternative Analysis that IAS Consolidation was the best solution based on cost, benefits, risks, features and product complexity, and return on investment. Contracts with Unison Software, PRISM provider, were consolidated from three to one. In the reorganization of the Procurement System Division (PSD), a Business Manager position, with responsibilities for liaison between OCIO and the acquisition community and oversight of the IAS Program, was established. The position has been filled and the interagency agreement between PSD and the Departmental Administration Information Technology Office (DAITO), for the provision of technology management services, is in place while seven information technology specialist positions supporting IAS having been transferred from PSD to OCIO.

During FY 2020, the IAS Program successfully navigated the annual Office of Management and Budget (OMB) *Circular A-123 - Management's Responsibility for Internal Control* Audit (FY20 Certification Statement – as of June 30, 2020), a second consecutive Office of the Inspector General (OIG) audit (General and Application Controls for FY2020: Audit No:50401-0019-11, 50503-0004-12), and an annual control assessment with zero Plans of Action and Milestones (POA&M) or findings. The IAS Program has taken a proactive approach to meeting and exceeding all required duties and obligations required by the IAS system, USDA, and Federal Information Security Management Act (FISMA). All security documentation, interconnection agreements, and risk-based decisions were updated to ensure the most current information is available to IAS stakeholders and management. The IAS Program also worked with the Digital Infrastructure Services Center (DISC) to build new scanning processes and procedures in order to identify security issues within the IAS databases and web applications.

Additionally, during FY 2020, the IAS Program conducted training for more than 900 IAS users via a mixture of classroom and a new virtual training program with three new training courses implemented. The IAS Program also conducted the annual IAS User Survey to gather insight regarding user needs, experiences, and perceptions, with 92% of survey respondents indicating that IAS was effective in enabling them to accomplish their work. Similarly, the IAS Help Desk received a 95% rating for "professionalism" and a 90% rating for "knowledge" from the user community. Of the 7,809 Help Desk tickets opened in FY 2020, 99.3% were closed with 92% having been closed within seven days.

Finally, in FY 2020, the IAS Program successfully processed 161,680 transactions, accounting for approximately $3.4 billion in obligations. Additionally, for the tenth consecutive year, the IAS program achieved a green status

from the USDA Office of the Chief Information Officer (OCIO) for its overall management of cost, risks, contracts, schedule, agile software development, performance metrics, and adherence to OCIO governance guidelines.

In FY 2020, MRS's Transportation Operations (TS) supplied critical services in support of USDA's mission, working closely with the Copier and Duplicating Services, to ensure the timely printing and delivery of 2021 USDA Budget Explanatory Notes and USDA FY 2021 Forest Service Budget Justifications to Capitol Hill. This included the delivery of more than 47 budget related items to Capitol Hill offices and various locations throughout the National Capital Region (NCR). TS worked to provide transportation support for six USDA poultry and plant tours for the Food Safety and Inspection Service (FSIS) located in Maryland, Pennsylvania, Virginia, Delaware and North Carolina. TS also provided exceptional courier service support for USDA's FY 2020 Agricultural Outlook Forum held in Arlington, VA by delivering more than 69 exhibit items from 16 USDA agencies. The efforts of TS helped to ensure that some of the most critical transportation needs of USDA were met in a timely manner. Additionally, MRS supported USDA's Incident Management Team with two volunteers responsible for organizing and directing emergency response activities to incidents at USDA facilities in the NCR, such as fires, evacuation, and severe weather. MRS also supported USDA's effort in maintaining workflow continuity during the United States COVID-19 Pandemic by ensuring all USDA's mail and mail correspondence was delivered to its staff members, clients and business partners.

During FY 2020, MRS completed its update of staff position descriptions (PD) as new technologies across the printing industry and mail management processes drove changes in equipment acquisition, operating processes and workflow. The evolving industry revealed a need to align staff PD's to the new environment. During the review process, it was discovered that existing position descriptions could not be updated and would require completely new narratives. As a result of the efforts of the MRS leadership team, 10 Copier and Duplicating Services (CDS) staff and two Correspondence Management Unit (CMU) staff have transitioned to new PD's to include: seven Document Control Technicians (GS-05 to GS-07), two Supervisory Printing Services Specialist (WS-07 & WS-08 to GS-12) one Management Analyst (GS-08 to GS-12) in CDS; and two Supervisors (GS-07 to GS-09) in CMU. These efforts have helped to align MRS with the strategic goals of the organization, modernize the workforce, and increase employee morale.

During FY 2020, in support of USDA's One Neighborhood Initiative, MRS team members provided valuable service on Pack Teams. These teams operated on weekends to pack offices requiring transfer to other locations. Additionally, MRS supported the One Neighbor Initiative with shredding services to address years of paper documents stored in offices determined to no longer be required. MRS delivery of large receptacles on request for disposal of paper at offices ensured a convenient and effective move process for customers and streamlined operations for the shredding unit.

In FY 2020, MRS completed acquisition of new technology across the division with the upgrade of the SC Logic Mail Tracking System and submitted documentation to acquire Mail Lockers (Cluster Boxes) at the Washington, DC Headquarters location and the George Washington Carver Center. MRS was approved through the Acquisition Approval Request (AAR) process to upgrade the SC Logic Mail Tracking System to combine data tracking for Duplicating Services, Transportation Operations, Shredding Services, and Accountable Mail systems into one database. Simple jobs like Print Jobs, Interoffice Mail, Shredding Requests, and Transportation Requests no longer require initiation by phone calls and paper forms. Instead, with the SC Logic upgrade, USDA's customers were able to log into an online job-submission tool that would be hosted internally to USDA's network. This tool automatically notifies the appropriate CMU and CDS teams for the requested action to occur. In addition to electronic job request, the new SC Logic system will include a Management/Executive "Dashboard" for quick access reports on request status and other important information relevant to stakeholders. Additionally, USDA users will have "To-Do" screens that provide requestors with browser tools to check the status of their service requests for print jobs, accountable mail, and packages.

MRS's Departmental Mail Manager (DMM) has full oversight of Departmental Mail Management Regulations and policies under USDA's DR 3050-001 that is based on the Code of Federal Regulations, CFR 102-192 maintained by the General Services Administration (GSA). In FY 2020, the DMM sought to enhance a provision in the Departmental Regulation (DR) that agency and Staff Office Mail Managers must submit an annual postage budget estimate to the DMM. This initiative originated due to conflicting internal issues pertaining to how USDA agency and Staff Office Mail Managers obtain and provide financial data from their Budget Officers, which resulted in a lack of timely submission of budget estimates. The negative impact on the OCFO Budget Officer's process and non-compliance with the Postal Service's postage budget submission deadlines required action. Permission to effect revisions to the DR was sought by the DMM and subsequently approved by GSA, and the necessary revisions to the

Departmental Regulations have been completed, pending internal ratification. Furthermore, working in collaboration with the OCFO Budget Officer's team, the DMM's effort resulted in improved postage budget submission times by agencies, with the annual average submission rate of 50% increasing to 90% provided by the year's deadline. A draft of the revised DR has been submitted for review to the Office of Operations (OO), which has oversight of an approval project for DR amendments.

In FY 2020, MRS's DMM recognized that, due to the COVID-19 pandemic, changes to the communication processes between agencies would be necessary. The partial shutdown of business operations at USDA, due to the pandemic, created a need for expeditious communications to customers at the national level regarding USDA's National Mail Management Program. The DMM has served as a subject matter expert and key resource to agencies and senior management for information on mail safety and security, postage/shipping expenditures and budgets, policies and procedures, and vendors of mailing and shipping services (i.e., Postal Service, FedEx, UPS, Stamps.Com, postage meter vendors, etc.). The need for dependable mail management information became critical as the uncertainty and new challenges of a maximized telework environment and the requirements of the One Neighborhood Initiative took effect. MRS's DMM delivered a flexible and adaptive response and provided oral and written communications to meet customer and senior management needs at the national level in a professional, reliable, and timely manner. In particular, the DMM negotiated a special agreement with Stamps.Com to extend their PC Postage software services to teleworking employees at a significant discount.

In FY 2020, the Materiel Management Service Center's (MMSC) recycling and re-use programs continued to fully support Executive Order (EO) 13514, Federal Leadership in Environmental, Energy, and Economic Performance, which established an integrated strategy towards sustainability in the Federal Government, making reduction of greenhouse gas emissions a priority for Federal agencies. To this end, MMSC's staff tracked the reduction of greenhouse gases in its operations by using the Environmental Protection Agency's (EPA) waste reduction models (WARM) and Greenhouse Gases (GHG) Emissions Analysis Reports. MMSC recycling efforts in support of the EO included paper recycling, furniture reuse, and scrap metal recycling. In FY 2020, MMSC sustainability efforts enabled reduction of 207 metric tons of carbon equivalents, positively impacting the amount of greenhouse gases released into the environment.

During FY 2020, MMSC's Consolidated Forms & Publication Distribution Center (CFPDC) leveraged the efficiencies of web ordering and the inventory management system as well as capabilities of a new cloud-based system to meet the challenges of the COVID-19 pandemic. CFPDC received 1.9 million masks from the Federal Emergency Management Agency (FEMA) for distribution and protection of USDA employees across all agencies. CFPDC provided expanded services to the Food Safety and Inspection Service (FSIS) agency to support pandemic relief and delivery of specialty items and new personal protective equipment. CFPDC also provided over $2.8 million in sales and administrative support to FSIS operations nationwide. Overall, 44,627 packages were filled from 53,857 supply orders, totaling 332,048 units. Additionally, CFPDC oversaw customer support of the Base Supply Center (Online Retail Supply Store) and processed and shipped 13,355 orders, which included 51,657-line items filled and 139,903 units.

In FY 2020, MMSC's Centralized Excess Property Operation (CEPO) contributed over 871 units of recyclable electronics valued at $437,520 that have no reuse or re-sale value to UNICOR, Federal Prison Industries, Inc., a recycling program managed by the Department of Justice. Agencies are encouraged under the Federal Electronics Challenge to purchase greener electronic products, reduce impacts of electronic products during use, and manage obsolete electronics in an environmentally safe way. Additionally, CEPO oversaw the sale of 85 tons of scrap metal for revenues over $14,000. During FY 2020, CFPDC staff recycled 90 pallets or 45 tons of forms and publications in support of USDA environmental objectives.

FY 2020 marked completion of CEPO's seventh full year as a Federal Asset Sales Center with a total of 14 sales conducted rendering proceeds of $465,000, though sales were suspended in March 2020 in response to the COVID-19 pandemic. Additionally, the CEPO Rehab Program sold 54 units of refurbished furniture to USDA customers saving agencies an estimated $29,000 over the cost of new furniture. Additionally, CEPO operations reissued 552 pieces of furniture originally valued at $119,869, enabling cost savings for receiving agencies. CEPO provides excess supply support to USDA and 13 non-USDA agencies in the Washington, D.C. metropolitan area to ensure proper accountability and disposal for over 12,135 units of excess personal property. In FY 2020, income from all non-USDA agencies exceeded $70,000. Income from non-USDA agencies reduces overall costs to USDA agencies for CEPO services by distributing operating costs over a larger population of users.

In FY 2020, CEPO continued to provide USDA agencies with reusable excess flat screen monitors. CEPO tests,

adjusts, and cleans these monitors before making them available for transfer at no cost to USDA agencies (agencies outside the Washington, DC area pay shipping costs). In FY 2020, 180 monitors were reused, resulting in a cost avoidance of over $32,400. As in prior years, in FY 2020, CEPO worked diligently to provide excess computer equipment to schools and non-profit organizations in support of Presidential Order 12999 Computers for Learning (CFL) Program, empowering America's children for the 21st century. This program allows Federal agencies to transfer used or excess computers to schools and nonprofit organizations for the purpose of education. CEPO receives and screens an estimated 1,500 pieces of computer equipment daily with equipment selected for the CFL program placed in a holding area for testing and repair prior to donation to educational institutions. In FY 2020, CEPO reissued 831 computers to educational institutions in need, at a cost savings of $253,157.

In FY 2020, POD awarded over $1 billion in new obligations in support of its customer base to include construction, information technology solutions, civil rights support services, human resources support, and financial systems support. This was an increase of approximately 30 percent in obligated dollars from the previous fiscal year and accomplished during a successful transition to 100% telework due to the COVID-19 pandemic, with no service disruption to customers.

During FY 2020, POD played a vital role in the Secretary's One-Neighborhood Initiative. The George Washington Carver Center (GWCC) modernization contract was awarded for $75 million, a savings of $25 million from the Independent Cost Estimate, creating future savings for USDA projected at $10-11 million annually, in lease and related costs, when the project is completed in 2022. In FY 2020, POD made several expedited awards for moving services at GWCC, the USDA South Building, and the Whitten Building allowing the transition of personnel into "neighborhoods" at all three locations. These awards were made from existing BPAs established in anticipation of future service needs. An award for the flattening of the USDA network and reconnection of equipment was also achieved through a competitively awarded BPA placed in advance, allowing work to be awarded on an expedited basis while ensuring a fair and reasonable price.

In FY 2020, POD participated in a Program Management Review authorized by USDA's Senior Procurement Executive to evaluate the effectiveness and integrity of the acquisition function and compliance with Federal regulations and internal policies and procedures. The review indicated that internal controls, management and oversight as well as operational effectiveness established POD at a 98.7 percent compliant rating. Also, in FY 2020, POD formally launched a Procurement Innovation Effort initiative to drive innovation in acquisition, adopt better practices and techniques through all stages of the acquisition lifecycle, and achieve better outcomes for customers and the taxpayer. The effort included an ongoing educational series for contracting officers and acquisition-specific coaching services and will be expanded to include training for the customer base and rotational opportunities. Similarly, POD initiated a series of informal training sessions with the goal of developing a well-trained, highly skilled acquisition workforce while creating consistency and cross collaboration across the different branches and contracting officers. A total of 29 training sessions were conducted and recorded in FY 2020 that are available for on-demand viewing by POD staff.

During FY 2020, POD implemented a process and transitioned to 100% electronic contract files (paperless contracting). Electronic contract files increase efficiency and effectiveness in creating, reviewing and sharing contract files and documentation while reducing printing costs, floor space, and warehouse requirements. POD continued to increase its use of OMB designated "Best in Class" contract solutions for common goods and services, achieving an 86.2% Spend Under Management Rate (as of July 2020), an increase of 11% from FY 2019. Increasing Spend Under Management eliminates redundancies, increasing efficiency, and delivering greater value and savings to customers.

Finally, in FY 2020, POD awarded a five-year Enterprise License Agreement (ELA) for Salesforce, MuleSoft and Tableau that provided licensing for all USDA Mission Areas with a total value of $404 million. This agreement consolidated numerous contracts, leveraging purchasing power, and driving down costs for all USDA agencies. The Digital Infrastructure Services Center (DISC) estimates $68 million in savings over the life of this contract due to consolidation and volume discounts. Similarly, POD also negotiated to align contract licensing periods across the three main service areas and accelerated the award by two months to capture $3.9 million in direct savings from the Original Equipment Manufacturer.

Communications

Current Activities

Activities under this heading are managed by the USDA Office of Communications. The Creative Media and Broadcast Center (CMBC) provides creative design, video, multimedia and radio production studios, allowing agencies access to technology and content development with shared cost efficiencies. CMBC clients can reduce travel costs delivering mission outreach and training to field offices and the public. CMBC helps ensure the USDA brand value of "One USDA" guidelines and department regulations. CMBC promotes content marketing development and the growth of social media outreach. CMBC's creative services include: field video production, publication layout, illustrations, public service outreach, posters, brochures, websites, infographics, podcasts, banners, trade-show exhibits, visitor centers, special media events, and creative development and delivery of information campaigns.

CMBC's Core Services team provides USDA enterprise-wide benefits with maintenance and support of the www.USDA.gov web portal and a variety of USDA websites, social media tools, and platform accounts, such as USDA Facebook, USDA YouTube, USDA Twitter, USDA Instagram, and more.

Selected Examples of Recent Progress

In FY 2020, the Creative Media and Broadcasting Center's (CMBC) Digital Team continued to effectively manage USDA's Web Modernization Initiative by leading the Office of Communication, in partnership with the Office of the Secretary (OSEC), OCX, and OCIO, to create the strategies, planning, development of project plans, design and technical migration of website "look and feel" and hosting environments to USDA's common hosting platform. During FY 2020, the Digital Team successfully transferred a majority of USDA Staff Office websites from separate hosting environments to the integrated platform of USDA.gov, resulting in hundreds of thousands dollars in cost savings for hosting, maintenance, and security, as well as adherence to the unified standard required by the USDA branding and style guide.

Additionally, in FY 2020, CMBC's Digital Team provided immediate USDA response to the COVID-19 pandemic through development and redesign for a brand-new website for COVID-related materials. As a timely and immediate source for critical resources, the website displayed CMBC's commitment to meeting emerging needs, constantly improving the delivery of information, and creating an efficient and relevant user experience. Furthermore, CMBC developed social media strategies and prioritized responses for COVID-19 related activities. Using a centralized approach to coronavirus response, the Digital Team developed efficiencies and time/cost savings by providing one consistent electronic response from the Department, versus a response from all 29 agencies and offices, to ensure clarity and impact of all communications.

In FY 2020, CMBC's Creative Team, in response to COVID-19, provided critical support to USDA leadership in delivering timely video messages to staff and the public, including several outreach videos on USDA's Coronavirus Food Assistance Program. Additionally, the Creative Team provided coverage and tactics promoting the Farmers to Family Food Box program, which brought relief to farmers unable to sell and families unable to work and buy food due to the impact of the Pandemic. Also, in FY 2020, the Creative Team provided essential and mission services with staff traveling to capture seasonal footage and produce planned video programming for agencies while working with them to transition to on-line presentations that replaced in-person events, due to COVID-19.

Financial Management

Current Activities

In addition to its responsibilities for the administration of the WCF, OCFO manages the following WCF activities (all activities in Washington, D.C., unless otherwise noted):

- Associate CFO Shared Services (Washington, DC; New Orleans, LA);
  - Financial Shared Services (FSS);
  - Pegasys Financial Services (PFS);
- Financial Management Support Services (FMSS);
- Internal Control Support Services (ICSS); and
- National Finance Center (NFC) (New Orleans, LA; Denver, CO).

Designated by the Department of Treasury as a Federal Shared Services Provider, FSS administers the Financial Management Modernization Initiative (FMMI) system to provide financial management services to USDA agencies. FSS is responsible for providing accounting services; administrative payments processing and disbursement certification; standard financial systems; Intragovernmental Payment and Collection (IPAC) Suspense Clearing; Property Suspense Clearing and Inventories; Fund Balance with Treasury (Net); and Treasury reporting. FSS maintains the Department-wide master data file for vendor payments and issues Internal Revenue Service Form 1099 to government contractors. FSS also administers several other financial management systems to support USDA agencies and organizations including: travel, personal property, real property, telephones, utilities, miscellaneous income (1099 reporting), Automated Cash Reconciliation Worksheet System, Corporate Property Automated Information System (CPAIS) Real Property management system, and the Online Tracking and Reconciliation System for intergovernmental financial transactions. FSS supports the processing of USDA data through other organization-owned systems, which include domestic travel, purchase card transactions, and procurement activity using the Integrated Acquisition System (IAS).

PFS was established to serve the financial management needs of multiple agencies as a shared service provider with the General Services Administration (GSA) as its largest client. PFS currently operates the Enterprise Financial Management Systems for GSA. This includes Pegasys Financials, Financial Management Information System (FMIS), Central Contractor Registry Connector (CCRC), Vendor Customer Self Service (VCSS) portal, and 20 support applications. In addition, PFS also maintains 40 interfaces to GSA managed systems that feed transactions to the core financials. The systems that PFS supports and maintains currently process 100 percent of the collections and record 100 percent of the disbursements for GSA.

FMSS provides financial management administration, fiscal reporting and budget execution services to WCF Activity Centers and staff offices. It provides a combination of timely, reliable, and relevant funds execution, financial analysis, financial advice, the status of funds reporting, budget formulation and forecasting as well as a dedicated response to ad-hoc requests that allows its customers to make sound fiscal decisions in managing and maximizing their own resources.

ICSS promotes and supports the USDA's internal control program by assisting USDA agencies in their internal control compliance efforts. As part of its services, ICSS plans and manages the Department's annual assessment of internal control over financial reporting and promotes best practices across the Department to gain consistencies and efficiencies related to internal control for financial processes, administrative processes and information technology. ICSS also provides training programs, group presentations and other support services to improve the Department's internal control program and to increase the Department's awareness of emerging events and current trends related to internal control.

The NFC processes payroll for over 600,000 Federal employees on a bi-weekly basis. Additionally, NFC provides back-end processing and reconciliation for Office of Personnel Management (OPM) government programs, including the temporary continuation of health care coverage, balancing Federal employees' election of health benefits with insurance carriers, and providing back-end processing of insurance elections allowed under the Health Care Reform Act. NFC is an OPM-designated Human Resources Shared Services Provider and continues to support Federal initiatives by fully participating with OPM in executing its shared services role providing human resources, payroll, and data center services to Federal agencies.

Selected Examples of Recent Progress

In FY 2020, FSS implemented Phase 1 of the DATA Act Information Model Schema (DAIMS) changes supporting COVID-19 Pandemic reporting. DAIMS version 2 addressed reporting requirements of the Coronavirus Aid, Relief, and Economic Security (CARES) Act and guidance released in OMB Memorandum M-20-21: Implementation Guidance for Supplemental Funding Provided in Response to the Coronavirus Disease 2019 (COVID-19) to collect and report on COVID-19 related expenditures. Phase 1 included the following changes, which were mandated to be implemented to support COVID-19 reporting requirements starting in Fiscal Year 2020 Period 09: addition of Disaster Emergency Fund Code data elements, requirement for agencies with COVID-19 spending to include outlays for COVID-19 awards, and the requirement for agencies with COVID-19 spending to report monthly on all spending.

During FY 2020, FSS conducted an annual System and Organization Controls 1 Type 2 examination of the FSS Financial Systems in accordance with Statement on Standards for Attestation Engagements Number 18 (SSAE 18) with the result of no control failures or findings. The systems examined were FMMI, Financial Statements Data Warehouse, and CPAIS (CPAIS) Real Property and Personal Property for the period of October 1, 2019 through June 30, 2020. This examination was key to ensuring the integrity and accuracy of USDA and its agencies' financial

statements. USDA agencies can leverage the results of the SSAE 18 audit, which yields a cost savings for USDA by eliminating the need for the replication of these reviews for individual agencies.

Also, in FY 2020, FSS integrated the Web Based Supply Chain Management (WBSCM) system into FMMI. WBSCM is a fully modernized and integrated Internet-based commodity ordering, acquisition, distribution, and tracking system, built on the Systems, Applications and Products (SAP) software platform. USDA agencies, including Agricultural Marketing Service (AMS), FNS, Foreign Agricultural Service (FAS) and Farm Service Agency (FSA), utilize WBSCM for their operations. Prior to the FMMI integration, manual postings were performed periodically in each system to synchronize their operations. The project integrated FMMI and WBSCM using automated interfaces and reduced manual time-consuming activities and data errors while increasing the financial integrity of both systems. FMMI is now the financial system of record that performs disbursing and handles budget availability.

Additionally, in FY 2020, FSS upgraded the SAP Enterprise Resource Planning Central Component (ECC) to Enhancement Pack 8, Customer Relationship Management to Enhancement Pack 4, and Business Warehouse to version 7.5. These upgrades enhanced services to add value and drive efficiency and effectiveness of internal operations, as well as reduced risk to the business and customers through consistent and stable business processes and systems performance. Furthermore, the upgrades drove efficiency in resource allocation to promote scalability, increased quality for the customer, and allowed for extended vendor support. The upgrades also addressed prerequisites and dependencies for future SAP Business Suite 4 SAP HANA (S/4HANA) adoption/migration and performance benefits.

Also, in FY 2020, FSS upgraded ANCILE uPerform to version 5.4, which resolved previously identified security vulnerabilities that had caused FMMI Online Help to be taken offline until the vulnerabilities were remediated. The upgrade allowed for extended vendor support as the vendor support of the previous version was ending. This upgrade also came with key benefits that enabled FSS to better serve customers, including single sign-on support, updated learning course features, enhanced search capabilities, updated technology to handle current media file formats, and availability of dashboard reporting of usage and performance.

In FY 2020, FSS implemented a new physical HANA appliance for FMMI, which in its current state, for the production ECC system, had reached its capacity and could not be scaled up. The FMMI application was experiencing performance issues associated with the growth of the application while the memory threshold was being exceeded, causing degradation. Coupled with the planned influx of FSA data associated with the FSA Financial Improvement Program (FFIP) project, a larger physical HANA server was procured and implemented with nine terabytes of memory to accommodate the full integration of FFIP and address system performance issues related to memory.

During FY 2020, FSS upgraded the ezFedGrants recipient portal software (Pega Platform) to the latest version of Pega, which resolved key issues identified from the Pega Design Review, implemented permanent solutions to tickets entered and processed through Operations and Maintenance support, implemented time-saving functionality that was suppressed or not available in the prior version of Pega, and enabled/implemented security enhancements. FSS upgraded the Pega Platform from Pega 7.1.6 to Pega Infinity, which remedied a series of design flaws in the prior version. The upgrade and subsequent enhancements will allow FSS to take advantage of new features Pega has embedded and deliver a more optimal experience to customers, while staying current with security requirements and allowing delivery of a more effective grants management system. Similarly, FSS conducted a National Institute of Food and Agriculture (NIFA) Release 2.0 project to improve the closeout process for the grant agreements process and address improvements to budget data in Pega. The project also addressed other NIFA specific ServiceNow incidents related to ezFedGrants. These improvements continue to move NIFA towards being able to utilize ezFedGrants for competitive grants.

Finally, FSS conducted a Surge Project in ezFedGrants to review and reduce the historic ServiceNow incident backlog of 600+ system defects and enhancements. The Surge Project review eliminated duplication of incidents, completed items, incidents with vague requirements, and enhancements that were better suited for a future Grants Solution. The review resulted in reducing the ezFedGrants ServiceNow incident backlog down to 165 incidents. This project also provided improved Governance recommendations and paved the way for the largest ever ezFedGrants Operations and Maintenance (O&M) release at 19 defects/enhancements implemented in July 2020.

In FY 2020, to comply with financial reporting requirements of the U.S. Department of Treasury and OMB, PFS supported client agencies working toward implementation of the government-wide G-Invoicing initiative. Through active participation in planning and impact analysis meetings; reviewing and commenting on the General Services

Administration's (GSA) implementation plan; and drafting a base template for the Boards and Commissions implementation plans, PFS furthered the G-Invoicing project.

To streamline labor-intensive repetitive processes and identify improvements to reduce time and labor hours, in FY 2020, PFS identified three functions to automate utilizing robotics: Cost Transfers, Payroll and Travel Cost Transfers; Treasury Daily Cash file downloads; and User Separations. As part of this initiative, selected PFS staff completed UiPath Robotics Certifications to support the development of these and future robotic projects.

Additionally, PFS partnered with GSA to implement additional projects including:

- User Separation RPA - automated the process to remove and deactivate separated USDA users from specific USDA systems (Pegasys, CCRC, and VCSS) while enhancing security and restriction of unwarranted users from accessing USDA information. Projected savings from this effort are anticipated to be 520 hours with associated cost savings of $16,812 annually.
- Payroll and Travel Cost Transfers - automated the processing of payroll and travel cost transfers creating projected savings of 312 hours with associated cost savings of $9,118 annually.
- FedPay IPAC - automated the processing of 3,000-5,000 IPACs per month, significantly increasing the accuracy and efficiency for both USDA and GSA. Projected savings from this effort are anticipated to be 1040 hours with associated cost savings of $36,514 annually
- Obligation Status Report Reconciliation - automated the consolidation of the Open Obligation Status Reports and Trial Balances while completing reconciliations and identifying variances. Projected savings from this effort are anticipated to be 312 hours with associated cost savings of $12,696 annually.
- Prior Year Recoveries - automated the downloading of data, reconciliation, and creation of a validation file of prior year recovery transactions and the processing of reversal entries to correct invalid prior year recovery entries in Pegasys. Projected savings from this effort are anticipated to be 480 hours with associated cost savings of $17,362 annually.

During FY 2020, PFS reestablished an automated process to generate Federal Allowance for Loss Entries based on revised Department of the Treasury requirements that reversed a previous Treasury decision to discontinue the recording of federal allowance for loss on doubtful accounts. PFS led this effort, supplying the calculation used in previous years to be reviewed by GSA, the Financial Information and Operations Division, and the Financial Services Division. Meetings were conducted to review the calculation and test results before final approval was provided to reestablish the automated processes. PFS successfully incorporated the allowance entries by the June 2020 deadline with no significant issues.

Also, in FY 2020, PFS completed the annual Statement of Standards for Attestation Engagement (SSAE) 18 Audit. PFS documented the System and Organization Controls (SOC) 1 System Description, which included description of financial services provided by PFS, scope of the Pegasys system, internal controls framework, risk assessment process, and control activities covering general information technology controls as well as application and transaction controls. The audit resulted in zero Notification of Findings and Recommendation (NFR) and PFS received an unmodified opinion by Brown, Smith and Wallace LLP for the time frame of July 1, 2019 – June 30, 2020.

Finally, in FY 2020, PFS led and managed the development and implementation of an enterprise solution for an automated transfer of lease documents, lease actions, and data between GSA's Public Buildings Service Real Estate Across the United States (REXUS) system and USDA's Pegasys financial system in July 2020. The interface automated the manual management of lease profiles and lease document templates within Pegasys allowing REXUS users to submit specific lease information via GSA's Financial Management Enterprise Service Bus, eliminating the need for manual entry into Pegasys. This project streamlined and automated approximately 8,000 leases and eliminated the manual entry process of over 17,000 lease transactions per year creating a projected annual savings of $565,000.

In FY 2020, FMSS provided a combination of timely, reliable, and relevant funds execution, financial analysis, financial advice, fiscal reporting, budget formulation and forecasting for OO, Office of Human Resources Management, Office of Property and Fleet Management, Office of Contracting and Procurement (OCP), Office of Small and Disadvantaged Business, Office of Partnerships and Public Engagement, OCIO, OCFO, Office of Homeland Security, OSEC, Office of the Executive Secretariat (OES), and Office of Security, Safety and Protection enabling these organizations to make sound fiscal decisions in support of the Department's strategic goals.

In FY 2020, FMSS executed over $354 million in budget authority across 14 Appropriated accounts, 19 Shared Cost Programs, 146 program reimbursements, eight Working Capital Fund accounts, three Administrative Support Costs

accounts, two Farm Bill accounts, and seven No-Year accounts. In doing so, FMSS managed the Fiscal Service Forms 7600A and 7600B Interagency Agreement process, executed spending, processed billings and collections documents, and monitored budget availability to ensure that abnormal balance issues were resolved. FMSS performed extensive budget formulation and forecasting activities for OES reorganization in August 2020. The reorganization required moving two business lines to Office of the General Counsel and Office of Budget and Program Analysis. OES reduced its FY 2021 budget by $4.3 million and FY 2022 budget by $3.6 million due to the reorganization.

In FY 2020, ICSS developed and implemented a new risk-based approach to determine the scope of the annual assessment of Internal Control Over Reporting. This new process incorporated the use of both quantitative and qualitative factors in making scoping decisions, and yielded risk ratings for business processes as "low", "medium", or "high". Business processes with a rating of high were required to be tested. Similarly, and for the first time, ICSS implemented an assessment of data quality compliance for the DATA Act Reporting process. This assessment identified several internal control deficiencies across the agencies/Staff Offices assessed that could subsequently be corrected, creating a more secure and compliant operating environment for USDA.

ICSS delivered Business Process Controls and General Computer Controls (GCC) trainings to agency and Staff Office points of contact and Management Control Officers as part of the annual assessment to improve the understanding and quality of required deliverables throughout the assessment year. Additionally, at the beginning of FY 2020, ICSS's Senior Assessment Team established target closure goals of 39 percent and 72 percent for Corrective Action Plans (CAP) and Plans of Action and Milestones (POA&M), respectively. ICSS assisted agencies and Staff Offices in achieving CAP and POA&M closure rates of 27 percent and 67 percent, respectively.

ICSS performed semi-annual spot testing of POA&M closures to ensure compliance with the Departmental POA&M closure policy and procedures. In addition, the spot testing effort assessed the quality of the GCC POA&M corrective actions performed by USDA agencies and Staff Offices. In FY 2019, 37 POA&Ms were closed as compared to 23 closures in FY 2020. In FY 2019, nine POA&M closures were spot tested, and 23 POA&M closures or 100% of the closures were tested by ICSS. FY 2020 reviews did not yield any responses that warranted changes or re-opening of any of the closed POA&Ms.

Finally, in FY 2020, ICSS performed annual spot testing of key controls for business processes that passed testing in FY 2019. Spot testing was performed on 85 processes in FY 2020, as compared to 23 processes tested in FY 2019. This involved testing of 131 controls for 17 agencies, a 5% increase in total tests performed as compared to FY 2019. ICSS came to the same testing conclusions as the agency testers in 130 of 131 samples tested with the one exception resulting in a change in test result for Monitoring – Purchase Card due to ICSS's internal review finding.

During FY 2020, the NFC successfully demonstrated results to achieve its mission for executing shared services activities for human resources and payroll services, products, and programs. The year brought unique, unexpected and unprecedented challenges and changes, specifically regarding the COVID-19 Pandemic. However, NFC continued to provide premiere services to the more than 600,000 employees serviced through its portfolio of customer agencies. During this time, the performance of NFC leadership team members exceeded expectations. Because of the close alignment between the Administrative, Operational, and Technical leaders within NFC, the functional teams reporting to these leaders were able to deliver services without interruption, despite the challenges of the pandemic.

In FY 2020, NFC processed 198 annual Interagency Agreements (IAA) totaling $138.5 million for services that covered the Payroll/Personnel System, EmpowHR and associated licenses, Paycheck 8 and associated licenses, WebTA and associated licenses, and Office of Personnel Management (OPM) Insurances Lines of Business. 142 customer specific IAAs were completed for a total funding source of $4.4 million. Additionally, NFC successfully completed 278 software change requests providing new capabilities, improved efficiencies and/or modern techniques for mainframe-based applications as well as web-based applications that utilized data hosted on the mainframe.

Additionally, NFC's Operational achievements in FY 2020 included the following accomplishments that are reflective of the critical role NFC plays in support of the United States Federal Government and its workforce:

- Processed a cumulative total of 32,480,210 biweekly salary payments using 1,015 payment schedules totaling $83.3 billion in gross salary payments for the year
- Issued 709,966 Form W-2s for calendar year 2019 before the January 31 deadline

- Complied with the provisions of the Affordable Care Act and issued 665,496 Form 1095-C for calendar year 2019 by the February 28, 2020 deadline
- Processed 341,605 manual payments in 502 daily payment schedules totaling $262 million
- Processed 19,364 debt collections totaling over $19 million
- Generated over 150,000 automated bills
- Submitted 2,880 delinquent debt claims to the Treasury Offset Program and Cross Servicing totaling over $3.4 million
- Serviced 95,978 telephone inquiries through the NFC Contact Center

In FY 2020, in response to the pandemic, NFC successfully implemented provisions of the Coronavirus Aid, Relief, and Economic Security (CARES) Act (Public Law 116-136, March 27, 2020) containing two sections providing agency heads with the authority to waive the bi-weekly premium pay limitation found under 5 U.S.C. 5547(a). This regulation provided a higher annual premium pay cap and excluded premium pay from the aggregate limitation on pay found under 5 U.S.C. 5307 for work performed in response to COVID-19. NFC rapidly completed complex system modifications and implemented the provisions of the act by adding two new transaction descriptor (TD) values for COVID-19-related premium pay worked under these authorities. Furthermore, on August 8, 2020, the President signed an Executive Order to defer employees' Old Age, Survivors and Disability Insurance (OASDI) deductions, commonly referred to as Social Security, due to COVID-19. NFC quickly enacted system modifications to the Payroll/Personnel System eliminating OASDI employee deductions for all eligible employees. The change was implemented in a manner that allowed for the continued calculation of the remittance of the employer portion of OASDI while effectively adapting to the complexity of withholdings that varied by employee, Pay Period, and agency within NFC's diverse customer base.

During FY 2020, the pandemic prompted rapid changes in the way organizations communicate, collaborate, and function. In response, NFC capitalized on its previous experiences with swift transitions that resulted from natural disasters and other unplanned disruptions to standard operations. Due to rigorous preparation, the entire NFC workforce was equipped, trained and prepared to productively telework. Within hours of notification, the organization shifted all business operations to telework without disruption to the customer or information technology systems maintained by the organization. With the support of a small cadre of employees, NFC sustained critical operations, which required an on-site presence, large volume printing, facility management, personnel security services, and mail center services. NFC maintained the only open Credentialing Station in the greater New Orleans area and rendered services not only to OCFO employees, but also employees and contractors of several Federal agencies in the greater New Orleans area. Collaboration tools such as Microsoft Teams, Adobe Connect, and Zoom were quickly adapted to maintain close contact with employees and customers while NFC's schedule of Customer Board meetings, Vendor/Contractor Meetings, and interaction among business units continued with great effectiveness and efficiency. To support the well-being of employees during an unprecedented time, NFC leveraged its partnership with the Federal Occupational Health Service to provide useful tips, online seminars, and helpful information on health promotion for employees. During this time, the sixth cohort of NFC's employee mentoring program launched with more than 50 employees participating in virtual sessions. Also, during this period, payroll processing, NFC's core service offering, was sustained without disruption or major changes to processing timelines. Showing even greater adaptability while addressing the Pandemic, NFC simultaneously responded to multiple Continuity of Operations Plan (COOP) events prompted by the very active 2020 Atlantic Hurricane Season. Personnel deployed to the Alternate Worksite on three occasions and weathered additional events while teleworking in the greater New Orleans area.

Amid the pandemic, NFC collaborated with OPM to enact process improvements for retirement processing. NFC has conducted retirements processing for its customers on behalf of OPM for more than thirty years, and when faced with an increased number of cases and a customer base that recently transitioned to maximum telework, NFC immediately leveraged tools in its suite of digital systems to transform the submission process. In lieu of submitting paper-based forms through the U. S. Postal Service or other courier services, NFC customer agencies were transitioned to a completely digital file submission process. The digital case files were received, reviewed, and processed by staff who were themselves teleworking or in some instances working on premise at the organization's offices. In addition to improving efficiencies on the submission of the case files, the process improvement also yielded improved tracking and reporting of cases, reduced mailing expenses, and value-added organization of case files.

In FY 2020, NFC completed its Data Center Migration project, a 24-month plan to migrate the NFC's Primary Computer Facility (PCF) from Lakewood, CO to Kansas City, MO. The PCF was closed, and associated contracts

terminated in Lakewood, saving the Department millions of dollars. The successful close out of PCF was completed in June 2020 with the transitioning of End User Support Service activities to OCIO/CEC, completed in May 2020. NFC continues to work with OCIO on stabilization and standardization.

During FY 2020, NFC continued its investment in transforming and streamlining Customer Service offerings by continuously introducing new ServiceNow (SN) capabilities. NFC introduced a new revamped Customer Service Portal during a successful upgrade to the SN Madrid version, which included a digitized ticket counter with the ability to launch a list view of open Incidents and requests; modernized ticket search capability allowing for quick access to customer open/closed tickets; and added ability for customers to delegate access to other users within their organization or agency, allowing continued customer support when out of the office. New SN Service Catalogs and functionality for Retirement Requests and Military Service Deposits allowed electronic submission of cases. Additionally, NFC introduced a new auto-encryption capability for attachments that could contain protected Personally Identifiable Information/ Health Insurance Portability and Accountability Act information. Furthermore, to ensure the best user experience, NFC uploaded a complete catalog of Customer Service Portal training videos that are now available on its website via NFC University. Moreover, NFC positively impacted its Security Posture by successfully migrating its Service Now instance from a FedRAMP Moderate Facility to a FedRAMP High Facility; launching auto-encryption of attachments for Retirement Requests and Military Service Deposits; creating a Privileged User Security console to proactively track usage of elevated security admin privileges; and inheriting new Authority to Operate (ATO) via Service Now's FedRAMP High presence.

Finally, in FY 2020, NFC continued to demonstrate a focus on ensuring civil rights compliance and commitment in the workplace. This focus included the annual reporting of compliance with Equal Employment Opportunity Commission (EEOC) Management Directive (MD)-715 requirements for required policies and equal employment opportunity (EEO) postings, settlement agreement compliance, and resolution of all related issues. In FY 2020, informal complaints were processed in timely manner and in compliance with the EEOC guidelines, and NFC has experienced zero sanctions. Through a partnership with the Office of the Assistant Secretary for Civil Rights and EEO investigators, NFC ensured that 100 percent of all investigations were completed within required timeframes. NFC continued to provide requisite civil rights training to employees collaboratively with the Office of the General Counsel. Additionally, to improve the customer experience and establish permanency in leadership, a critical review of the Civil Rights and Conflict Management Office (CRCMO) Chief position resulted in a reclassification to GS-260-14/15, with a strategic leadership focus equivalent to many other USDA mission area positions/programs. A selection was made, and the new CRCMO Chief was onboarded in October 2020.

Information Technology

Current Activities

The following activities under this heading are managed by the Office of the Chief Information Officer (OCIO) and are managed in Washington, D.C., unless otherwise noted:

- Client Experience Center (CEC); (Washington, DC and field operations nationwide)
- Departmental Administration Information Technology Office (DAITO); (Washington, DC)
- Digital Infrastructure Services Center (DISC), which includes:
    - National Information Technology Center (NITC); (Kansas City, MO and St. Louis, MO);
    - Enterprise Network Services (ENS); (Fort Collins, CO)
    - Enterprise Application Services (EAS); (Fort Collins, CO)

The CEC, under the OCIO, provides comprehensive, fee-for-service Information Technology (IT) associated operations, security, and technical support services to a fully-supported customer base of more than 35,800 USDA end-user workstations in nearly 3,400 field, state, and headquarters offices located across the United States, its territories, and protectorates around the globe, incorporating the full end-user IT services infrastructure roles of the Office of the Secretary, Farm Production and Conservation (FPAC), Rural Development (RD), and the Staff Offices. Additionally, CEC continues to implement and manage enterprise IT solutions for over 122,000 users Department-wide, offering large scale benefits to all agencies, including reduced overall IT expense, heightened security posture, and a robust and responsive infrastructure that continues to increase productivity and efficiencies. These enterprise service offerings include robust cloud-based Messaging Services, Active Directory, Virtual Private Network (VPN), Mobility Management, Video Teleconferencing, Workstation Image Management, Managed Print Services, and Fax2Mail.

CEC continues to pursue modernization efforts, innovation, and enhanced IT Service Management (ITSM) aimed at optimizing IT resources, reducing costs, improving availability, tuning capacity and throughput, strengthening scalability, improving the quality of IT services delivery, and addressing the needs of stringent data security requirements and the evolving USDA computing environment. Moving customers from a decentralized to a centralized architecture provides added protections to secure confidence on the part of farmers and rural communities that USDA is trustworthy with personally identifiable information and financial data and protects the larger Federal community from cybersecurity attacks and penetrations by rogue nations and others. To that end, CEC will continue to provide the latest in IT advances to create an improved enterprise architecture while delivering enhanced customer satisfaction.

CEC also plans, acquires, implements, and manages IT resources, including software licensing and technical support. It provides file and print, remote access, desktop support, wireless messaging and agency application services for OSEC and OCIO. CEC maintains and administers the USDA telecommunications equipment and services inventory in the D.C. Headquarters Complex, provides USDA locator and automated telephone directory employee locator services, administers the Departmental voice mail system service, and maintains and operates the USDA Secretary COOP site. CEC also provides technical and operations assistance on data networking telecommunications systems, design, installation, operation, and management of shared services provided on Departmental Headquarters networks and platforms.

DAITO provides centrally managed, value-added IT solutions to Departmental Administration (DA) and Staff Offices to meet the functionality, accessibility, and compliance requirements of governing bodies and users. DAITO ensures consolidated, streamlined, and comprehensive IT offerings to allow DA and Staff Offices to focus on their core mission and values through a suite of Investment Compliance, Security Compliance, Customer Service Compliance, and Service Delivery/Operations Support services.

DISC specializes in enterprise IT solutions. The USDA Enterprise Data Centers managed by DISC are in the following locations: Kansas City, Missouri and St. Louis, Missouri. DISC services operate seven days a week, twenty-four hours a day, every day of the year under four categories of service.

First, the Hosting Services business line encompasses cloud, managed, and collocation data center hosting services as well as key professional and security services to provide cost-effective enterprise-class hosting solutions for the Federal community. Cloud services include standardized Software, Platform, and Infrastructure-as-a-Service offerings that are delivered via secure, fully-managed infrastructure that includes ongoing technology refresh, key inheritable operational controls, and are competitive to the marketplace.

Second, the Workforce Development (AgLearn) business line includes among its primary services delivery of the enterprise learning management system and licensing and help desk support for end-users and agency administrators. AgLearn provides support for testing and implementation of custom agency mission-critical training; administration and delivery of mandatory training programs such as Cyber Security, Ethics, and Civil Rights; and acquisition, integration and promotion of available training opportunities within AgLearn. In addition, this program created and manages the award-winning IT Fellows program to promote the development of senior-level staff.

Third, the Enterprise Application Services (EAS) business line provides program management and software engineering services across USDA agencies and non-USDA agency customers. It leverages employee expertise in software application development and integration of information technology resources to provide high-quality, cost-effective results in partnership with project stakeholders. In addition, it provides innovative IT solutions that support the mission of USDA.

Fourth, Enterprise Network Services (ENS) provides Department-wide telecommunications management support and a variety of enterprise services, in addition to an integrated information system for inventory management, billing, reporting, and validation. This enterprise system is used for engineering and streamlining the Department-wide telecommunications network environment and ensuring that agency telecommunications network solutions are compliant with Departmental program goals and objectives. ENS provides services to all USDA agencies to ensure the optimal performance of applications on the USDA enterprise network, network access to the public Internet network and partner networks for mission delivery, and to allow application owners to manage risk and achieve cost avoidances.

Selected Examples of Recent Progress

During FY 2020, to further the Secretary of Agriculture's One-Neighborhood Initiative's Network Modernization portion, the Client Experience Center (CEC) achieved majority completion on three of four critical elements. With 80% completion on the Network Asset Inventory and Assessment Services element, CEC designed, developed, and populated a usable IT Infrastructure database, providing CEC's Infrastructure Operations Division with an ongoing operational platform for network equipment and infrastructure management. Additionally, CEC achieved 95% completion on the S100 to 0410 Computer Room Migration relocation of IT infrastructure hardware to a new computer room in support of voice, data, and video networks in the USDA Headquarters complex. The migration included a new backbone OM4 fiber optic network throughout the USDA South Building. Finally, with 100% completion on the Network Flattening element, CEC delivered on its commitment to integrate, or "flatten" the USDA classic Ethernet network that was both hierarchical and siloed, with approximately seventeen separate siloed, and multi-tiered local area networks. Overall, CEC enabled the physical relocation of 4,500+ employees, overcoming extensive Virtual Private Network and Virtual Routing configurations challenges that required the creation of a software-defined network consistent with one large, virtual, switch fabric. Now, any employee can plug into any port within the USDA Headquarters complex and have access to network and voice services on demand.

In FY 2020, with respect to Investments and Security Systems, CEC restructured Capital Planning Investment Control (CPIC) investment reporting through the modification of four Major investments and two Type 04 investments into seven Major investments and two Type 04 investments. This innovation was achieved by aligning CEC's investments, business services, and information system security boundaries. As a result, CEC became better positioned to enact risk-based decisions on system vulnerability mitigations by having business data on cost, performance and consumption on-hand for use in the alternative analysis element of POA&M.

With an agile and comprehensive response to thousands of staff shifting to telework in FY 2020, due to the COVID-19 pandemic, CEC displayed the robust capabilities of its network and impressive flexibility to provide support to enable it. Through its IOD, CEC reacted with swift and effective innovation to ensure the network would not faulter. Working with industry partners, like Microsoft and Citrix, and in close cooperation with the Technical Services Division, IOD assembled teams of network engineers to develop new ways to support the massive shift in how and from where USDA personnel worked. With the Split Tunneling solution, CEC addressed the issue of massively increased data traffic destined for the Internet passing through CEC's Virtual Private Network (VPN). As internet-destined traffic flows on the VPN, it competes for bandwidth with internal VPN traffic, creating a high potential for data congestion and decreased speed. By providing two pathways for this data by implementing split tunneling, these two lanes of traffic were separated, radically increasing data throughput for all network users. Specifically, the impact of this innovation could be seen through the quality of Microsoft Teams® audio and video that remained clear, despite increased traffic, with little video "stuttering".

Concerning cost savings for the Department, CEC's Vendor Management Services Branch's (VMSB) re-compete of hardware Blanket Purchase Agreements (BPA) at the end of FY 2019 provided an easy and inexpensive method for USDA organizations to purchase their devices. In FY 2020, on average across the three contracts, VMSB saved CEC and the Department approximately 30% off General Service Administration (GSA) pricing for new devices (i.e., desktop, laptop, and tablet computers) and approximately 5% off compatible accessories included in the contracts.

From an initial authorization in 2017 by USDA's Deputy Secretary, CEC has maintained consistent momentum with its End User Consolidation (EUC) program, and as FY 2020 came to a close, CEC completed final Mission Area on-boarding actions to complete the EUC project on schedule in October 2020. Through the efforts of six dedicated EUC Project Teams, working in-parallel to ensure comprehensive support for all Mission Area end users, CEC not only increased the strategic focus of IT leadership and staff in USDA's respective Mission Areas, but also reduced the cost of providing services and USDA's cybersecurity vulnerabilities. Parallel to the EUC effort, CEC's ongoing work with the MPS-Xerox project, to create a secure print, copy, fax and scan environment with fewer but more powerful devices and a smaller environmental footprint, has resulted in installation of approximately 8,300 devices for 10 participating agencies. With the completion of the EUC project, CEC will see even more Requests for Service being submitted during FY 2021. Finally, CEC Cloud environment capabilities established in FY 2020 will be used as a standardization platform or "landing zone" for the End User Consolidation throughout FY 2021 for Mission Areas services that are cloud-ready.

In its first year as a Working Capital Fund Activity Center, DAITO, with respect to Security and Investment Compliance, was accountable for 11 "At Risk" Systems, as identified by USDA's Information Security Center

(ISC), across the various Mission Areas and Staff Offices it supported. To address these critical vulnerabilities, DAITO Security Staff collaborated with the Mission Area and Staff Offices and successfully corrected 100% of the "At Risk" systems. As a result, DAITO ensured maximum compliance of all IT systems with Federal Information Security Modernization Act (FISMA) requirements and delivered overall IT Security enhancement.

In FY 2020, to identify privacy requirements for supported Mission Areas and Staff Offices, DAITO conducted a Privacy Threshold Analysis for all systems, now at 85% completion. The Privacy Impact Assessment documents developed supported DAITO's commitment to meeting the respective privacy requirements demanded by the Privacy Act of 1974, Computer Matching and Privacy Protection Act of 1988, and E-Government Act of 2002.

With a commitment to cost savings, in FY 2020, DAITO implemented Department-wide processes to streamline Acquisition Approval Requests (AAR) processing time, now achieving approval in under 10 days on average, reducing labor hours and allowing acquisitions to be awarded in less time. Additionally, DAITO developed and implemented standard risk management plans, acquisition management plans, and risk registers to be leveraged across Departmental Administration (DA) and Staff Offices (SO), ensuring consistency across offices and saving time by avoiding duplicating forms separately.

In FY 2020, DAITO's Enterprise Web Application Platform Services (eWAPS) continued to innovate and modernize its platform through the removal of three legacy sites, deployment of eight new websites, and the start of consolidation of 20 websites (Departmental Administration and Staff Offices) under the USDA.gov umbrella. Additionally, eWAPS implemented a vendor Blanket Purchase Agreement (BPA), valued at $50 million, to be leveraged by the Department for the USDA Secretary's Web Modernization Initiative. The Department-wide BPA will provide open-source website development, platform operations and maintenance, web content migrations, user experience design/user interface design, and other web modernizations services. Overall, DAITO's investment advanced the Department towards the Secretary's goal of one platform and "look and feel" for USDA's online presence.

Finally, concerning DAITO's Multimedia business, FY 2020 saw revenue results far exceeding expectations with more than $2.9 million in revenue generated, $1.6 million more than in FY 2019, by the DAITO/Multimedia audio bridge and Webinar services. In the wake of the COVID-19 pandemic, DAITO Multimedia successfully maintained the same level and quality of service to customers, meeting unprecedented demand amid a maximized telework environment. Due to impact of the pandemic, DAITO's conference bridge system usage increased from 800 lines to 1600 lines to accommodate users. DAITO's ability to successfully adapt to the surge allowed the continuation of "business as usual" for USDA employees, saving millions of dollars in costs that would have been spent on external service providers that were instead handled "in-house". Additionally, Multimedia facilitated the FAS weeklong Town Hall event with no issues: a first in USDA history with the virtual event reaching over 20,000 viewers. Similarly, DAITO Multimedia provided new virtual communication tools for agencies impacted by the Pandemic including FNS for its Annual Dietary Guidelines event (10,000 participants), FAS Administrators webinar for the Texas Roundtable for over 70 officials from foreign embassies, and Farm Production and Conservation Business Center (FPAC-BC) for 20 live training events (2,000 participants per event). Over 500 webinars were conducted for various agencies allowing them to continue the mission of USDA safely and effectively. Furthermore, the use of DAITO technology services saved USDA in excess of $10,000,000 by eliminating the need for travel.

In the 3rd Quarter FY 2020, DISC completed its multiyear Data Center Consolidation Initiative, established by USDA Deputy Secretary Censky in 2017, closing 37 USDA data centers and migrating all computing from those facilities to one Enterprise Data Center in Kansas City, MO with a backup facility in St. Louis, MO. As a result, USDA received an "A" rating in Data Center Optimization on the Federal IT Acquisition Reform Act (FITARA) Scorecard with $61.265 million in net cost savings achieved. Also, in FY 2020, DISC successfully completed the OCFO NFC Data Center Migration wherein the OCFO-NFC Lakewood Data Center in Colorado was closed in May 2020, and the IT operations staff members were transferred into DISC. The effort successfully migrated all computing operations to the Kansas City Enterprise Data Center with disaster recovery in Saint Louis and reorganized more than 80 federal employees into DISC with no adverse impact on NFC payroll processing operations.

During FY 2020, DISC implemented requirements for the Geospatial Data Act of 2018 requiring USDA action to implement Office of Management and Budget (OMB) regulations. An initial USDA Geospatial Strategic Plan was drafted for executive approval, an Advisory Council was established with membership from all geospatial data impacted agencies, and an enterprise license agreement was signed with Esri, a geographic information systems software company, yielding an estimated savings of $165 million over the next five years. Additionally, in FY 2020,

DISC successfully transferred the RPA program from the OCFO to OCIO, installed RPA software in an enterprise class infrastructure, and built and migrated 27 "bots" into production, delivering annual savings of $3.69 million or 107,951 hours of labor, equivalent to 52 Full Time Equivalents (FTE).

Also, in FY 2020, DISC successfully migrated 170 community sites to other software products offering similar features, such as Microsoft SharePoint and Teams, reducing manpower, licensing, and environment costs to deliver a $1.6 million savings. Achieving even greater cost reduction, DISC completed the Salesforce ELA, meeting all Mission Area requirements and saving USDA $329 million over the next five years. Furthermore, DISC expanded the SharePoint and .NET support service to two new agencies bringing support to over 20 USDA offices and agencies. For OCIO, DISC streamlined and created efficiencies in the support offered for the OCIO SharePoint sites maintained by the Enterprise Application Services (EAS) creating a 72% cost reduction to OCIO compared to FY 2019. Finally, and most importantly, DISC completed FY 2020 with no security events or breaches of DISC hosted systems. This achievement was the result of proactive security governance activities including renewal of FedRAMP Moderate Accreditation, maintenance of all Authority To Operate (ATO) certifications, completion of rigorous penetration tests, and comprehensive Disaster Recovery exercises.

Enterprise Network Services (ENS) manages an enterprise wireless management program for USDA that enables improved administration of wireless services through centralized inventory, reporting and invoicing at the Department level. In September 2019, ENS completed the transition of over 52,000 lines of service to the new FSSI-Wireless Contract with Verizon Wireless. The number of Verizon Wireless accounts was reduced from 795 individual accounts to 42 agency and Staff Office accounts. As a result of the consolidation, in FY 2020, agencies received over $4.5 million in transition credits in November 2019. Additionally, in November 2019, USDA contracts with T-Mobile for approximately five percent of wireless services, approximately 1,700 lines, netted agencies $7,600 in incentive credits. In October 2019, ENS established a Wireless Recycling Program by partnering with e-Cycle, a wireless asset recovery and recycling company that employs sustainable and environmentally friendly, responsible practices, throughout the Department. USDA component agencies recycled more than 5,000 mobile devices and collectively received over $33,000 in payments for the recycled, reusable equipment. In recognition of these achievements, ENS received USDA's 2020 Electronic Product Environmental Assessment Tool (EPEAT) Award.

In FY 2020, ENS continued leading a USDA-wide initiative to develop an ENS organizational transformation through development of a Concept of Operations (CONOPS) that will support proposed Network Modernization activities (USDANet). The OCIO leadership approved a draft ENS organizational transformation design in FY 2019. Since then, ENS hired six new branch chiefs in support of the new organization and continued to realign resources to establish a larger organization that will be capable of fulfilling the inherently governmental functions required to support the new USDANet managed services model. Five new contracts were awarded to provide the expertise needed to plan for the modifications (resources, processes, tools, facilities, etc.) required to support the new organization. Additionally, ENS partnered with CEC to consolidate separate network monitoring platforms to a single system as part of an effort to reduce costs. ENS entered into an agreement with the OCIO Chief Data Officer's organization to provide a business intelligence platform leveraging the OCIO Enterprise Data Lake, Reporting, and Dashboard services. The business intelligence services have reduced employee costs and accelerated the creation of the reporting. ENS will continue organizational planning and implementation throughout FY 2021.

Also, in FY 2020, ENS worked with service providers and customer agencies to implement upgraded or new services. In support of expanded telework service demands due to the COVID-19 pandemic, ENS upgraded the USDA Trusted Internet Connection (TIC) Internet gateways in Washington, DC and San Francisco, CA. Several core backbone nodes were also upgraded in support of shifting traffic patterns brought on by expanded telework activities. ENS completed the upgrade for the Kansas City Virtual Private Network (VPN) Exchange and the Kansas City Data Center node as well as supported multiple agency connections at various nodes to 10G ports.

ENS has been working with AT&T to relocate critical Universal Telecommunications Network (UTN) services from the S-100 Computer Room to Room 0410 in the South Building of the USDA Headquarters Complex, in support of the USDA Executives' decision to close S-100. The first phase, completed in February 2020, included installation of a new UTN router in Room 0410 and building of a trunk between the current and new stacks to redirect all agency connections from S-100 through a back-end pipe to the stack in 0410. The second phase is in progress to work with AT&T and CEC to migrate individual agency connections from S-100 to Room 0410.

Finally, in FY 2020, Enterprise Network Services (ENS) developed a Task Order Request (TOR) for USDA Network Modernization, to be released to offerors under the General Services Administration (GSA) Enterprise

Infrastructure Solutions (EIS) contract. This acquisition is designed to replace existing Universal Telecommunications Network (UTN) service with USDANet, a next-generation product line that will consolidate Agency Wide Area Network (WAN) capabilities into a single, enterprise-level service. Significant milestones have been met in the Task Order award process in FY 2020, and, when complete, the Task Order will conservatively save USDA over $571 million in WAN related costs over the life of the EIS Contract through FY32.

Correspondence Management

Current Activities

USDA's Office of the Executive Secretariat (OES) serves the Office of the Secretary of Agriculture by managing the official correspondence of the Immediate Office of the Secretary, maintaining the official records of the Office of the Secretary, administering Departmental Records Management, managing the Departmental Directives and Forms program, ensuring Plain Writing Act compliance, and assisting the Office of the Secretary with special projects.

The Correspondence Management line of business for OES receives and analyzes all correspondence addressed to the USDA Secretary and Deputy Secretary, referring it to the appropriate agencies or Staff Offices for preparation of a response, as appropriate, and coordinates and tracks the preparation, review, clearance, signature, dispatch, and archival filing of responses. OES works with USDA agencies to ensure prompt delivery of reports and other documents requested or legislatively mandated by Congress or the White House and provides editorial assistance as necessary to ensure optimal quality.

The Maintenance of Official Records operation of OES is responsible for managing departmental records. OES organizes, stores, and provides access to the Secretary's and Departmental records including national security classified items. Departmental Records staff also coordinates the records management functions for all USDA Mission Areas and agencies. In so doing, the office preserves required official records and serves as a valuable source of institutional memory for the entire Department.

The Departmental Directives and Forms line of business is responsible for assisting policy and forms owners in the development and revision of Departmental directives and forms within the scope of their delegated authority. OES manages the Departmental directives and forms review and formal clearance process; serves as a central control point to prevent overlapping, duplication, and conflict; ensures the alignment of submissions with Federal law and regulations; and publishes approved directives and forms.

In response to requests by the Office of the Secretary, OES assists with the preparation of letters of thanks, congratulations, and condolences; preparation of briefing materials based on correspondence analysis; general writing and editorial services; and other special projects.

Selected Examples of Recent Progress

In FY 2020, OES experienced significant changes with an office reorganization, resulting in a shift of focus toward correspondence and away from record maintenance and Departmental Directives. With this change, OES moved towards a more efficient correspondence system with standardized operating procedures. Additionally, OES worked towards the development and implementation of a Departmental Memorandum, which will clearly outline the policies and procedures followed by OES in the processing of Secretarial Correspondence. In order to continue efficient operations during the COVID-19 pandemic, OES transitioned to a majority electronic correspondence process. Before, OES used a substantial amount of paper and supplies to facilitate correspondence through its pipeline as it was hardcopy based. Removing the paper aspect of its process significantly reduced processing times, made more efficient use of human resources, and realized immediate cost savings.

Overall, as part of its direct service to USDA agencies, in FY 2020, OES managed the clearance and signing of agency-initiated correspondence and other documents, along with decision memoranda, Memorandums of Understanding for the Secretary's signature, legislative reports, and Government Accountability Office (GAO) reports. In addition, OES drafted correspondence responses (letters, Memorandums of Understanding, reports, USDA Secretarial Proclamations, electronic employee messages, congratulatory/condolence letters, certificates for retirement, and more) and other special writing projects in support of the Office of the Secretary/Deputy Secretary. OES collaborated with USDA Mission Areas/agencies to prepare Federal Register dockets on various USDA topics, signed by the Secretary and sent to the Federal Register Office.

During FY 2020, OES continued to improve not only internal processes, but also communications with external customers by utilizing the council of Correspondence Control Officers (CCO Council) throughout the Department to discuss new correspondence policies. Through enhanced coordination, OES sought to foster the most efficient system possible. In FY 2020, OES worked with USDA Departmental leadership to develop methods to realize efficiencies with the goal of reducing the time required to deliver quality responses to Congress and others directing correspondence to the USDA Secretary and Deputy Secretary with comments or requests for information.