2021 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). The mission of the WCF is to provide an effective financing mechanism to support those services 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 decentralized services in the agencies of the Department. 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; 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:
- Material Management Service Center (MMSC)
- Mail and Reproduction Services (MRS)
- Integrated Procurement Systems (IPS)
- Human Resources Enterprise Systems Management (HRES)
- 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 (DAITC)
- 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, 2018, there were 2,285 permanent full-time employees, including 369 in Washington, D.C., and 1,916 in field offices.

AVAILABLE FUNDS AND STAFF YEARS

Table WCF-1. Available Funds and Staff Years (thousands of dollars, staff years (SY))

Item	2018 Actual	SY	2019 Actual	SY	2020 Estimate	SY	2021 Budget	SY
USDA Fee for Service:								
Administration...................................	$42,498	141	$44,355	136	$47,167	197	$45,602	194
Communications...............................	5,740	20	5,405	18	3,575	19	3,575	19
Correspondence Management........	4,332	22	5,193	24	5,637	32	7,318	34
Financial Management.....................	129,184	634	138,309	411	144,668	548	145,023	532
Information Technology	498,722	864	540,871	833	630,564	1,012	629,058	1,019
Intrafund Transfers a/	-44,146	-	-49,179	-	-63,207	-	-65,721	-
Subtotal	636,330	1,681	684,954	1,422	768,404	1,808	764,855	1,798
Purchase of Equipment...................	19,650	-	55,657	-	59,503	-	36,265	-
Purchase Card Rebate Proceeds......	17,900	-	17,168	-	18,443	-	7,557	-
Unobligated Balances Transfers......	30,289	-	20,704	-	25,215	-	-	-
Technology Modernization	1,357	-	2,643	-	-	-	-	-
Subtotal (USDA).................................	705,526	1,681	781,126	1,422	871,565	1,808	808,677	1,798
Non-USDA Fee for Service:								
Administration……………………..	1,484	9	$1,473	6	1,386	6	1,452	6
Communications……………………	446	-	704	-	20	-	553	-
Financial Management………..…...	199,495	757	172,847	857	174,576	846	170,175	853
Information Technology…………..	-	-	-	-	46,018	42	47,857	42
Subtotal (Non-USDA)…………………	201,425	766	175,024	863	222,000	894	220,037	901
Total, WCF………………………….	906,951	2,447	956,150	2,285	1,093,565	2,702	1,028,714	2,699

a/ Represents costs for service billed by one WCF activity to another; the amounts are provided so as not to misrepresent costs through double-counting (i.e., once as the costs are billed from one activity to another, a second time as those costs pass through the activity and are billed to service customers).

PERMANENT POSITIONS BY GRADE AND STAFF YEARS

Table WCF-2. Permanent Positions by Grade and Staff Years

Item	2018 Actual			2019 Actual			2020 Estimate			2021 Budget		
	D.C.	Field	Total	D.C.	Field	Total	D.C.	Field	Total	D.C.	Field	Total
SES	10	5	15	6	3	9	8	4	12	9	4	13
GS-15.......................	41	59	100	33	47	80	40	58	98	39	57	96
GS-14.......................	92	197	289	73	156	229	89	191	280	87	187	274
GS-13.......................	110	596	706	92	499	591	110	593	703	110	598	708
GS-12.......................	52	690	742	42	559	601	51	681	732	51	677	728
GS-11.......................	41	382	423	34	314	348	37	340	377	37	346	383
GS-10.......................	3	3	6	2	2	4	2	3	5	3	3	5
GS-9.........................	22	99	121	18	79	97	20	90	110	20	88	108
GS-8.........................	18	31	49	15	26	41	17	28	45	17	28	45
GS-7.........................	22	262	284	15	184	199	17	202	219	17	202	219
GS-6.........................	9	36	45	5	20	25	6	23	29	6	23	29
GS-5.........................	20	34	54	11	19	30	15	25	40	15	25	40
GS-4.........................	4	12	16	1	4	5	2	6	8	2	6	8
GS-3.........................	1	-	1	1	-	1	1	-	1	1	-	1
GS-2.........................	-	1	1	-	-	-	-	-	-	-	-	-
Other Graded.........	35	7	42	21	4	25	36	7	43	35	7	42
Total Permanent.	480	2,414	2,894	369	1,916	2,285	451	2,251	2,702	449	2,250	2,699
Unfilled, EOY	49	54	103	-	-	-	78	85	163	62	68	130
Total Perm. FT EOY	431	2,359	2,791	369	1,916	2,285	373	2,166	2,539	387	2,183	2,569
Staff Year Est..........	367	2,080	2,447	369	1,916	2,285	451	2,251	2,702	449	2,250	2,699

LEAD-OFF TABULAR STATEMENT

Table WCF-3. Lead-Off Tabular Statement

2020 Recurring Operations Estimate 1/	$990,404,000
Change in Estimate	-5,511,000
Recurring Operations Estimate, 2021	984,892,000
2020 Capital Availability	59,503,000
Change in Availability	-23,238,000
Capital Availability, 2021	36,265,000
2020 Purchase Card Rebate Proceeds Availability 2/	18,443,000
Change in Availability	-10,886,000
Purchase Card Rebate Proceeds Availability, 2021	7,557,000
2020 Unobligated Balances Transfer Availability 3/	25,215,000
Change in Availability	-25,215,000
Unobligated Balances Transfer Availability, 2021	0

NOTES

1/ Net of intrafund transfers. 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 2021 (unobligated 2020 funds) will not be known until the end of 2020.

PROJECT STATEMENT

Table WCF-4. Project Statement (thousands of dollars, staff years (SY))

Item	2018 Actual	SY	2019 Actual	SY	2020 Enacted	SY	Inc. or Dec.	Chg Key	SY	2021 Budget	SY
USDA Reoccurring Operations:											
Admin.	$42,498	141	$44,355	136	$47,167	197	($1,565)		-3	$45,602	194
Comm.	5,740	20	5,405	18	3,575	19	-		0	3,575	19
Corr. Mgt.	4,332	22	5,193	24	5,637	32	1,681		2	7,318	34
Fin. Mgt.	129,184	634	138,309	411	144,668	548	355		-16	145,023	532
Info. Tech.	498,722	864	540,871	833	630,564	1,012	-1,506		7	629,058	1,019
Intra. Adj.	-44,146	-	-49,179	-	-63,207	-	-2,514		-	-65,721	-
Subtotal……...	636,330	1,681	684,954	1,422	768,404	1,808	-3,549	(1)	-10	764,855	1,798
Cap. Equip.	19,650	-	55,657	-	59,503	-	-23,238	(2)	-	36,265	-
Purch. Card	17,900	-	17,168	-	18,443	-	-10,886	(3)	-	7,557	-
Unob. Bal.	30,289	-	20,704	-	25,215	-	-25,215		-	-	-
Tech. Mod.	1,357	-	2,643	-	-	-	-		-	-	-
Subtotal (USDA)	705,526	1,681	781,126	1,422	871,565	1,808	-62,888		-10	808,677	1,798
Non-USDA Reoccurring Operations:											
Admin.	1,484	9	1,473	6	1,386	6	66		0	1,452	6
Comm.	446	-	704	-	20	-	533		0	553	-
Fin. Mgt.	199,495	757	172,847	857	174,577	846	-4,401		0	170,175	853
Info. Tech.	-	-	-	-	46,018	42	1,839		0	47,857	42
Subtotal (Non-USDA)	201,425	766	175,024	863	222,001	894	-1,963		0	220,037	901
Total, WCF	906,951	2,447	956,150	2,285	1,093,566	2,702	-64,851		-10	1,028,714	2,699

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

(1) <u>A net decrease of $5,511,000 and 10 staff years for recurring operations ($990,404,000 and 2,699 staff years available in 2020).</u>
The decrease 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 2020 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>A decrease of $23,238,000 for purchase of equipment availability ($59,503,000 available in 2020).</u>
The amount available in 2021 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>A decrease of $10,886,000 for purchase card rebate proceeds availability ($18,443,000 available in 2020).</u>
The amount available in 2021 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:

	2020	2021
Amount Available:	$18,443,000	$7,557,000
Allocated (projects for which approval to obligate funds is sought are identified below)…	15,691,970	
Unallocated……………………………………………………..	2,751,030	

USDA plans to utilize this funding flexibility to pay for critical investments that would otherwise not be possible due to constrained budgets. Investments for which notification is herein provided to the Committees on Appropriations and a request made to obligate funds transferred to the Working Capital Fund in FY 2020 to include the following allocations ($10,806,467):

- *Contact Center – $460,067*
  In Fiscal Year (FY) 2019, the United States Department of Agriculture (USDA) established a multi-channel enabled Contact Center to ensure reliable and accurate information is provided to customers, regardless of how they contact USDA. The Contact Center provides a customer-centric solution where customers receive accessible, accurate, timely, and professional responses to their inquiries via their preferred method of communication (e.g., phone, social media, chat, email, or in-person). An enterprise-wide integrated knowledge base and content management tool was deployed to house the information needed to provide answers to all inquiries, allowing consistent, timely, and accurate data. Together, these tools provide increased access to online support and self-service actions, available 24/7, to all customers, aligning with U.S. Secretary of Agriculture Perdue's mission of creating the most effective, efficient, and customer focused Department in the federal government. Funding will be used to continue the momentum from this success and expand the Contact Center to the remaining 10 Agencies across the Department (USDA) currently not represented.

- *Network Consolidation – $5,520,400*
  As a part of USDA's One Neighborhood initiative, Office of the Chief Information Officer (OCIO) will continue its network modernization effort to consolidate the South and Whitten Buildings into one common, enterprise network. This initiative will significantly increase system speed, creating a seamless plug-and-play environment within the hard-wired network solution of the building infrastructure. As a result, users will gain the ability to move freely throughout the buildings versus previous limitations restricting movement within existing legacy agency network footprints. Additionally, the initiative will decommission approximately seventeen separate legacy Local Area Networks (LAN)/Virtual Routing and Forwarding (VRF) still maintained by agencies.

- *Budget Execution Solution – $3,500,000*
  The Budget Execution Solution will provide the USDA Office of Budget and Program Analysis (OBPA) a unified solution for handling all funding sources (e.g., discretionary, mandatory, user fees, trust funds , etc.) and building spending plans for sub-units within Mission Areas while tracking information by Program, Project and Activity (PPA), Budget Object Classification (BOC) and other data points for better funds management. To support data-driven decisions, this system will provide the Department with consistent access to financial data that supports the Department's spending plan process and the review of actual obligation rates. Additionally, the Budget Execution Solution will serve as a tool to monitor Congressionally mandated PPA levels, BOC and other financial data that enables Administrators to manage their

diverse financial portfolios. Finally, this system will enable the Department to review financial data to provide real-time level execution data based on spending levels approved by the U.S. Secretary of Agriculture.

- ▪ *Civil Rights Management System (CRMS) – $1,326,000*
  The Civil Rights Management System (CRMS) Initiative will unify all Civil Rights complaint systems across the Department, providing all USDA customers with a transparent, timely, accountable, and comprehensive management system. This initiative will: bring shared platform solutions to Mission Areas, agencies, stakeholders and partnerships with external customers; provide secure, reliable, and cost-effective IT application solutions to achieve effective mission performance and program delivery for customers; as well as provide integrated enterprise web services, custom desktop, and mobile applications. Currently, USDA manages Equal Employment Opportunity using the iComplaints System while program complaints and Alternative Dispute Resolution (ADR) actions use the EntelliTrak System. These three enterprise modules, in coordination with the eVersity Affirmative Employment Planning Module, comprise the Civil Rights Enterprise System and are an integral part of USDA's Strategic Plan to expand the use of e-Government technologies. The CRMS Initiative will deliver cost savings through elimination of multiple existing IT solutions, including those already mentioned and others currently in place across the Department, replacing them with one system. Adoption of the CRMS will provide increased automation and functionality, fulfilling requests by system users and stakeholders.

(4) <u>A decrease of $25,215,000 for unobligated balances transfer availability ($25,215,000 available in 2020).</u>
No funds are included in the 2021 estimate. The estimate may change should Congress renew authority provided in general provisions of the FY 2021 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:

	2020	2021
Amount Available:	$25,215,000	$0
Allocated (projects for which approval to obligate funds is sought are identified below)…	25,215,000	
Unallocated……………………………………………………..	0	

USDA plans to utilize this funding flexibility to pay for critical investments that would otherwise not be possible. Investments for which notification is herein provided to the

Committees on Appropriations and a request made to obligate funds transferred to the Working Capital Fund in FY 2020 include the following allocations ($16,810,000):

- **CTAT Conference/Training Tracking System – $400,000**
  The Conference Transparency and Accountability Tool (CTAT) will be a tool for tracking conference attendance across the USDA. This tool will allow USDA agencies to create an annual plan for all conferences based on expected attendance that can then be updated with actual expenses after each conference has ended In conjunction with the system, USDA will update the Conference Approval Template and simplify the approval process, including the routing of approvals through the various tiers of Approving Officials. Additionally, other functionality identified by the Travel Policy User Group has been approved for development and prioritized in terms of importance.

- **Enterprise Physical Access Control System – $60,000**
  The Enterprise Physical Access Control System initiative would allow USDA to integrate the Headquarters Physical Access Control System (HQ-PACS) into the Enterprise-Wide Physical Access Control System (ePACS). Currently, only the USDA Whitten and South Buildings use HQ-PACS while all other USDA facilities nationwide use ePACS. This integration would develop the Whitten and South Buildings' Physical Access Controls (PAC) to be Federally compliant while reducing the potential for a physical access breach.

- **Headquarters Camera Monitoring System – $2,500,000**
  The Headquarters Camera Monitoring System exists as Phase One of a three-stage initiative to replace existing outdated Closed-Circuit Television (CCTV) software, monitoring and recording capabilities located in the Emergency Communications Center. 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. Additionally, funds for this project would be used to procure a new Video Management System (VMS) head end infrastructure. 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.

- **Physical Security Assessment System – $600,000**
  The Physical Security Assessment System will allow USDA to have the proper mechanisms in place to accurately and effectively manage Physical Security in accordance with ISC standards. This system will allow Physical Security Specialists to collect critical data for USDA Federal facilities and campuses nationwide.

- **Performance Appraisal Management – $1,600,000**
  The Performance Appraisal Management initiative will provide USDA with a secure, data-centric solution to capture performance evaluations required by 5 Code of Federal Regulations (CFR). It will build on the existing platform developed by USDA using Agile methodology and the most current technology, reducing physical storage space required for paper files, and capturing relevant, accurate, and current employee data in a secure environment that aligns with sound business rules. Additionally, the

Performance Appraisal Management initiative would be expandable, scalable, mobile-ready and Section 508 of the Rehabilitation Act compliant, as well as easily enhanced to adapt to different tiered systems. This initiative would be template based, reducing labor costs for supervisors who will no longer need to type multiple pages of redundant information, while reducing errors by acquiring employee data from the National Finance Center (NFC) via the Insight system (System of Record).

▪ *FSIS Laboratory Information Technology Infrastructure Modernization – $5,000,000*
The Food Safety and Inspection (FSIS) Laboratory Information Technology Infrastructure Modernization will address the need to modernize existing information technology infrastructure supporting FSIS laboratories that is at end of life. Maintenance of legacy equipment and maintaining operational software has become increasingly difficult in recent years, increasing the risk of catastrophic outages, a critical threat to the Food Safety mission. The FSIS Laboratory System is a collection of equipment and hardware (laboratory testing instruments with highly customized operating systems) and software (Commercial Off-The-Shelf (COTS) and internally developed applications and data) spread across three locations in the U.S. This system analyzes over 100,000 meat samples each year, generating over 400,000 discrete analytical results annually. In addition, data asynchrony between the two official FSIS sources for reporting laboratory testing results, the Laboratory Information Management System (LIMS) Direct and the Public Health Information System (PHIS), causes ongoing difficulties for sample collectors and results in frequent complaints, delays, and time-consuming lab inquiries.

▪ *Secure Virtual Lockup Solution – $1,000,000*
The Secure Virtual Lockup solution will allow the Economic Research Service (ERS) staff to remotely participate each month in highly confidential interagency meetings that are critical for development of USDA World Agricultural Supply and Demand Estimates (WASDE) and production of the series of ERS Microsoft Outlook reports that provide context for the estimates. It will also enable ERS staff located in Kansas City, MO to participate in a series of highly confidential workshops conducted each Fall to develop USDA Long-term Agricultural Projections (known as the "Baseline"). Upon release, both WASDE and the Baseline affect commodity markets – these are highly visible and high priority outputs for USDA. Maintaining ERS' ability to contribute ensures high-quality estimates and projections that, in turn, ensure market efficiency ($15 trillion in transactions).

▪ *USDA Scientific and Research Big Data Platform – $5,000,000*
The Scientific and Research Big Data Platform is an initiative from the Agriculture Research Service (ARS), working in conjunction with other USDA Scientific and Research units, to develop an enhanced version of the ARS SCINet application as a shared service that can be leveraged by all of USDA. This will allow the expedited development of one centrally managed network and user interface available to all of USDA to support unique Scientific and Research needs. This portion of the project will facilitate connectivity to 36 locations and as a standardized connectivity model for the remaining ARS locations (~50) and additional locations for USDA sister agencies (~50).

- *NASS Modernized Customer Experience Portal – $650,000*
  The National Agricultural Statistics Service (NASS) Modernized Customer Experience Portal initiative will allow USDA the ability to assess near real-time impacts of severe weather events affecting planting dates and crop conditions during the growing season. The prototype will leverage geospatial data, producer reported survey data, precision agriculture data, and other USDA and Non-USDA sources. The geospatial data and toolsets will allow USDA to enhance its estimation process, reduce respondent burden, and allow USDA to provide value-added data products at a more local level for farmers, ranchers, and producers.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS AND STAFF YEARS

Table WCF-5. Geographic Breakdown of Obligations and Staff Years (thousands of dollars, staff years (SY))

State/Territory/Country	2018 Actual	SY	2019 Actual	SY	2020 Enacted	SY	2021 Budget	SY
Alabama	$3,244	8	$4,366	8	$3,189	7	$3,126	7
Alaska	876	2	970	2	911	2	893	2
Arizona	2,190	5	2,426	5	2,278	5	2,233	5
Arkansas	4,381	9	4,851	9	3,189	7	3,126	7
California	4,381	9	4,851	9	5,500	12	5,391	12
Colorado	95,746	140	140,000	147	166,494	212	181,124	218
Connecticut	876	2	970	2	911	2	893	2
Delaware	1,752	4	1,941	4	1,822	4	1,786	4
District of Columbia	144,001	367	107,901	326	157,916	407	168,738	405
Florida	3,717	7	4,782	8	3,992	7	3,889	7
Georgia	4,381	9	4,851	9	4,556	10	4,466	10
Guam	438	1	485	1	456	1	447	1
Hawaii	876	2	970	2	911	2	893	2
Idaho	4,381	9	3,396	6	3,645	8	3,572	8
Illinois	6,571	14	7,762	14	8,233	18	8,070	18
Indiana	5,257	11	5,822	11	5,500	12	5,391	12
Iowa	8,761	19	9,703	18	7,778	17	7,623	17
Kansas	6,571	14	7,762	14	7,483	17	7,347	17
Kentucky	4,819	10	5,337	10	5,012	11	4,912	11
Louisiana	219,148	1,063	228,438	969	227,210	1,062	229,025	1,055
Maine	1,314	3	1,596	3	2,083	5	1,953	5
Maryland	26,504	54	23,415	45	33,840	64	32,141	64
Massachusetts	876	2	970	2	911	2	893	2
Michigan	3,943	8	3,881	7	4,100	9	4,019	9
Minnesota	7,009	15	7,277	14	6,202	14	6,042	14
Mississippi	3,943	8	3,881	7	3,645	8	3,572	8
Missouri	208,048	382	193,933	359	264,029	472	241,990	472
Montana	4,381	9	3,881	7	4,556	10	4,466	10
Nebraska	6,571	14	6,792	13	6,411	14	6,284	14
Nevada	1,314	3	1,455	3	911	2	893	2
New Hampshire	438	1	485	1	0	0	0	0
New Jersey	438	1	970	2	1,367	3	1,340	3
New Mexico	1,752	4	2,074	4	1,822	4	1,786	4
New York	2,628	6	3,396	6	3,189	7	3,126	7
North Carolina	6,133	13	7,762	14	7,322	16	7,177	16
North Dakota	3,066	7	4,851	9	4,100	9	4,019	9
Ohio	5,695	12	6,792	13	5,955	13	5,837	13
Oklahoma	4,381	9	4,851	9	4,100	9	4,019	9
Oregon	3,943	8	3,396	6	3,189	7	3,126	7
Pennsylvania	3,504	7	3,881	7	3,388	8	3,328	8
Puerto Rico	1,314	3	1,455	3	1,367	3	1,340	3
South Carolina	2,628	6	3,396	6	3,189	7	3,126	7
South Dakota	4,819	10	5,337	10	5,012	11	4,912	11
Tennessee	5,257	11	6,307	12	5,500	12	5,391	12
Texas	29,485	102	35,761	103	37,622	120	34,530	120
Utah	4,819	10	5,337	10	5,012	11	4,912	11
Vermont	1,314	3	1,455	3	1,367	3	1,340	3
Virginia	2,190	5	2,911	5	3,189	7	3,126	7
Washington	2,628	6	3,396	6	3,645	8	3,572	8
West Virginia	2,190	5	1,941	4	1,822	4	1,786	4
Wisconsin	4,819	10	6,307	12	5,955	13	5,837	13
Wyoming	2,190	5	2,426	5	1,822	4	1,786	4
Total, Available	881,901	2,447	909,157	2,285	1,053,611	2,702	1,050,613	2,699

CLASSIFICATION BY OBJECTS

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

Item No.	Item	2018 Actual	2019 Actual	2020 Enacted	2021 Budget
	Personnel Compensation:				
	Washington D.C.	$36,770	28,793	30,295	30,913
	Personnel Compensation, Field	188,416	187,319	210,653	212,749
11	Total personnel compensation	225,186	216,112	240,948	243,662
12	Personal benefits	75,907	72,964	83,055	84,139
13.0	Benefits for former personnel	23	124	95	98
	Total, personnel comp. and benefits	301,116	289,200	324,098	327,899
	Other Objects:				
21.0	Travel and transportation of persons	4,120	3,863	4,718	4,375
22.0	Transportation of things	738	782	727	722
23.1	Rental payments to GSA	8,586	6,780	8,340	8,333
23.2	Rental payments to others	1,326	22,475	16,171	14,348
23.3	Communications, utilities, and misc. charges	106,989	133,363	152,355	150,043
24.0	Printing and reproduction	297	368	392	384
25.1	Advisory and assistance services	-	117	-	-
25.2	Other services from non-Federal sources	259,567	221,407	281,006	279,925
25.3	Other goods and services from Federal sources	60,066	55,564	65,120	66,384
25.4	Operation and maintenance of facilities	2,977	2,288	3,558	3,543
25.7	Operation and maintenance of equipment	111,941	150,390	156,995	155,729
26.0	Supplies and materials	6,098	9,556	4,575	5,296
31.0	Equipment	18,080	13,004	35,556	33,632
	Total, Other Objects	580,785	619,957	729,513	722,714
	Total, new obligations	881,901	909,157	1,053,611	1,050,613
	DHS Building Security Payments (included in 25.3)	$2,187	$2,225	$2,311	$2,355
	Position Data:				
	Average Salary (dollars), ES Position	$167,000	$145,328	$147,453	$145,149
	Average Salary (dollars), GS Position	$67,000	$92,039	$80,796	$80,802
	Average Grade, GS Position	11.4	12.4	11.5	11.5

1/ *Totals include all intrafund transfers.*

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):

Materiel Management Service Center (MMSC) (Washington, DC and Landover, MD) provides on-demand customer services to all USDA agencies and activities. It also provides services to several non-USDA agencies and activities for basic services, and it acts as a service provider for the National Capital Area's Cooperative Administrative Support Program. Services are provided in: forms and publications acquisition, management, warehousing and worldwide distribution; excess personal property accountability, reuse, sales and disposal; and office and general supply acquisition, receipt and shipment of parcels, warehousing and sales.

Mail and Reproduction Management Division (MRMD) is responsible for managing and directing programs through Mail and Reproduction Services (MRS), and 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.

Integrated Procurement Systems 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 on a daily basis. The Credit Card Service Center has responsibilities to plan, develop, and implement its charge card program under SmartPay2 and to provide consolidated, department-wide governance in this program to help further USDA's mission.

Procurement Operations Division (POD) (Washington, DC and Fort Collins, CO) provides a wide range of contract support services to agencies and staff offices of the Department.

Human Resources Enterprise System 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 (HR LOB). The vision of OPM's HR LOB 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.

Selected Examples of Recent Progress
As a Federal Asset Sales Center, MMSC conducted a total of 18 sales in 2019 that rendered proceeds of $1.8 million. Additionally, the Furniture Program sold and transferred 1,854 units of furniture to USDA customer agencies. This program saved agencies an estimated $0.4 million over the cost of new furniture.

MMSC recycled over 32 tons of recyclable electronics in 2019 that have no reuse or re-sale value through the UNICOR, Federal Prison Industries, Inc. recycling program managed by the Department of Justice and the Environmental Protection Agency. 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, 96 tons of scrap metal were sold for revenues of $15,292.

Under MMSC, the Central Excess Property Operation (CEPO) Monitor Program tested, adjusted, and cleaned used equipment received from agencies as excess, then made them available for transfer at no cost to USDA agencies (agencies outside the Washington, DC area pay shipping costs). CEPO transferred 633 monitors to USDA agencies resulting in a cost savings of over $113,940.

The Central Receiving (CR) function under MMSC receives, inspects and delivers property and supplies to USDA administrative and staff offices in the Headquarters and George Washington Carver Center (GWCC) facilities. CR received and delivered a total of 25,587 pieces of property and supplies. All property was received and delivered within the allotted time and without damage or discrepancy, ensuring the Headquarters and GWCC Executive and Staff offices had essential materials and supplies to complete their missions. The CR operation also provided daily screening of the floors at the Headquarter Facility removing all abundant personal property to ensure safe passageways for the department's employees and visitors. All abandoned property is shipped to CEPO for disposal.

MMSC's Consolidated Forms and Publications Distribution Center (CFPDC) processed 11,616 customer orders with 54,132 line-items totaling 127,908 units. CFPDC also supported the Food Safety Inspection Service with Desktop Supplies service in the amount of $2.5 million.

In FY 2019, MRMD's CDS and Central Mail Unit (CMU), Transportation Operations provided exceptional printing and delivery service by coordinating, organizing and ensuring the delivery of more than 60 items of USDA's budget explanatory notes and Forest Service's Budget Justification to Capitol Hill and various locations throughout the National Capital Region (NCR). The printing of the notes required CDS to coordinate with the Office of Budget and Program Analysis and the Forest Service over a two-week period, including late nights and weekends. As the printing was completed, Transportation Operations coordinated the delivery of the notes and justifications to Capitol Hill and various other locations throughout the NCR. In addition, TS provided 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. It has also provided Transportation Services on four separate occasions for the Foreign Agricultural Service (FAS), USDA Cochran Fellowship Exchange Programs visits of Foreign Dignitaries, Ambassadors and Senior Delegations. The efforts of TS help to ensure that some of the most critical transportation needs of USDA are met in a timely manner.

MRMD, Copier and Duplicating Service (CDS) was elected by USDA Forest Service (FS) as the preferred service provider for its copier management program. Prior to this, the FS-CIO outsourced the requirement for 47 printers of various makes/models and fax machines operated throughout FS Yates Bldg. In March 2019, CDS removed the 47 printers and installed approximately 29 new Smart Devices (multi-function copiers). The significance of the achievement resulted in transformation of the agency's copier support into a centralized service, which created a footprint of uniformity by deploying multi-function devices of the same make/model; provide multiple new user training, disseminated "how to guides" amongst the staff, assigned a dedicated copier specialist to oversee the fleet, implemented new document security measures for network activities as it related to printing and scanning; secured and stored paper, toner and other consumables onsite for swift replenishment. In addition to, the FS gained cost savings, which included all the incentives and unlimited color & b/w (monochrome) usage at fixed-rate pricing.

The Integrated Acquisition System (IAS) business line successfully processed 171,667 transactions in FY 2019, accounting for approximately $2.9 billion in obligations (as of September 30, 2019). Additionally, for the ninth consecutive year, the IAS program has received a green status and a score of 5.0 (the highest possible rating) on all Office of Management and Budget (OMB) monthly IT Dashboards by providing timely reporting on the IAS investment to the USDA Office of the Chief Information Officer (OCIO). The IAS program also maintained 100% system compliance with the National Institute of Standards and Technology (NIST) and federal information security standards. The already robust security profile of IAS was bolstered by leveraging Splunk, the NITC audit logging and scanning software solution. IAS's commitment to maintaining a strong security posture was evidenced by zero findings in a recent Office of Inspector General (OIG) audit of IAS security controls.

The IAS program successfully completed a major project to migrate its hosting operations from the National Finance Center (NFC) to the Digital Infrastructure Services Center (DISC) Enterprise Data Center (EDC) in support of the OneUSDA Data Center consolidation initiative, resulting in cost avoidance of over $1 million annually. This change was transparent to end-users and was accomplished over a 3-day holiday weekend, without incurring any unplanned down-time. The hosting migration additionally resulted in faster system performance for end-users and will allow the Procurement Services Division (PSD) to maximize realization of the benefits of consolidated USDA resources, including increasing operational effectiveness of the real-time interface between IAS and Financial Management Modernization Initiative (FMMI) by sharing the same Federal Risk and Authorization Management Program (FedRAMP) certified cloud environment.

The IAS program enabled sub-contract line (subCLIN) functionality in IAS to comply with Federal Acquisition Register (FAR) Subpart 4.10: Uniform Use of Line Items. This change enhanced the system's ability to more efficiently handle a wider array of potential contracting scenarios. The regulation established rules governing how contract lines (CLIN) and subCLINs should be issued within federal procurements. Agencies were granted until October 2019, to ensure their business processes and systems were compliant with the ruling. It was necessary for the IAS program to develop customizations to the Unison Contracting software and changes to IAS' interfacing systems because it was determined that the out-of-the-box commercial off-the-shelf (COTS) subCLIN functionality was not fully compliant with the FAR.

The Charge Card Service Center (CCSC) program worked closely with US Bank to implement General Service Administration's (GSA) SmartPay 3 initiative. The GSA SmartPay 3 Master Contract contains significant new opportunities for customer agencies to improve their programs and maximize card and cardless payment solutions. Significant new/revised Tier 1 required offerings include: large ticket, ePayables - Supplier-Initiated Payments (SIP), GSA SmartPay Tax Advantage Travel Card Accounts, Mobile Payments, and Non-Interchange Based Government-to-Government transactions. CCSC provided support during the transition from SmartPay 2, including managing the conversion of information for over 16,500 cardholders, approving officials, and coordinators in the Purchase Card program; keeping the cardholders apprised of the impending changes; working alongside the SmartPay 3 Program Management Office (PMO) and other stakeholders to provide requested information; and facilitating and monitoring all lines of internal and external communication through the entire transition process.

The Procurement Operations Division (POD) executed over $825 million in new FY 2019 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 20 percent in obligated dollars from the previous fiscal year.

POD awarded a contract for the planning and execution of the Secretary's One Neighborhood

initiative that will see USDA mission areas and agencies in the NCR collocated in the USDA South Building and allow USDA to vacate all leased space in DC, saving approximately $33 million, annually.

POD negotiated and awarded the Fiscal Year 2019 Salesforce Software as a Service (SaaS) Enterprise License Agreement, saving over $58 million from the General Services Administration Federal Supply Schedule contract list price.

POD increased its small business outreach efforts, exceeding four of the five established Departmental socioeconomic goals and received the 2019 Department of Agriculture Office of Small and Disadvantaged Business Utilization "Group Special Achievement Award."

POD increased its use of Office of Management and Budget (OMB) designated "Best in Class" contract solutions for common goods and services, achieving a 75% Spend Under Management rate. Increasing Spend Under Management eliminates redundancies, increasing efficiency, and deliver more value and savings to customers.

POD took the lead to develop and standardize a template for the Federal Acquisition Certification Program and Project Manager – Information Technology (FAC-PPM-IT) Core-Plus Specialization. The FAC-PPM-IT Self-Assessment Application was implemented as a USDA-wide standardized template that employees must use to request the FAC-PPM-IT Certification in the Federal Acquisition Institute Training Application System (FAITAS). The FAC-PPM-IT core-plus specialization is a requirement for Mid or Senior level FAC-PPM certification plus mastery of the additional core-plus specialty training, experience and continuous learning requirements.

POD conducted an internal program review of its existing contract awards $50 million or greater. A total of eight contract actions and associated files were reviewed. The review focused on best practices and procedures, overall compliance with laws and regulations, and the use of electronic systems and data reporting. Ten overall recommendations were made for updates to existing and new templates and procedures, as well as specific training topics.

HRESM provided authoritative leadership, guidance and instruction during the government shutdown on processing time and attendance, advanced and manual payments, processing of personnel actions and other issues associated with required actions during the shutdown. Staff met daily with CHCO Council and NFC to provide status updates related to payroll/personnel/time and attendance processing during the furlough period. Daily collaboration with OCFO's NFC leadership staff was held to identify various processing options, author processing guidance, and monitor the status of actions with primary emphasis on T&A's. USDA opted to hold processing of T&A's for employees without funded appropriations until the lapse in funding ended, thus minimizing the potential for anti-deficiency act violations resulting from paying employees or employee benefit programs (such as health insurance) in the absence of funding. Post furlough, HRESM assisted agencies in

T&A's in the absence of Timekeepers in the 4-calendar day window provided by OCFO in moving the second pass of PAYE from Friday to the following Monday. OHRM granted over 100 Master Timekeeper and Master Supervisor roles to assist agencies with processing T&A's, in addition to assistance in the manual entry and/or validation and certification of approximately 60,000 T&A's (40,000 original and 20,000 corrected T&A's) across USDA. Upon restoring everyone to pay status, HRESM defined and implemented via NFC a process to automate the restoration of end of year leave balances that would otherwise have forfeited due to the furlough (average of 56 hours per employee).

Human Resources (HR) offices were faced with over 80,000 retroactive payments to be processed in response to the President's March approval for the January 6, 2019 pay adjustments. NFC successfully loaded about 70% of the actions for USDA retroactively back to January. However, approximately 23,000 required HR intervention to create the actions and insert them into employee history records and generate the retroactive pay. To minimize the period of retroactive adjustment processing, HRESM chose to pay the 23,000 employees the adjustment with a March effective date, thereby restricting the retroactive adjustment period from January to March (6 pay periods). Additionally, HRESM eliminated the manual entry of these pay adjustments for HR by having NFC reload the autogenerated actions in EPIC, which expedited the processing of the backlog. USDA completed over 22,000 retroactive adjustments via historical processing between Pay Period 8 and 20 of 2019, which is a remarkable accomplishment resulting from innovative thinking, creative management and processing guidance defined and published by HRESM. USDA agencies began receiving detailed guidance through CHCO meetings and agency SME briefings on processing these actions beginning in Pay Period 7 and HRESM continues to provide authoritative guidance and escalate system/processing issues to NFC as required. Agencies continue to express the unprecedented effort in providing them with detailed navigation and frequent engagement during the shutdown.

In June of 2018, the USDA Chief Human Capital Officer (CHCO) Council adopted LERIS (Labor and Employee Relations Information System) as its enterprise-wide solution for caseload management and reporting on Labor and Employee Relations issues. HRESM began soliciting agencies to secure contracts for FY19 in October 2018; however, the Government-wide shut down delayed funding to support this effort until March of 2019 for most agencies. HRESM worked with agencies and the vendor (GDCI) to successfully complete the standardization necessary to meet newly implemented Executive Order and OPM reporting requirements by March 8, 2019. USDA had several agencies that were not automated or in an alternative system and thus required to transition to LERIS; these agencies included OIG, RMA, FSA, RD, FNS, and FSIS. HRESM completed agency-specific requirements, testing, training, and stand-up of the application in the production environment by September 30, 2019. USDA now has 100% of its agencies utilizing LERIS and will have a universal tool for reporting metrics and responding to data calls associated with Labor and Employee Relations data.

USAStaffing was adopted in June 2018, as the USDA enterprise solution for talent acquisition management, in response to NTIS severing its hosting agreement with USDA (for eRecruit and onboarding as its prior solutions). The transitions reduced the number of systems required by USDA to recruit and onboard applicants by moving from two systems to one, while gaining additional functionality (position classification) at no additional charge in the USAStaffing solution. HRESM also realized an initial cost savings of approximately 2 million dollars and alleviated additional costs previously incurred in association with enhancements and training.   Kickoff was held on September 19, 2018 with the CHCO council and agency SME's. Training began October 2018 and ran through April 2019, with a total of 18 sessions, conducted in St Louis, MO, Kansas City, MO; Minneapolis, MN; Riverdale, MD; Washington, DC; Raleigh, NC; and New Orleans, LA. OHRM began its transition of all agencies into USAStaffing production environment in December 2018 and completed full implementation April 1, 2019, meeting its targeted goal.   Since implementation in FY19, USDA agencies have received 326,301 applications; opened 7,582 vacancy announcements; issued 21,160 certificates; and identified 7,287 selections.

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 Core Services team provides USDA enterprise-wide benefits with maintenance and support of 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, etc.

Selected Examples of Recent Progress
CMBC provided services and production of content including video and radio, graphic design and webcasting in support of USDA programs including: implementation and explanation to stakeholders of the new Agriculture Improvement Act of 2018, support of Farmers.gov to help streamline access to programs, Secretary Perdue events and administration messaging on trade, nutrition, science, conservation, and food safety. Developed a strategic communications plan for the Rural Development Office of External Affairs, outreach and internal communications to streamline and improve their outreach to stakeholders. Helped with dissemination of the 2017 Ag Census results, which benefit many stakeholders, invasive pests and disease messaging, hurricane and flood disaster responses. CMBC provided, for the fifth year, support to the FDA Office of Women's Health (OWH) in fulfilling its Congressional mandate by providing technical assistance and services in the development, dissemination, and testing of OWH messages and publications for diverse audiences of women's health stakeholders. CMBC's Enterprise Web Application Platform and Services business line managed 31 websites in 2019, reducing costs from prior years consolidating sites onto a common platform.

- **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):

- National Finance Center (NFC) (New Orleans, LA; Denver, CO);
- Associate CFO Shared Services (Washington, DC; New Orleans, LA);
  - Financial Management Services (FMS);
  - Pegasys Financial Services (PFS);

- Internal Control Support Services (ICSS); and
- Financial Management Support Services (FMSS).

NFC, along with FMS, continues to play a central role in the reengineering and operation of financial management and administrative systems in USDA. NFC and FMS administer and operate over 20 financial and administrative service systems in support of all agencies of USDA and over 140 non-USDA customers. These systems include services such as payroll/personnel, central accounting, billing and collections, and travel. Systems development, implementation, and maintenance activities are performed in the context of ongoing customer requirements, while developmental efforts are underway at the NFC as important elements of the Department's broader efforts to modernize financial and administrative systems.

Payroll is processed for over 704,418 Federal employees on a bi-weekly basis. Additionally, NFC provides back-end processing and reconciliation for 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.

Designated by the Department of Treasury as a Federal Shared Services Providers, FMS administers the Financial Management Modernization Initiative (FMMI) system, to provide financial management services to USDA agencies. FMS continues to be in discussions with other Federal agencies and departments to pursue opportunities for shared services by leveraging current USDA shared platforms and service delivery.

FMS 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. FMS maintains the Department-wide master data file for vendor payments and issues Internal Revenue Service Form 1099 to government contractors. FMS continued to provide support to the agencies for the operation of FMMI. FMS also manages the administrative and financial management systems for USDA.

FMS, through its administration of financial management systems, does and will have a significant benefit to USDA agencies. For example, to facilitate the development of small and emerging private business enterprises, USDA awarded grants to public bodies, private non-profit corporations and federally-recognized Indian tribal groups through the deployment of SAP Grantor. To achieve this goal, OCFO provided an automated workflow to link the agency grant process directly to FMMI. To link the grant process to the financials from award through closeout, OCFO has partnered and entered into agreements with several USDA agencies and continues to expand and enhance the ezFedGrants (eFG) enterprise solution.

FMS 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 (ACRWS), Corporate Property Automated Information System

(Real Property) (CPAIS), and the Online Tracking and Reconciliation System for intergovernmental financial transactions. FMS 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).
Pegasys Financial Management Services (PFS) was established to serve the financial management needs of multiple agencies as a shared service provider with the General Services Administration (GSA) as the first client. PFS currently operates the Enterprise Financial Management Systems for GSA. This includes Pegasys Financials, Financial Management Information System (FMIS), Central Contractor Registry Connector, Vendor Customer Self Service, 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.

Internal Control Support Services (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, 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 in order 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.

Financial Management Support Services (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 being responsive to ad hoc requests that allows its customers to make sound fiscal decisions in managing and maximizing their own resources.

Selected Examples of Recent Progress
During the longest government shutdown in history, NFC continued demonstrating exceptional leadership by sustaining services for customers, producing W2s for employees before the January 31, 2019 Treasury deadline, and serving as a trusted partner with the Office of Personnel Management (OPM) and the Office of Management and Budget (OMB). After the shutdown, provided backpay for 2 pay periods simultaneously to more than 1/3 of Federal sector employees and facilitated payroll deposits in employees' personal bank accounts within 1

business day after the spending bill was signed and completed an on-demand upgrade to the NFC mainframe in the aftermath of the longest government shutdown in history. The interim addition of two processors enabled NFC to process more than double its normal workload in a compressed period of time. Using the integrated payroll/personnel system, NFC processed approximately 1.3 million payroll transactions and distributed an equal number of related personnel actions in less than 36 hours. Subsequently executed the annual Federal government pay raise and applied retroactive pay adjustments in less than 30 days, approximately 25% of the time normally allotted for this task.
NFC received accolades from OPM, OMB, and numerous agencies for expediting payroll/personnel services.

The FY 2019 Statement on Standards for Attestation Engagements No. 18 (SSAE 18), which focused on the NFC internal controls that are likely to impact customers' controls over financial reporting, was conducted by KPMG LLP through a contract with the USDA Office of Inspector General. NFC received an unmodified opinion indicating that the description fairly presented NFC's payroll/personnel and application hosting systems and the controls were suitably designed and operating effectively to provide reasonable assurance that the control objectives included in the description were achieved. An unmodified opinion allows a competitive advantage against similar service organizations who have not received an SSAE 18 report, the ability to meet contractual requirements with customers, and increased customer satisfaction due to a sense of security over sensitive information. In addition to SSAE 18, as a result of our refinement of our Investment Management Programs, NFC received a "green" rating in two of our major investment programs for the first time from USDA.

Throughout FY 2019, NFC continues its engagement in the redesign of its EmpowHR 9.0 application and the underlying database. The redesign will include the new version of PeopleSoft Human Capital Management (PS HCM) 9.2 and also transition the database to an Oracle Data Base Management System (DBMS) to improve performance. Implementation of PS HCM 9.2 will provide PS Fluid, new customer interfaces and customizable/personal dashboards and improved self-service functionality. Included with this conversion will be the ability to make future upgrades to the system using PeopleSoft's Update Manager, which allows maintenance personnel to 'selectively adopt' which new functionality is incorporated with each release. Implementations will be staggered by the environment with the Department of Justice being the first agency was completed in August 2019. The remaining agencies will be completed by February 2020.

NFC support of the Secretary's realignment for USDA mission areas has been ongoing during FY 2019. In order to eliminate administrative redundancies, functional areas were consolidated at the mission level. To support this effort, NFC fast-tracked a project to change code within the Payroll/Personnel System, EmpowHR and WebTA 4.2 applications. All phases of the project were successfully completed in FY 2019 and the system was made available to the FPAC Business Center for the Farm Business Center (FBC) to process personnel actions associated with the movement of USDA employees from the Natural Resources Conservation Service

(NRCS), Farm Service Agency (FSA) and the Risk Management Agency to FBC.

NFC continued to engage in business development activities to gain new customers. NFC conducted numerous system demonstrations, conference calls, and meetings for potential customers including (but not limited to) Department of Justice, Government Accountability Office, National Gallery of Art, National Credit Union Administration, Federal Mediation and Conciliation Services, Farm Credit Administration, Department of Homeland Security, that are in the process of seeking an HR LOB Service Provider or additional products/services.

NFC continued to drive customer satisfaction to support its mission by successfully adding Administrative Billings and Collections debt notices to the Reporting Center. This allowed customers to print their own notices and send them to their employees in a timelier manner.

NFC continues to be 100 percent compliant as the Central Accounting and Reporting System (CARS) reporter as of August 2019. The CARS financial management modernization initiative mandated by Treasury's Bureau of Fiscal Service to transform current government-wide accounting into real-time processes was completed. NFC modified its systems to report using a new 24-position component Treasury Account Symbol (TAS) format and a new field called the BETC (Business Event Type Code). All payments and collections are required to be classified (reported to Treasury) when received or initiated using the new component TAS and BETC.

The Acquisition Management Office (AMO) provided contract support for NFC initiatives. Significant progress was made in achieving socio-economic goals achieved through procurements made by AMO for NFC initiatives in FY 2019. USDA goals were exceeded on a number of metrics, including: 8(a) Concerns, Small Disadvantaged Businesses, Woman-Owned Businesses, Veteran Owned Businesses, HUBZone Small Business Concerns, and Service Disabled Veteran Small Businesses.

NFC accomplished the following in FY 2019 with regard to payroll, debt management, and customer support services:

- Issued 704,814 Form W-2s for Calendar Year (CY) 2019 before the January 31 deadline;
- Complying with the provisions of the Affordable Care Act and issuing 657,516 Form 1095-C for calendar year 2018 before the March 4, 2019, deadline;
- Processed 199,692 manual payments in 495 daily payment schedules totaling $262 million;
- Processed 31,573,732 biweekly salary payments in 975 payment schedules totaling $78.7 billion in gross salary payments for the year;
- Processed 12,660 debt collections totaling over $20 million;
- Generated over 130,354 automated bills;
- Submitted 4,506 delinquent debt claims to Treasury Offset Program and Cross Servicing totaling over $5.9 million; and
- The NFC Contact Center completed call resolutions for 84,951 telephone inquiries

NFC continues support of the President's Management Agenda (PMA), and its partnership with GSA for the New Pay Implementation. New Pay is part of an initiative led by the Unified Shared Services Management (USSM) as part of the PMA to leverage government buying power with respect to payroll shared services. NFC's plan consists of a phased approach where USDA OCFO (which includes NFC) will implement into New Pay in the calendar year 2020. During FY 2019 NFC work closely with GSA's Office of Shared Solutions and Performance Improvement and USDA's Office of the Chief Financial Officer (OCFO) leadership to influence the direction for New Pay and position NFC to become a leader in the federal payroll shared services transition process: Developed an implementation plan for the Federal government-wide New Pay Initiative to modernize and transform payroll operations from the Shared Service Providers to the private sector. The plan was submitted to GSA on August 2019, for review and approval.

In FY 2019, NFC continue the Network Tech Refresh requirement to replace the network infrastructure at the Primary Computing Facility (PCF) in Denver, CO, Back-up Computing Facility (BCF) in St. Louis, MO and implement all parts at the AWS in Bossier City, LA to maintain compatibility at the PCF and BCF. Ninety percent of the current NFC network infrastructure at the PCF, BCF and AWS was past end of life with no vendor hardware and software support, including security patches. This will ensure that all the network is updated with modern technology and solidifies the networks between the PCF and BCF.

In collaboration with OCIO, NFC continues the Data Center Relocation project, which will relocate the NFC's data center to NITC in Kansas City. Members of NFC's Data Center Relocation project management team visited the Kansas City NITC site to discuss ongoing operations and maintenance costs once NFC has relocated the data center into the NITC site. The NFC staff continue refining the migration strategy to NITC, including high-level schedules and costs. NFC continue briefing senior OCFO and OCIO leadership on progress.

FMS continues working on the migration of FPAC (Farm Production and Conservation) Business Center accounting into the USDA's Financial Management Modernization Initiative (FMMI) system. The FPAC's program financial accounting is not integrated with the rest of USDA in FMMI, creating reconciliation and other issues, additional costs to maintain a separate set of systems, and the inability to achieve a clean accounting audit. As a result, material weaknesses were identified during the 2016 audit cycle for the areas of accounting estimates and the maintenance of accounting records. This project will help resolve these issues and facilitate a clean audit opinion. The first phase was completed in FY 2019. This will be a multi-phased multi-year project that will ultimately move all financial management processes from FPAC Accounting and Feeder Systems to FMMI. Simultaneously, FPAC will need to remediate their feeder systems to create auditable financial data to integrate with FMMI.

FMS has continued to enhance the FG enterprise. The eFG enterprise was deployed to NRCS with significant additional functionality related to collection agreements, repayments, and Memorandums of Understanding (MOUs). NRCS has 2,500 new grant agreements and several

hundred new users have been trained. The Interagency Agreements (IAA) requirements have been gathered and implementation is underway into the ezFedGrants enterprise and FMS continue the implementation of the Forest Service ezFedGrants, Animal and Plant Health Inspection Service and National Institute of Food and Agriculture (NIFA). FMS continues working with NRCS, the Foreign Agricultural Service, and FSA for additional grant programs.

FMS continues its partnership with the Department of Treasury to implement use of Treasury's Central Receivable System (CRS). This improved the billing practices of USDA receivables related to Travel Relocation Debt and subsequent debt management of those receivables. The interface went into production in the first quarter of FY 2019. The interface is being developed so it can be used for additional types of USDA debts.

FMS continued migrating supporting administrative and financial systems to a commercial cloud service provider. During the beginning of FY 2019, FMS successfully migrated CPAIS Transactions to the cloud. These efforts were completed on schedule and within budget. FMS also completed the 2019 Disaster Recovery Drill in the cloud environment. Improvements in performance continue to be realized, in addition to a reduction in risks and costs. Due to the age of the previous infrastructure, this migration also provided a technical refresh of the hardware, software, and network components that will enable FMS to improve the stability, security, and efficiency of the systems. As part of the cloud migration of the supporting administrative systems, FMS conducted an in-depth analysis of existing FMMI infrastructure and identified areas for consolidation of data or decommissioning of obsolete servers. As a result of the server decommissioning, FMS realized savings in excess of $250,000 per year.

FMS implemented Treasury Data Act Requirements and implemented improvements to DATA Act processing that streamlined the error correction process and significantly reduced the number of errors. This reduced the time required for agencies to research File C errors and allowed USDA to report a better representation of USDA's data to Treasury.

Pegasys Financial Services (PFS) completed a major upgrade of the U.S. Department of Agriculture's financial management system, Pegasys, allowing GSA to utilize new functionality, maintain compliance with federal standards, and stay current on supported software releases. This major upgrade of the core financial system that supports GSA was successfully completed on time and within budget. PFS successfully tracked, tested, and implemented database and application changes related to the upgrade, validated security reporting, lead cycles and systems interfaces testing, review of project deliverables, and jointly managed and supported post-go-live issues identification. As part of the upgrade, PFS replaced the functionality of seven GSA systems allowing GSA to decommission the systems and save/redirect Information Technology (IT) resources. PFS worked extensively with GSA reviewing all ancillary systems, documenting current state and purpose, and identifying potential workflow processes within Pegasys and/or streamlined processes.

PFS successfully implemented a project to enhance GSA's Global Supply billing processes to

add trading partner Treasury Account Symbols (TAS) of GSA's trading partners in order to improve GSA's compliance with Treasury's GTAS Reporting requirements and further reduce issues identified on Treasury GTAS scorecard.

PFS supported GSA's Smart Pay 3 (SP3) charge card transition from Citibank to US Bank. PFS shared transactional knowledge, tested data and payment files, developed working knowledge of the new online banking system, and created and implemented a new process for securely transmitting payment files with US Bank. The transition also included closing out the Smart Pay 2 corporate accounts

PFS completed the annual Statement of Standards for Attestation Engagement (SSAE) 18 Audit. PFS documented the PFS System Description, which included a description of financial services, 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. PFS was issued an unmodified opinion by KMPG for the time frame of July 1, 2018 – June 30, 2019.

In FY 2019, ICSS completed a major enhancement of the A-123 Compliance and Reporting Tool (ACRT) to automate the documents workflow, monitoring and reporting of the required controls to be assessed under the OMB Circular No. A-123, Appendix A, in compliance with the Federal Managers' Financial Integrity Act of 1982. The enhancements in ACRT included:

- Financial Statement (F/S) Line Item Scoping Status for agencies based on determining factors from Materiality Threshold Amount, Departmental Level status, Qualitatively Scoped-In, and more;
- Two (2) new dashboards communicating announcements, upcoming deadlines, meetings, trainings, reference materials, templates and points of contact to better support users;
- User-friendly and accessible functionalities that permitted multiple users with similar roles and responsibilities to share the same data.

In conjunction with FMS, ICSS also approved and communicated hybrid and inheritable FMS controls to respective agencies and staff offices and began to map those controls in ACRT accordingly. FMMI process controls were also added to ACRT under the OCFO-FS business unit and G/L Maintenance process. In spite of the government shutdown and the modification of the assessment timeline, ICSS managed to complete the assessment timely.

Standard test plans were required and communicated the Financial Reporting and Assessment Team (FRAT) members for the Charge Card Monitoring cycle, and Unliquidated Obligations processes. Also, ICSS conducted an internal review of the ULO review and certification processes for all agencies, which included a detailed review of obligations and certification samples. A final report was later provided to agencies, OCFO leadership, and OIG.

During FY 2019, ICSS continue its internal effort to assist agencies in not only achieving the

POA&M closure goals they established at the beginning of the fiscal year but also help them to ensure that the steps they performed to close open POA&Ms were effectively completed. In addition, the spot testing effort assesses the quality of the GCC POA&M closure procedures performed by USDA agencies and staff offices and identifies areas requiring improvement in order to promote consistent and reliable testing results and documentation across all agencies.

In FY 2019, ICSS performed annual spot testing of key controls for business processes that passed testing in FY 2019. Spot testing covered 23 processes (as compared to 8 processes tested in the prior year) that included 125 controls (73 controls tested in FY 2018).

FMSS provided a combination of timely, reliable, and relevant funds execution, financial analysis, financial advice, fiscal reporting, budget formulation and forecasting for the Office of Operations, Office of Human Resources Management, Office of Property and Fleet Management, Office of Contracting and Procurement and the Office of Small and Disadvantaged Business, Office of Partnerships and Public Engagement, Office of the Chief Information Officer (OCIO), Office of the Chief Financial Officer (OCFO), Office of Homeland Security (OHS), Office of the Secretary (OSEC) and Office of the Executive Secretariat (OES) to make sound fiscal decisions in support of the Department's strategic goals. FMSS executed in FY 2019 over $323 million in budget authority across appropriated, shared-cost programs, program reimbursements, working capital funds, administrative support costs, Farm Bill, and no-year accounts.

During the end of the fiscal year, FMSS staff participated in the establishment of the Office of Security, Safety and Protection, providing master data for the financial systems and the distribution of the funds from various funding sources, including Ag Buildings, Shared Cost Programs and annual appropriations. The additional workload for the new staff office having new reporting requirements will be absorbed within the current workload unless deemed differently at the end of FY 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:

- 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)
- Client Technology Services (CEC); (Washington, DC and field operations nationwide)

The Data Center Hosting Services/National Information Technology Center (DCHS/NITC) specializes in enterprise information technology solutions. The USDA Enterprise Data Centers managed by DCHS/NITC are located in Kansas City and St. Louis, Missouri. DCHS/NITC

services are operated seven days a week, twenty-four hours a day, every day of the year under three 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, 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. It leverages employee expertise in software application development and integration of IT resources to provide high quality, cost-effective results in partnership with project stakeholders.

Forth, the 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 acceptable 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.

Client Experience Center (CEC), under the Office of the Chief Information Officer (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, which offer 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 the Office of Secretary and OCIO. It 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.

Selected Examples of Recent Progress
As part of the Center of Excellence's (COE) Data Center Optimization Initiative (DCOI), we have closed 33 of 37 data centers with total DCOI cost savings of $42.311M. These activities led to maintaining a "B" rating in Data Center Optimization on the Federal Information Technology Acquisition Reform Act (FITARA) scorecard.

DISC migrated several agencies/mission areas to Kansas City, including FSA, OCIO, Farm Production and Conservation (FPAC), Forest Service (FS), and Food & Nutrition Service (FNS) while Achieved $8.8M in cost avoidance and savings over 5 years through the OCIO migration alone. DISC partnering with CoE to create data center migration playbook to be used across the Federal government.

DISC completed 70% of the modernization efforts for POD 1B in Kansas City with a completion target of October 2019. Created a secure network communications vault and implemented more efficient data center cooling. Continued implementing rack-level electrical metering within the Kansas City facility. Energy efficiency enhancements have saved $400K/year in data center electrical expenses.

Under efforts for Cloud Adoption, DISC delivered Cloud Access Security Platform (CASP) managed services for Azure and AWS coupled with Cloud Lifecycle Management (CLM) service portal along with the Authority to Operate (ATO). DISC successfully onboard Food Safety & Inspection Service (FSIS) as the first customer. Overall commercial cloud investments through the Cloud Broker Office increased $7.5M.

In support of the Presidential Executive Order on Strengthening the Cybersecurity of Federal Networks and Critical Infrastructure, DISC received a renewal of the Federal Risk & Authorization Management Program (FedRAMP) Moderate Impact Agency ATO through an audit and package submitted to the sanctioning body in July 2019. DISC also achieved renewal of a Department of Defense (DoD) Impact Level 4 Provisional ATO and implemented the National Institute of Standards & Technology (NIST) 800-53 Rev 4 to enhance security controls for Federal Information Security Management Act (FISMA) Moderate compliance.

DISC also extended the capabilities of Cybersecurity provided to customers through the pilot of True Sight Vulnerability Management solution for automated patch and vulnerability management, development of Patch & Vulnerability Group (PVG) automation using Nessus, Splunk, Configuration Management Database (CMDB) Export, Enterprise Requests Management System (ERMS), MuleSoft, and elimination of orphaned Internet Protocol (IP) addresses.

DISC developed a department level Cloud Portal which serves as the central interface for all Agency interaction with the USDA Cloud Program. New enhancements in FY19 were to develop the Cloud Application Tracking (CAT) tool to track all cloud applications in the USDA.

DISC Digital Services Center (DSC), provided support for 14 different offices within 6 different Mission Areas plus Departmental Administration (DA). The DSC received over $3.5M directly from customer agreements to provide management and support of USDA Salesforce and ServiceNow applications.
DISC Commercial Cloud Brokering Office, under EAS developed and/or implemented applications for agency/office customers, including:

- Communication Frequency and Equipment Tracking System (CFETS) v1.0 for use by the National Interagency Fire Center's (NIFC) National Interagency Incident Communications Division (NIICD).
- Aviation Checklist (AvCheck) application in April 2019. AvCheck is used by U.S. Forest Service aircraft inspectors to verify contractual and safety standards of aircraft used in wildland fire suppression activities.

- Webservice for ARS. Prior to this Webservice, a third-party vendor-provided data on behalf of ARS. ARS Webservice now provides current, valid data to the public and saves ARS time and money.
- Expand communication capabilities of GovDelivery for the BioPreferred program. Using GovDelivery provided communications with standardized branding, produced communication analytics, and utilized a current Rural Development tool.
- Contacts Module on the Forest Service Special Uses Data System (SUDS) application – this was a very complex and completely custom module and is foundational to the billing process.
- Air Force Contracting Information Technology (CON-IT) system in production earlier than planned in December 2018, which enabled Air Force to decommission their legacy Standard Procurement System (SPS) contracting system 5 years early and save $17M.
- FEMA Pivot application launched in production on September 30, 2019, and FEMA has begun to use Pivot as their primary System of Record (SOR) for the National Flood Insurance Program (NFIP). Pivot will enable a reduction in flood insurance policy disbursement time from 60 days (in NFIP) to 24 hours (in PIVOT), a growing number of policies written and consumers serviced from 5M to 10M customers; and save DHS up to $18M/year as compared to NFIP.

The DISC Commercial Cloud Brokering Office, under EAS, developed a customer-facing Portal that serves as a huge resource to both new and existing Cloud customers. New customers interested in Commercial Cloud services can learn more about the offerings as well as go through a decision tree to determine which solution is the right fit for them. The Portal also serves as an important support resource for existing Cloud customers, allowing them to access relevant documentation, to view the latest FedRamp status on Microsoft/Amazon services, as well as find answers to many other questions via the knowledgebase.

As part of the Federal IT Modernization initiative, NITC developed a Cloud Access Security Platform, otherwise known as AgCloud. The AgCloud service is a multi-cloud management solution, which will allow users to do self-provisioning, submit service requests in ERMS, view the Service Level Agreement (SLA) Dashboard, and provide them with escalation capability for priority issues backed by NITC's "24 x forever" tiered support.

The Enterprise Network Services (ENS) team developed a Task Order Request (TOR) for USDA Network Modernization, to be released to offerors under the GSA Enterprise Infrastructure Services (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. ENS submitted the final draft of the TOR to GSA and received in-scope review approval. ENS provided the complete USDA EIS Contract solicitation package to Procurement Operations Division (POD) for review. The solicitation package consisted of all Federal Acquisition Regulation sections as well as an Acquisition Plan, Market Research, and a Source Selection Plan. ENS worked with USDA's Concept of Operations (ConOps) team, Telecommunications Mission Area Control Officers (TMACOS), and EIS Transition Manager

working group to successfully capture and document USDA's requirements for the full range of required telecommunications services (voice, video, and data), management, and support, and USDA's Location Inventory (detailed information on over 8,000 USDA locations). This information will be provided to the EIS Offeror community to assist with its proposal development efforts. USDA's Location Inventory was loaded into a Microsoft Access database that will enable ENS to consider multiple EIS cost forecasting models. ENS also partnered with Noblis Inc. to prepare the USDA AcquServe procurement management portal that will guide USDA from the release of its USDA EIS solicitation package through EIS award. ENS developed executive level EIS information that is being considered, including EIS business case and, most importantly, the USDA EIS Independent Government Cost Estimate (IGCE). ENS completed the final USDA EIS IGCE that conservatively estimates that USDA will save over $570M over the life of the awarded EIS Task Order.

ENS continued to lead a USDA-wide initiative to develop a Concept of Operations (CONOPS) for the proposed Network Modernization activity (USDANet). This team is headed by representatives from ENS, Forest Service (FS), and OCIO Client Experience Center (CEC), and includes membership from several USDA Agencies. The team continues to document requirements to develop a CONOPS Executive Overview and a formal CONOPS document. A draft ENS organizational transformation design was completed and received approval from OCIO leadership. ENS continues 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. Currently, ENS is completing HR activities to hire five new managers for the new organization. Two new contracts were awarded to provide the advisory and assistance expertise needed for planning the modifications (resources, processes, tools, facilities, etc.) required to support the new organization. Additional contracts may be awarded to support the new workload. ENS has created an Organizational Steering Committee to oversee projects and ensure that appropriate communication and collaboration is occurring. ENS will continue organization planning and implementation, heading into FY2020.

ENS, in coordination with the Office of Contracts and Procurement (OCP), awarded a new wireless services BPA contract to Verizon and T-Mobile, under the General Services Administration (GSA) Federal Strategic Sourcing Initiative (FSSI). ENS held weekly meetings with Verizon and T-Mobile to plan for the migration. and met bi-monthly with Agency TMACOs to share information on transition status, funding, account structure, and ongoing issues with vendor portals. ENS developed guidance for recycling old devices in a secure manner that complies with sustainability requirements. As part of the migration, ENS developed and implemented new billing and accounting processes for wireless services. Numerous challenges with collecting agencies' funding for Intra-agency agreements (IAA) delayed transition by several months. To date, we have transitioned 2,553 lines to T-Mobile and 54,397 to Verizon Wireless (out of 55,000 lines estimated to be transitioned). According to Verizon, USDA should realize a savings of approximately $8.5 million from the first year of the new wireless contract and a savings of $5.5 million for the second year and beyond. We expect to complete the transition by Oct 2019. ENS is working with OCP to award a sole source task

order to AT&T for up to 3,000 lines of services that cannot be ported to either Verizon or T-Mobile due to a lack of coverage, critical business, mission or technical reasons. ENS developed a waiver process for agencies to request an exception for certain lines of service to remain with AT&T. Agencies must provide a compelling justification and evidence of due diligence in order to stay with AT&T.

ENS worked with AT&T and the Client Experience Center (CEC) to migrate AT&T VoIP users at Patriot Plaza III to the new Authority to Operate (ATO), FedRAMP certified HCS-G platform solution. ENS continues working with AT&T and CEC to migrate UC-Voice users within the DC Metro area to HCS-G. Configuration issues with Jabber Client have caused CEC to halt migration activities until it is resolved. Contingent on resolution of Jabber, AT&T and CEC plan to have the DC Metro area migrated by 1st quarter of FY2020. Additionally, ENS is working with AT&T on migration for UC-Voice users located outside the DC Metro area for Forest Service (FS) and Office of the Inspector General (OIG). Agricultural Marketing Services (AMS) and Office of the Chief Financial Officer – National Finance Center (OCFO-NFC) have advised ENS that they will migrate to an agency-managed VoIP solution instead of HCS-G.

ENS completed a contract compliance review of current AT&T services that began in 2018. The intent of the review was to address performance issues and improve accountability for vendor-managed services within the UTN. This effort produced numerous benefits that improved service quality for our customers. These benefits include the following: AT&T hired a full-time Operations Manager to work on-site at the Fort Collins OCIO facility and a security expert to support ENS and Information Security Center (ISC) mission objectives; AT&T added five new subject matter experts to the Domain Name Service (DNS) activity; AT&T updated three contract documents to incorporate 34 actions covering new or updated processes, reports, and dashboards designed to improve AT&T accountability; AT&T purchased new hardware and software to address weaknesses with the monitoring and security logging elements of the UTN. All actions have been performed by AT&T at no additional cost to ENS.

ENS worked with service providers and customer agencies to implement upgraded or new services. AT&T observed high utilization at the Kansas City and St. Louis Data Centers and increased the bandwidth at those facilities. ENS assisted the Risk Management Agency (RMA) to opt-in at the Kansas City, Saint Louis, DC, and Fort Collins Cloud Provider Network Interface (CPNI). The CPNI service provides a better customer experience by increasing user performance and reducing latency. ENS supported a request from Office of the Chief Financial Officer (OCFO), National Finance Center (NFC) to provide DMZ connections in the St. Louis Data Center to utilize the DISC High Availability (HA) design and connect to both primary and secondary routers at the site, giving NFC redundant and high availability services at the St. Louis Data Center.

ENS worked with many USDA Agencies, OCIO organizations, and contractors in support of the UTN security program. Activities included: updating the ENS Information System Security Program Plan; reviewing and updating all Accreditation and Authorization (A&A)

documentation for the UTN and Network Managed Services Support (NMSS); monitoring AT&T and NMSS systems and assessments; addressing issues with the OCIO-ISC groups for continuing the ATO for the AT&T system; and began preparing to decommission the NMSS system. ENS also managed the FISMA Plan of Actions and Milestones (POA&Ms) by tracking mitigation tasks in the CSAM Database from various audits, OIG reviews, and self-assessments, then prepared and submitted information for the ENS annual certification that will be entered the DISC FY19 Financial Certification Statement.

ENS updated and defined new processes for funding, ordering, and paying for services purchased through next-generation GSA enterprise telecommunications services contracts. The new processes comply with requirements defined in the Digital Accountability and Transparency Act (DATA) Act, Anti-Deficiency Act, and Federal Acquisition Regulation (FAR) 16.505. ENS provided several briefings to agency TMACOs and Financial/Budget Analysts about the new financial processes. ENS drafted a Service Management Plan (SMP) for enterprise telecommunications services that identifies all systems/tools, processes, methods, roles/responsibilities, contracts, and timelines related to a given service. The SMP will provide the information needed to build a process framework that can be applied to all the enterprise contracts, with only minor adjustments needed to accommodate unique requirements between contracts. ENS developed an overarching process document to outline procedures and requirements to effectively manage the governance and financial aspects of ENS enterprise projects. The document will include information on Capital Planning, Acquisition activities, including the approval process, Funding, Ordering, Billing, Inventory and Reporting.

ENS worked with the Office of Executive Secretariat (OES) to publish Departmental Regulation (DR) DR3300-020 Telecommunications Mission Area Control Officer Roles and Responsibilities; DR3300-001-C Radio Frequency Management; DR3300-1-G Sharing of Telecommunications Resources; and DR3300-001-I Internet. Additionally, ENS completed drafts of Departmental Regulation (DR) DR 3300-001-K, Installation of Telecommunications Cables in Federal Buildings, DR 3300-001-B, Telephone Use and DR 3300-005, Planning and Managing Wireless Technologies. These three DRs are all in the formal clearance process.

ENS continued to serve as a subject matter expert (SME) for the review of agency IT investment requests through the Agency Acquisition Request (AAR) process. Requests are reviewed and examined for potential impacts to UTN resources and compliance with USDA policies. From October 2018, through September 2019, ENS reviewed and approved 130 AARs.

In FY 2019, CEC continues its challenge to consolidate End User support across USDA. The Consolidated Tier 1 Help Desk (CHD) continues to be the front-line, 24-hour support for our growing number of customers. Customers contact the Consolidated Help Desk for support for IT issues. In FY 2019, Tier 1 Consolidated Help Desk agents handled 67,686 customer contacts. Tier 1 agents offer a wide range of support expertise, with the most common solutions provided for password resets, LincPass exemptions, and network/VPN connectivity issues. In FY 2019, the CHD directly resolved 34,169 Incidents. Any incidents that we're unable to be immediately

resolved by Tier 1 were routed to the appropriate Tier 2 support teams, along with detailed issue descriptions and any troubleshooting steps performed.

CEC is fulfilling the promise to continue harnessing the power of the Cloud; a Chat support feature was introduced in April of 2019. This Chat support feature allows for instant IT support. Customers can first receive Self-Service support through the virtual agent, "Jenn". Customers can type a question to Jenn and receive a list of relevant Self-Support articles to assist with resolving common issues. For FY 2019, Tier 1 agents received over 618 customer requests for assistance over Live Chat sessions. Of these requests, 300 resulted in the issue being resolved over Chat without needing additional ticket escalation. These FY 2019 numbers reflect an increase in change and access management requests, which are planned requests and represent an increase in workload for FY 2019. At the same time, incident volume decreased, reflecting lower unplanned interruptions or reduction in the quality of IT services. CEC strives to lower the rate of incidents and, therefore, they reduce the corresponding impacts to customers.

CEC already described a specific effort related to Hurricane Michael recovery efforts and assistance. CEC provided support for disaster assistance and recovery efforts in times of crisis through several additional examples in FY 2019. In April 2019, USDA locations experienced tornado disruption in Louisiana. IT Specialists from Ruston were relocated to the Monroe Service Center to continue supporting the surrounding area. The Ruston Service Center regained power later that day. The state office IT specialists were on standby to assist in the area as needed. The Ruston Service Center reopened on Friday, April 26, without issues and CEC provided continued support the following week for normal operations.

Every USDA Agency has unique and diverse needs and CEC strives to fulfill Agencies' support requirements to enable customers to accomplish their mission. Three customers have unique requirements for specialized, secure areas called "Lock Up" areas. In FY 2019, CEC collaborated with Foreign Agriculture Service (FAS), National Agricultural Statistics Service (NASS), and Office of the Chief Economist (OCE) to provide support for these specialized areas. CEC collaborated with FAS to address a unique need for Overseas Customers. FAS encompasses more than four hundred Overseas State Department users who have USDA email addresses but who do not use USDA equipment. Without USDA equipment, these customers experienced challenges resetting their passwords. CEC rose to the challenge of addressing this unique requirement and support this need. CEC worked with FAS to enable the Self-Service Password Reset (SSPR) to address this unique need for the customer. Additionally, CEC's Quick Tip team evolved this past year with the introduction of new tools and features for delivering information to customers. The Quick Tip team historically produced instructions for our customers on CEC supported hardware, software, security, and general topics and stored them on the Customer SharePoint site. During FY 2019, all Quick Tip documents were added to the consolidated Knowledge Management library, which can deliver information to customers via the new Self-Service Chat tool.

CEC completed the Windows 10 deployment project for customers. Maintaining the latest operating system (OS) versions and updates ensure systems are secure and available for customer operations. CEC developed a Windows 10 feature upgrade process and reporting mechanism which allowed CEC to track the versions of Windows 10 in the enterprise, ensuring operating systems do not go end of life. For MPS-Lexmark, CEC worked with the vendor and the appropriate USDA agencies to transition the MPS-Lexmark devices out of service by December 2018. Due to the partial government shutdown, all devices were removed from service by March 2019 without any penalties. The contract and project were officially closed on June 31, 2019.

CEC in partnership with Xerox, has installed approximately 8,300 devices for 10 participating agencies. As the agencies complete the End User Consolidation project, this will result in additional Request for Service (RFS) being submitted during FY 2020. CEC and Xerox have developed and implemented a user-friendly integrated secure web portal to support MPS operations and program management. We also have collaborated on an integrated Help Desk Solution that emphasizes managed print services availability.

Mission accomplished to CEC! As of the end of Fiscal Year 2019, all users (and their data) had been securely migrated to the new GCC environment, including 30,000 migrations to a redesigned mobile solution.

Storage technology at Kansas City and St. Louis data centers had grown a bit "long in the tooth." That has now been corrected with the installation of the latest NetApp® storage controller technology, which translates to better performance and extended functionality. These newer NetApp controllers have more capable Central Processing Units (CPUs), more connection ports, more memory, and much faster flash-based storage using Solid State Drive (SSD) technology. Other advancements include highly scalable NetApp StorageGRID Object Storage technology and intelligent, policy-driven data management. That virtual environment was enhanced in Fiscal Year 2019 with the installation of state-of-the-art hardware from Nutanix® that replaced aging equipment. The Nutanix platform is a hyper-converged system that provides consolidated computing, storage, and network resources for Farm Services Agency (FSA) Field Geographic Information System (GIS) applications and operations, SCA Office Automation remote access, and other specialized remote-access virtual desktop needs for the SCAs.

CEC successfully completed the next-generation firewall enhancements implemented in Fiscal Year 2019 from Juniper Networks® yield various technical benefits (such as allowing firewall policies to be implemented via URLs as opposed to network addresses), but also greatly increase the maximum number of concurrent connections from 2.25 million to up to 60 million. Furthermore, various initiatives were undertaken in 2019 to improve the network infrastructure in the National Capital Region (NCR), including:

- Fiber-optic backbone upgrades to Whitten & South buildings cable infrastructure running

from the Primary Telecom Closets (PTCs) to 196 telecom rooms and sub-telecom rooms throughout the South and Whitten (WDC) buildings. This included installation, termination, testing, and labeling of 196 strands of OM4 Multimode Fiber-Optic Cabling.
- S-100 to 0410 computer room upgrades has been built and outfitted with the latest networking technology. The room also has received the latest updates for cooling, lighting, power, and emergency power generation. The result is a computer room that will serve USDA Agencies for many years to come.

CEC made significant improvements to USDA's identity, credential, and access management shared services and capabilities. USDA eAuthentication is the system used by USDA Agencies to enable customers to obtain accounts that allow them to access USDA Web applications and services via the Internet. eAuth NextGen provides a completely modernized user experience for both federal employees and citizens alike. Every business process was re-engineered with the user experience in mind to be simple, intuitive, and fast. Citizen-facing processes were also updated with a greater emphasis on privacy. eAuth NextGen also has been designed for mobile use with a responsive user interface that works and looks great on any device.

CEC leveraged the partnership with the Department of Homeland Security's (DHS) using the Continuous Diagnostic & Mitigation Program (CDM) to complete the replacement of the legacy Enterprise Entitlements Management System (EEMS) service with improved, modernized identity management and governance platform. The new platform lets Agencies simplify and streamline their ID and access management workflows and easily attain compliance with the requirements spelled out in the Federal Information Security Management Act (FISMA).

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, Departmental Records Management, Departmental Directives, Plain Writing and assists the Office of the Secretary with special projects.

Correspondence management: OES receives and analyzes all correspondence addressed to the Secretary and Deputy Secretary, refers 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.

Maintenance of official records: OES is responsible for managing departmental records. OES organizes, stores, and providing access to the Secretary's and departmental records—including national security classified items. Departmental records staff also coordinate the records

management functions for all USDA mission areas and agencies. In so doing, this office preserves required official records and serves as a valuable source of institutional memory for the entire Department.

Selected Examples of Recent Progress
OES has seen many changes in FY 2019 to move towards a more efficient correspondence system with standardized operating procedures. This will ultimately include a revised Departmental Regulation (DR) overseeing Secretarial Correspondence. The most recent update to this document last took place nearly a decade ago. Additionally, OES is working towards the development and implementation of a Departmental Memorandum (DM) which will clearly outline the policies and procedures followed by OES in the processing of Secretarial Correspondence. This type of document does not exist currently.

OES is looking to improve not only internal processes but also improve communications with external customers. To that end, OES established a CCO Council in FY 2019, which works with and advises OES leadership to improve the working relationship between the agencies and the department on correspondence. This Council won a Departmental Administration (DA) Award for their work to help improve the overall processes. The more these processes can be coordinated; the more efficient the system will be in the longer run. OES is working with USDA departmental leadership to find ways to improve efficiencies with the goal of reducing the time that it takes to get quality responses to Congress and others who are writing to the Secretary and Deputy Secretary with comments or requests for information.

OES processed 28,865 pieces of individual correspondence and other Secretarial documents addressed to the Secretary. As part of its direct service to USDA agencies, in FY 2019, OES received over one million pieces of correspondence and managed the clearance and signing agency-initiated correspondence and other documents, along with decision memoranda, Memorandums of Understanding for the Secretary's signature, legislative reports, and 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, etc.) and other special writing projects in support of the Office of the Secretary/Deputy Secretary. OES worked one-on-one 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.

Departmental Records Management activities resulted in partially clearing the backlog of overdue boxes for destruction at the Federal Records Center, resulting in cost avoidance to USDA over $207,383. Department Records continues its work with Staff Offices, agencies and mission areas to identify records that remain past due for disposal and assisting them in cost avoidance strategies for USDA. In FY2020, Departmental Records Management will be involved with the USDA One Neighborhood project and advising on the proper requirements for records management in preparation for and throughout the upcoming moves.

Compliance with the Plain Language Act in FY2018 resulted in USDA receiving an 'A' average on the Plain Writing report card. USDA was one of three departments in the Federal Government that received an 'A'. USDA's FY19 Plain Language submission is still awaiting a final grade.