

2022 USDA Annual Performance Plan

**2022 United States Department of Agriculture
Annual Performance Plan**

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PREFACE

This publication summarizes plan for fiscal year (FY) 2022 Performance for the U.S. Department of Agriculture (USDA or the Department). The performance tables throughout this document, unless otherwise noted, show target levels for 2021 and 2022 and actual data for all preceding years. Performance goals reflect performance levels at ongoing funding levels and do not include the effect of supplemental appropriations. Performance target levels are estimates and subject to change. The Department will be revising the USDA Strategic Plan and performance measures later this year.

This 2022 Annual Performance Plan outlines the current performance goals and targets that are in alignment with the 2018 – 2022 USDA Strategic Plan goals and objectives. Due to 2022 being a transition year of administration and strategic direction, a note on alignment to new priorities has been included. The USDA 2018 – 2022 Strategic Plan will soon be phased out and the 2022 – 2026 USDA Strategic Plan will reflect the new strategic direction for USDA over the next 5 years. The 2022 – 2026 USDA Strategic Plan is planned to be published in February of 2022. To best align existing strategies with the new priorities of Secretary Vilsack, existing key performance indicators (KPIs) that have foreseen alignment to the new administration direction will note the rationale. The following priorities have been identified.

- **Employee Morale**
- **COVID Relief**
- **Equity and Inclusion**
- **Climate Change and Agriculture**
- **Rural Community and Economic Development**
- **Food Safety & Food and Nutrition Security**
- **Open and Competitive Markets**
- **Forest Service**

The Office of Budget and Program Analysis (OBPA) leads the Department in Performance, Evaluation, Evidence, and Risk Management and chairs the USDA Performance, Evaluation, Evidence Committee (PEEC) and the Enterprise Risk Management (ERM) committees. All Mission Areas and Departmental Administration are represented in both the PEEC and ERM committees which are comprised of individuals from different backgrounds throughout USDA as well as key evaluation partners, the Chief Data Officer and the Statistical Officer. These different perspectives and expertise facilitate buy-in across the Department, augment technical expertise, and create a greater diversity of perspectives. Partnership with the Chief Data Officer and Statistical Officer provides greater insight and advisement on data access, data quality and statistical methods.

Key Performance Indicators (KPI) status results are determined by the following standard:

- Met – Within 100 percent or more of target.
- Needs Improvement (NI) – within 10 percent of target.
- Unmet – Greater than 10 percent below target.

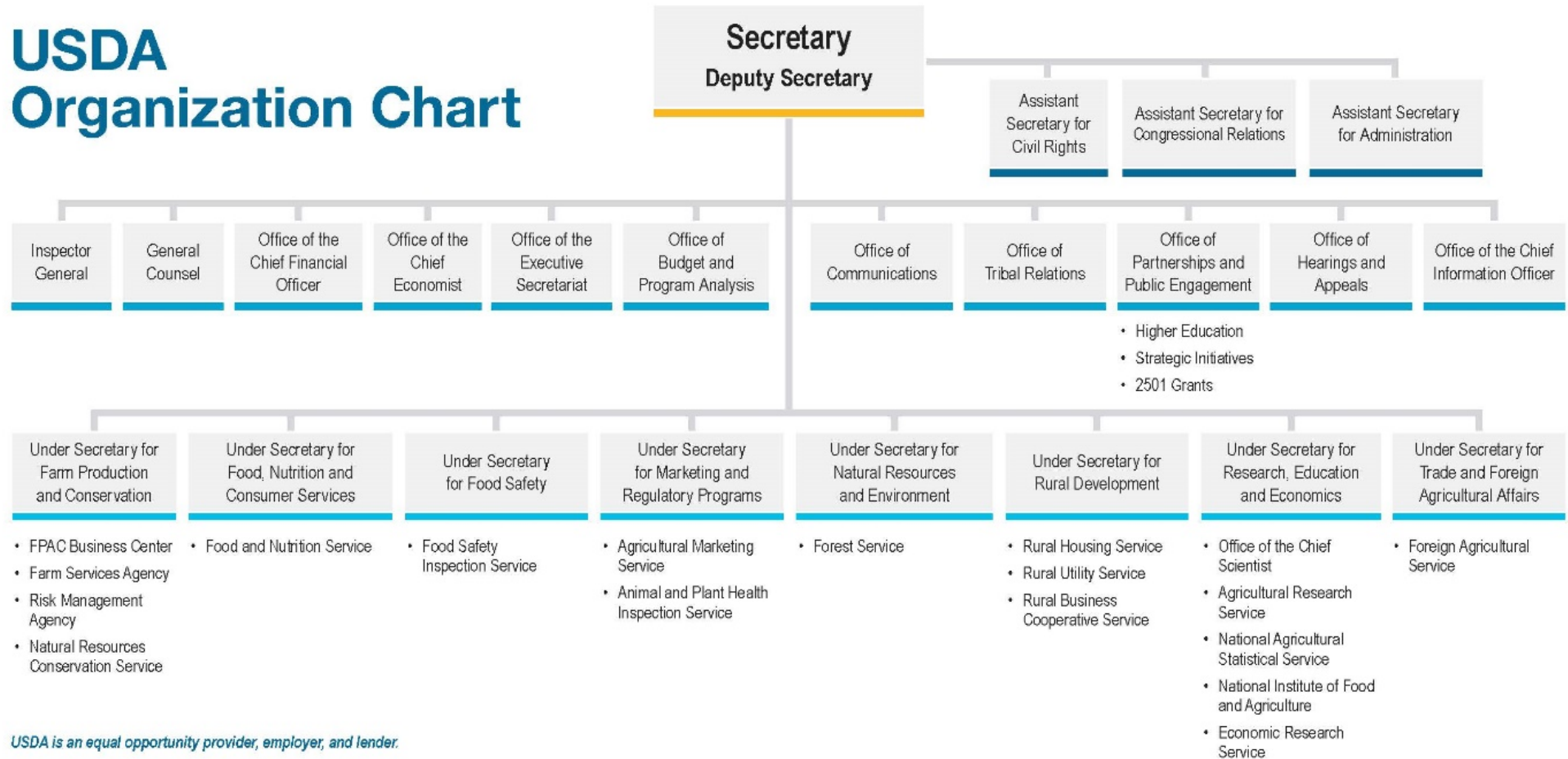
A more detailed report of the performance can be found within the USDA Annual Performance Report: <https://www.usda.gov/our-agency/about-usda/performance>.

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U.S. DEPARTMENT OF AGRICULTURE

USDA Organization Chart



USDA is an equal opportunity provider, employer, and lender.

UPDATED 10/01/20 This organization chart displays the names of USDA offices, agencies, and mission areas. Each office, agency, and mission area is placed within a cell connected by lines to show the structure and hierarchy (Under Secretary, Deputy Secretary, or Secretary) for which they fall under. An HTML version that lists [USDA Agencies and Offices](#) and [USDA Mission Areas](#) is also available on [usda.gov](#). The [Secretary's Memorandum 1076-031](#) was signed August 12, 2019 effectuating a change to Rural Development.

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USDA 2018 – 2022 Strategic Goals and Strategic Objectives

The [USDA FY 2018-2022 Strategic Plan](#) guides the strategic direction for USDA to ensure efforts best serve the American public. As part of our vision to make USDA the most efficient, most effective, and most customer-focused department in the federal government, we have established [seven strategic goals](#) for fiscal years 2018-2022. Our strategic goals outline key priorities and strategies, and objectives to achieve them.

Strategic Goal 1: Ensure USDA Programs are Delivered Efficiently, Effectively, and with Integrity and a Focus on Customer Service.

- Objective 1.1 Modernize Information Technology Infrastructure, Facilities, and Support Services to Improve the Customer Experience
- Objective 1.2 Maintain a High-Performing Workforce Through Employee Engagement and Empowerment
- Objective 1.3 Reduce the Regulatory Burden and Streamline Processes
- Objective 1.4 Improve Stewardship of Resources and Utilize Data-Driven Analyses to Maximize the Return on Investment.

Strategic Goal 2: Maximize the Ability of American Agricultural Producers to Prosper by Feeding and Clothing the World

- Objective 2.1 Provide an Effective Financial Safety Net for Farmers and Ranchers to Sustain Economically Viable Agricultural Production and Support Rural Jobs and Economic Growth
- Objective 2.2 Increase Agricultural Opportunities and Support Economic Growth by Creating New Markets and Supporting a Competitive Agricultural System
- Objective 2.3 Protect Agricultural Health by Preventing and Mitigating the Spread of Agricultural Pests and Disease

Strategic Goal 3: Promote American Agricultural Products and Exports

- Objective 3.1 Expand International Marketing Opportunities
 - Objective 3.2 Prevent or Resolve Barriers to Trade That Hinder U.S. Food and Agricultural Exports
 - Objective 3.3 Build Demand in Developing Countries Through Trade Capacity Building
-

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Strategic Goal 4: Facilitate rural prosperity and economic development.

- Objective 4.1 Expand Rural Business Opportunity and Rural Quality of Life with Access to Capital;
Improved Infrastructure, Broadband Access, and Connectivity
Support for Workforce Availability
-

Strategic Goal 5: Strengthen the Stewardship of Private Lands Through Technology and Research

- Objective 5.1 Enhance Conservation Planning with Science-Based Tools and Information
 - Objective 5.2 Promote Productive Working Lands
 - Objective 5.3 Enhance Productive Agricultural Landscapes
-

Strategic Goal 6: Ensure Productive and Sustainable Use of our National Forest System Lands

- Objective 6.1 Contribute to the Economic Health of Rural Communities Through Use and Access Opportunities
 - Objective 6.2 Ensure Lands and Watersheds Are Sustainable, Healthy, and Productive
 - Objective 6.3 Mitigate Wildfire Risk
-

Strategic Goal 7: Provide All Americans Access to a Safe, Nutritious, and Secure Food Supply

- Objective 7.1 Prevent Foodborne Illness and Protect Public Health
- Objective 7.2 Provide Access to Safe and Nutritious Food for Low-Income People While Supporting a Pathway to Self-Sufficiency
- Objective 7.3 Support and Encourage Healthy Dietary Choices Through Data-Driven, Flexible, Customer-Focused Approaches

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SUMMARY OF PERFORMANCE BY MISSION AREA

DEPARTMENTAL ADMINISTRATION

- **Office of Property and Environmental Management (OPEM)**

Introduction Departmental Administration (DA): DA’s mission is to provide management leadership to ensure that USDA administrative programs, policies, advice, and counsel meet the needs of USDA people and projects, consistent with laws and mandates; and provide safe and efficient facilities and services to customers. DA is composed of the following offices:

- Office of Customer Experience
- Office of Homeland Security
- Office of Safety, Security, and Protection
- Office of Human Resource Management
- Office of Operations
- Office of Property and Environmental Management
- Office of Small and Disadvantaged Business Utilization
- Office of Contracting and Procurement

OPEM provides USDA-wide administration, leadership, oversight, and policy in the areas of real and personal property acquisition, utilization, and disposal; and fleet, transportation, and aviation management. The Office provides quarterly oversight and compliance reports on USDA’s leasing portfolio and provides guidance to agencies on best practices. Additionally, OPEM develops and administers policy and guidance for environmental management at USDA, including response and restoration, facilities energy management, and sustainable operations.

Alignment to Strategic Plan

OPEM activities contribute to the success of USDA’s mission to provide leadership on agriculture, food, natural resources, rural infrastructure, nutrition, science, and related issues through fact-based, data-driven, and customer focused decisions; and is responsible for achieving and measuring results within respect to the following 2018 – 2022 Strategic Goal and Objectives:

Strategic Goal 1: Ensure Programs Are Delivered Efficiently, Effectively, With Integrity and a Focus on Customer Service

Objective 1.2: Maintain a High-Performing Workforce Through Employee Engagement and Empowerment

Objective 1.3: Reduce the Regulatory Burden and Streamline Processes

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Summary of Performance

The following table summarizes the results for the Departmental KPIs for which DA is responsible.

		FY 18	FY 19	FY 20	FY 21	FY 22
1.2.1. Reduce the Department's overall real property footprint through effective disposal and consolidation efforts (Million square Feet)	Target ¹	31.6	31.3	31.2	31.1	31.0
	Results	32.4	31.3	31.2	TBD	TBD
	Status	Met	Met	Met	TBD	TBD

		FY 18	FY 19	FY 20	FY 21	FY 22
1.3.1. Reduce the Department's total number of fleet vehicles (Thousand)	Target	28.8	27.1	36.5	36.5	36.5
	Results	22.6	27.1	37.9	TBD	TBD
	Status	Met	Met	NI	TBD	TBD

Progress Toward the Achievement of Strategic Objectives FY 2020 - 2021

Departmental Administration Office of Property and Environmental Management (OPEM) has led efforts to reduce the overall fleet inventory and continued capped fleet size for fiscal year 2021. OPEM established and worked with the agencies to create a 5-year fleet management plan that focused on replacing the USDA aging fleet that will lend efforts for increased sustainability and utilization. In partnership with General Services Administration (GSA), there have been some aging fleet conversions to GSA leased vehicles. There has been an increase in installations of telematics which will result in increased monitoring for sustainability and utilization.

In fiscal year 2020, the fleet disposal target was unmet largely due to logistical challenges related to COVID-19 restrictions that hindered vehicle sales; very limited vehicle sharing due to social distancing requirements; lack of availability of license plates for new vehicles so older vehicles were retained to continue operations; and a very active fire season that prevented Forest Service from conducting vehicle sales in a timely manner.

OPEM has led efforts to reduce the footprint and work with mission areas to improve data integrity by implementing seven data integrity initiatives that aid in data accuracy. OPEM holds monthly Real Property Working Group meetings with USDA agencies to review the errors and set deadlines for corrections. The Capital Plan was submitted to GSA, and as part of the Plan, nine of the One Neighborhood field consolidations are currently being coordinated with GSA with OPEM taking the lead.

Expected Progress at the 2022 Proposed Resource Level

USDA will continue to evaluate a new Data Enterprise System for tracking fleet inventory and processes involving fuel-consumption/costs, utilization, location, acquisition, maintenance, and disposal. USDA will further continue to monitor the vehicle capped inventory and work with mission agencies on the next 5-year plan that will further assist with

¹ Real property needs are being evaluated in light of the pandemic and workplace flexibilities, such as telework, and those efforts will affect target setting.

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replacements of the aging fleet. Quarterly reporting will monitor utilization. The USDA Dashboard is updated on the 5th of each month to reflect current vehicle inventory and utilization.

As pandemic restrictions gradually lift, more progress in making fleet reductions is anticipated in fiscal year 2021. This will be facilitated by a fleet Proof of Concept, which increases capabilities related to inventory tracking and processes involving fuel-consumption/costs, utilization, location, acquisition, maintenance, and disposal.

USDA is expected to continue to reduce its real property footprint. This will be accomplished by continuing to enforce the new USDA space utilization policy and identifying opportunities for space consolidation. OPEM will continue working with GSA on the nine proposed field collocations.

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RESEARCH, EDUCATION, AND ECONOMICS

- **Office of the Chief Scientist**
- **National Institute for Food and Agriculture**
- **Agricultural Research Service**
- **Economic Research Service**
- **National Agricultural Statistics Service**

Introduction

The Research, Education, and Economics (REE) mission area and the Office of the Chief Scientist (OCS) are jointly represented through the OCS' Strategic Planning, Program Evaluation, and Enterprise Risk Officer, whose team functions as the coordinating members on USDA's PEEC and ERM committees.

REE has Federal leadership responsibility for advancing scientific knowledge related to agriculture through research, extension, and education. The mission area office is led by the Under Secretary for REE and Chief Scientist for USDA, whose responsibilities include oversight of the four agencies that comprise OCS/REE, the Agricultural Research Service (ARS), National Institute for Food and Agriculture (NIFA), Economic Research Service (ERS), and National Agricultural Statistics Service (NASS.) The National Agriculture Library, National Arboretum, and the Office of the Chief Scientist also fall under this mission area.

The mission OCS is to provide strategic coordination of the science that informs the Department's and the Federal government's decisions, policies, and regulations that impact all aspects of U.S. food and agriculture, related landscapes, and communities.

Therefore, REE performance, evaluation, evidence, and risk management efforts are coordinated and led by OCS on behalf of the Mission Area. The OCS Strategic Planning, Program Evaluation, and Enterprise Risk Officer leads the Mission Area by chairing two committees: the OCS/REE Performance, Evaluation, and Evidence Committee (OCS/REE-PEEC) and the OCS/REE Enterprise Risk Management (ERM) Committee. The two Mission Area committees are comprised of REE agency leaders in performance, evaluation, evidence, and risk management, as well as, the Mission Area's functional and operational leads as necessary.

Additionally, the OCS/REE Mission Area

- coordinates efforts to develop and manage USDA's science strategy,
- leads efforts to articulate, measure and communicate the impact of USDA science (through the development of Key Performance Indicators (KPIs))
- manages and mitigates USDA's Enterprise Risk #5, "*Maintaining Trust in Scientific Findings*",
- coordinates and leads USDA science initiatives in support of *The Foundations of Evidence-Based Policymaking Act* (PUB.L. 115-435),

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- leads USDA’s Agency Priority Goal (APG), *Increase Utilization of Agriculture Research*,
- and other Department-wide efforts to coordinate the integrity and impact of USDA science.

Alignment to Strategic Plan

OCS/REE activities contribute to the success of USDA’s mission to provide leadership on agriculture, food, natural resources, rural infrastructure, nutrition, science, and related issues through fact-based, data-driven, and customer focused decisions; and is responsible for achieving and measuring results within respect to the following 2018 – 2022 Strategic Goal and Objectives:

Strategic Goal 1: Ensure USDA Programs Are Delivered Efficiently, Effectively, With Integrity and a Focus on Customer Service

Objective 1.4: Improve stewardship of resources and utilize data-driven analyses to maximize the return on investment

Summary of Performance

The following table summarizes the results for the Departmental KPIs for which OCS/REE is responsible.

Strategic Objective 1.4		FY 18	FY 19	FY 20	FY 21	FY 22
1.4.3 Technology Transfer Percentage (Number of USDA Patents Licensed / Number of USDA Patents Issued) (annual)	Target	N/A	N/A	25%	35%	35%
	Results	N/A	N/A	26%	TBD	TBD
	Status	N/A	N/A*	Met	TBD	TBD

* This measure was not tracked at this time.

Alignment to new priorities: **Trust in Science / Science Impact²**

		FY 18	FY 19	FY 20	FY 21	FY 22
1.4.4 Agriculture Workforce Development (Number of AFRI- supported undergraduate / graduate / post-doctoral students) (annual)	Target	N/A	N/A	1,423	2,495	3,342
	Results	N/A	N/A	1,167	TBD	TBD
	Status	N/A	N/A*	Unmet	TBD	TBD

* This measure was not tracked at this time.

Alignment to new priorities:

- **Equity and Inclusion:** OCS/REE (NIFA) funding, depending on legislative priorities, indirectly benefits students of all levels. Investments in curriculum development, faculty development, recruitment, and related activities enhance the agricultural literacy of the general population and support the development of a skilled agricultural workforce and cadre of scientists.

		FY 18	FY 19	FY 20	FY 21	FY 22
1.4.5 Citations of REE Reports (quarterly)	Target	N/A	N/A	119	122	134
	Results	N/A	N/A	134	TBD	TBD
	Status	N/A	N/A*	Met	TBD	TBD

* This measure was not tracked at this time.

Alignment to new priorities: **Trust in Science / Science Impact³**

² Technology transfer of patents may be an indicator of the success in the commercialization of patented research outcomes. As USDA demonstrates the impact of its science, trust in science is enhanced; thus, supporting and undergirding all the new priorities

³ The influence of USDA research on public policy is measured by the number of times OCS/REE research was cited to support regulations or evidence-based decisions. As USDA demonstrates the impact of its science, trust in science is enhanced; thus, supporting and undergirding all the new priorities.

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Progress Toward the Achievement of Strategic Objectives FY 2020 - 2021

FY 2020 was OCS/REE's inaugural year to develop, track, and report KPIs. Traditionally, the Mission Area utilized other means (i.e. narratives, examples, etc.) of communicating USDA Science impact. Two of its three introductory KPIs are tracked annually with the third one, *KPI 1.4.5 - Influence of USDA Research on Public Policy (Citations of REE Reports)* being tracked quarterly. A KPI Innovation Team was launched in Q2 of FY 2020 to unite synergistic efforts in KPI development across the mission area. Continuing advancements toward establishing a culture of performance management, the following achievements were made during FY 2020:

- New KPI candidates to demonstrate the impact of USDA science and research investments were introduced by OCS/REE agency representatives.
- KPI development capacity was assessed at the OCS/REE agency level and agency leadership was briefed on resource support required to continue and improve functionality.
- Data methodologies for three introductory KPIs were evaluated to ensure data reproducibility and accuracy for report automation.
- An extensive review of existing KPI methodologies was launched by the Office of the Chief Scientist with the REE agency KPI leads and future improvements are being considered.

KPI 1.4.3 Technology Transfer Percentage

In FY 2020 and FY 2021, the REE analytics and dashboard team worked closely with the Tech Transfer KPI agency leads to test the data source automation against the manual calculations and historical data to determine if the automated calculation method is ready for introduction. During data testing and auditing, a gap was identified between the dashboard data source (automated data pull) and the historically reported data (manual tabulation). The OCS/REE KPI team is currently working to identify the cause of the data gap and consider options (including methodology updates) for rectifying it in FY 2022.

KPI 1.4.4 Agriculture Workforce Development

Depending on legislative priorities, REE (NIFA) funding directly impacts education performance through scholarships, assistantships, pre-doctoral fellowships and post-doctoral fellowships. Currently, OCS/REE's (NIFA's) Agriculture and Food Research Initiative (AFRI), the largest competitive program of the agency's appropriation, is the only program that tracks the number of students impacted. OCS/REE (NIFA) requests applicants to include this number in their project's budget as part of their grant application. Those numbers were introduced as this metric's initial iteration. OCS/REE (NIFA) funding, depending on legislative priorities, may also indirectly benefit students of all levels. Investments in curriculum development, faculty development, recruitment, and related activities enhance the agricultural literacy of the general population and support the development of a skilled agricultural workforce and cadre of scientists. In FY 2020 and FY 2021, the REE analytics and dashboard team worked closely with the Ag Workforce Development KPI agency leads to test the data source automation against the manual calculations and historical data to determine if the automated calculation method is ready for introduction.

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KPI 1.4.5 Citations of REE Reports

In FY 2020, OCS/REE's NASS/ERS combined KPI tracking exceeded its target of 119 by 15 (134). As of Q2, FY 2021, the NASS/ERS combined KPI tracking fell slightly short of its target of 60 citations with an actual reporting of 55 citations. The metric has proven challenging for OCS/REE (NASS and ERS) to directly impact. Methods to improve the count of citations is naturally delayed considering research or data collection that takes place today would not be cited for some time. Alternative data sources are being considered for FY 2022. During FY 2020, both OCS/REE agencies worked with the REE analytics and dashboard team to build an automated dashboard that would begin tracking this metric in late FY 2021.

Expected Progress at the 2022 Proposed Resource Level

KPI 1.4.3 Technology Transfer Percentage: To mitigate the data reproducibility issue raised in FY 2020 and FY 2021 testing, the REE analytics and dashboard team will continue to work with the KPI leads in FY 2022 to iterate the dataset, ensuring it captures the extent of the patents issued and patents licensed.

KPI 1.4.4 Agriculture Workforce Development: In FY 2020, OCS/REE (NIFA) plans to review its program tools and data collection methods to validate the number of students who benefit from the AFRI funds. This update could potentially provide stronger data for KPI 1.4.4 and might require updated targets and methodologies going forward. Additionally, tools for automation of data pulls are being explored in FY 2022. In FY 2022, the REE analytics and dashboard team also plans on working on an algorithm that will allow for filtering on the "type" of universities being supported through the AFRI program (i.e. minority servicing institutions, HBCUs, etc.). This would enhance OCS/REE's ability to track, articulate, and support equity and inclusion priorities.

KPI 1.4.5 Citations of REE Reports: In FY 2022, the OCS/REE (NASS/ERS) combined KPI automated dashboard will continue to facilitate a data verification process in which both NASS and ERS are verifying citations to ensure they are meeting the intended purpose. The REE analytics and dashboard team is also collecting this verified data to use for a future model that will remove the need to verify the citations. Until then, manual counting and review will be necessary until manual and automated counts consistently align. Additionally, to promote the utilization of USDA research, the OCS/REE agencies area are working with the Chief Data Officer (CDO) to expand data access, which will have a direct impact on the public's accessibility to find and cite USDA research.

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FARM PRODUCTION AND CONSERVATION

- **Farm Service Agency**
- **Risk Management Agency**
- **Natural Resources Conservation Services**
- **Farm Production and Conservation – Business Center**

Introduction

The Farm Production and Conservation (FPAC) mission area is USDA's focal point for the nation's farmers and ranchers and other stewards of private agricultural lands and non-industrial private forest lands. FPAC agencies implement programs designed to mitigate the significant risks of farming through crop insurance services, conservation programs and technical assistance, and commodity, lending, and disaster programs. These agencies include the Farm Service Agency, the Natural Resources Conservation Service, the Risk Management Agency, and the FPAC Business Center (FPAC BC),

FPAC BC's Performance, Accountability, and Risk (PAR) division leads the mission area in Strategic Planning, Performance Management, Evidence and Evaluation, and Enterprise Risk Management (ERM). PAR works closely with each of the FPAC agencies to develop performance related practices and products. This office frequently works directly with USDA leadership and represents FPAC on the Department's Performance, Evaluation, Evidence Committee and the ERM Committee, which are facilitated by the USDA Office of Budget and Program Analysis. FPAC's Enterprise Risk and Strategy Committee, comprised of executives from each of the FPAC agencies, oversees and provides accountability for performance functions across the mission area.

Alignment to Strategic Plan

FPAC activities contribute to the success of USDA's mission to provide leadership on agriculture, food, natural resources, rural infrastructure, nutrition, science, and related issues through fact-based, data-driven, and customer focused decisions; and is responsible for achieving and measuring results within respect to the following 2018 – 2022 Strategic Goal and Objectives:

Strategic Goal 2: Maximize the Ability of American Agricultural Producers to Prosper by Feeding and Clothing the World

Objective 2.1: Provide an Effective Financial Safety Net for Farmers and Ranchers to Sustain Economically Viable Agricultural Production and Support Rural Jobs and Economic Growth

Strategic Goal 5: Strengthen the Stewardship of Private Lands Through Technology and Research

Objective 5.1: Enhance Conservation Planning with Science-Based Tools and Information

Objective 5.2: Promote Productive Working Lands

Objective 5.3: Enhance Productive Agricultural Landscapes

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Summary of Performance

The following table summarizes the results for the Departmental KPIs for which FPAC is responsible.

Farm Service Agency (FSA)

FSA was established October 13, 1994, pursuant to the USDA’s Reorganization Act of 1994, P.L. 103-354. FSA’s mission is to serve our nation’s farmers and ranchers professionally, efficiently, equitably, and in a manner that is customer, taxpayer, and employee friendly. FSA offers loans to help farmers and ranchers get the financing they need to start, expand or maintain a family farm.

Farm Loan Programs (FLP)

		FY 18	FY 19	FY 20	FY 21	FY 22
2.1.2 Average number of days to process direct loans	Target	31	30	32	32	34
	Results	30	32	34	TBD	TBD
	Status	Met	NI	NI	TBD	TBD

		FY 18	FY 19	FY 20	FY 21	FY 22
2.1.3 Percentage of direct and guaranteed loan borrowers who are beginning farmers	Target	Baseline	53	59.9	59.9	59.9
	Results	55	54.5	58.6	TBD	TBD
	Status	N/A*	Met	NI	TBD	TBD

* This measure was not tracked at this time.

		FY 18	FY 19	FY 20	FY 21	FY 22
2.1.4 First installment delinquency rate on direct loans	Target	N/A	N/A	8	8	9
	Results	N/A	N/A	9.9	TBD	TBD
	Status	N/A	N/A*	Unmet	TBD	TBD

* This measure was not tracked at this time.

		FY 18	FY 19	FY 20	FY 21	FY 22
2.1.5 Direct loan delinquency rate	Target	N/A	N/A	7	7	7
	Results	N/A	N/A	4.3	TBD	TBD
	Status	N/A	N/A*	Met	TBD	TBD

* This measure was not tracked at this time.

Progress Toward the Achievement of Strategic Objectives FY 2020 - 2021

In FY 2020, FSA FLP was not able to meet its performance targets for:

- Average number of days to process direct loans: Due to an ongoing emphasis to balance loan making with loan servicing (e.g., loan restructure, debt resolution), and COVID-19 measures affecting field offices/staff, the number of days to process direct loans increased.
- Percentage of direct and guaranteed loan borrowers who are beginning farmers: This metric has declined each month since January 2020 when it was 63% (but is higher than in FY 2019 when it was in the mid-50s). This decline predates the pandemic and reflects the longer-term stress in the farm economy, but more recently compounded by the COVID pandemic.

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- First installment delinquency rate on direct loans: Rather than this metric declining as it typically does in December – April when cash flows improve from commodity sales in the spring through autumn, the rate increased. FSA FLP believes this increase was primarily due to lower commodity prices and the economic effects of COVID-19.

However, even when faced with these challenges, FSA FLP was able accomplish the following:

- **American Rescue Plan (ARP), Section 1005 for debt relief**
 - In May 2021, FSA will begin working with Farm Loan and Farm Storage Facility Loan borrowers who are socially disadvantaged based on race and ethnicity to provide them 120 percent debt payments on eligible loans.
 - As of May 5, there were 14,451 eligible borrowers with \$3.3 billion in eligible indebtedness.
 - Policies, procedures, forms, training, systems modifications, and reporting requirements are in development to support the late May launch.
 - Training and virtual jump teams will be used to expedite loan payoffs and the payments that will be made directly to borrowers.
 - As this debt relief effort is underway, field and headquarters staff will also be managing their regular loan making and loan servicing workload for the approximate 100,000 borrowers who are ineligible. KPIs and other goals set by FLP may be a challenge for some states to achieve due to the demands of ARP implementation.
- **Loan flexibility for producers during COVID-19**
 - FSA provided flexibility to direct farm loan borrowers to defer a loan payment for at least one year, known as Disaster Set Aside for COVID-19. Since it was launched on May 23, 2020 through May 10, 2021, 4,032 borrowers with payments totaling \$42.7 million have used this option, including 2,333 beginning farmers.
- **Loan making and funds management**
 - FLP used its data modeling to forecast FY2021 appropriation needs for its four major programs (Direct Farm Ownership and Operating Loans, Guaranteed Farm Ownership and Operating Loans). FLP expected DFO obligations to continue to increase due to a trend of increasing loan demand and a rising average loan size following the 2018 Farm Bill increase in loan limits. The FY2021 Budget appropriation is the same amount FLP recommended for FY2021 obligations, \$2.5 billion.
 - Through Q2, obligations have increased from FY2020 by 15% (\$973M to \$1.12B). Therefore, the increase in the Direct Farm Ownership appropriation has proven appropriate, as obligations will likely surpass the FY2020 appropriation of \$2.12B. However, FY2021 obligations are on pace to be below the \$2.5B appropriated in FY2021.
 - For both FY2020 and FY2021, Figure 1 shows Q1-Q2 obligations, Budget Appropriation, and the percentage of Budget obligated in Q1-Q2. The table also

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highlights the forecasted obligations for FY2021, as well as a typical percent range for Q1-Q2 obligations relative to the fiscal year total.

<i>Figure 1: DFO Q1-Q2 Obligations</i>		
	FY2020	FY2021
<i>Q1-Q2 Obligations</i>	\$973M	\$1.12B
<i>Budget Appropriation</i>	\$2.12B	\$2.50B
<i>% Budget Obligated</i>	45.9%	44.8%
<i>Forecasted Obligations</i>	N/A	\$2.50B
<i>% Forecast Obligated</i>	N/A	44.8%
<i>Historic Q1-Q2 % of Total FY</i>	45-49%	

- The 15% increase in Q1-Q2 obligations was driven by increased average loan size and an increase in the number of loans obligated. DFO average loan size is still rising following the 2018 Farm Bill. From FY2019 to FY2020, the average loan size increased from \$221,102 to \$265,586. This trend has remained true as the average loan size in FY2021 is \$285,467, a 7% increase from FY2020. The number of loans obligated through Q1-Q2 have also increased. In FY2020 Q1-Q2, DFO obligated 3,760 loans. In FY2021 Q1-Q2, DFO obligated 3,914 loans, a 4% increase.
- While obligations are not expected to surpass the \$2.5B Budget appropriation, FLP has submitted for the Secretary’s signature in early May a Congressional Notification that he is exercising his authority to increase funding by 25% to cover the Non-Beginning Farmer Non-SDA borrower cohort, which is anticipated to exhaust its funding allocation by early June. This overall funding increase is necessary because statute restricts the ability of FLP to move funds some funds among borrower cohorts.
- **Data Analytics and IT Modernization to Improve Program Delivery**
 - To support more informed decision making for program delivery, FLP began in FY2020 to implement plans to better utilize its large current and historic data sets. Important progress has been made and efforts continue, with accomplishments in funds management (item above), loan application management, and credit quality control.
 - In November 2020, a large initiative was launched to develop an IT roadmap for business process reengineering and to retire, modernize, and integrate the more than 20 systems that support farm loans. This effort will deliver significant benefits to customers and field employees. Among the objectives are automation of paper-based and manual processes performed by borrowers and employees, become FMMI compliant, replace a 40-year old accounting system, and provide online loan application and loan repayment features to customers.
 - In Q4 FY 2021, a contract will be awarded to implement the IT roadmap, which is expected to be a 5-7 year effort and is dependent on the availability of funding.

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Expected Progress at the 2022 Proposed Resource Level

At the requested budget levels, FSA FLP will be able to meet its projected performance target outlined in the table above but there are ongoing headwinds that challenge this.

At the FY 2022 requested funding levels, FSA FLP will:

- **Workforce and workload management**
 - The replacement of retiring loan officers and other staff is an ongoing challenge due to the two-year formal training required for farm loan officer trainees to obtain loan authority and the competition with commercial and other Federal lenders for loan officers. It is a minimum of five years before journeyman level is reached by FLP loan officers, with poaching by commercial lenders a regular occurrence. Farm Loans is working constantly to replenish its pipeline through university internships and recruitment, hiring experienced loan officers, and incentives.
 - Retaining and growing an experienced pool of loan officers places pressure on managing complex loan cases (e.g., multi-entity loan requests, environmental cases, foreclosures, bankruptcies, liquidations), achieving KPIs and other formal goals that FLP sets for its field offices, and other longer-term objectives.
- **Producer cash flow challenges**
 - Loan servicing is always a priority, but it is even more important to assist borrowers during economically stressful periods. The more attention given by FSA loan officials to assist financially distressed borrowers, the more likely a farm operation will withstand difficult periods. FSA continues to monitor loan demand and delinquency metrics closely and is administering the loan servicing flexibilities that it can under statute.
- **Funds management**
 - Predictive analytics for loan demand were developed in FY2020 after FLP nearly exhausted its Farm Ownership funding in FY2019 when the Farm Bill raised loan limits significantly without a corresponding increase in appropriations. Rigorous monitoring protocols are now in place and this analysis has been essential to informing the Department, OMB, and Congress about program funding needs. FLP continues to refine its methodology and regularly updates the Department with current and future funding assessments.
 - For Direct Farm Ownership loans, a funding shortfall was predicted for summer 2021 in some borrower cohorts; statute requires that a large portion of funds be set aside for beginning and SDA borrowers, and this limits the funds available to borrowers who are ineligible for the set aside funds. In April 2021, FSA updated its model with actual loan obligation data from October 2020 through March 2021, and based on forecasted demand for the remainder of FY2021, provided to the Secretary a Congressional Notification for his signature exercising his authority to add 25% (maximum allowed) in funding to the original appropriation, which can be done with a Congressional Notification because the Direct Farm Ownership program requires no budget authority due to its negative subsidy rate.

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- **Data analytics and IT modernization to improve program delivery**
 - The 5-7 year IT initiative to modernize, integrate or retire the more than 20 systems that support Farm Loans is a large and complex project. FSA has established additional project management and governance oversight, including onboarding in February an experienced IT project manager. FSA began its budget and contracts planning for this effort several years in advance; continued funding is essential to the project's completion and ongoing maintenance.
 - Multiple data analytics efforts were launched to improve program operations. Among these efforts, with support from FPAC's Economic and Policy Analysis Division, is developing an econometric data (e.g., commodity prices, interest rates, land values) model to better predict loan demand and loan portfolio performance. A second project is to assess factors influencing borrower success, and with this information modify program regulations, procedures, and employee and/or borrower training and outreach to improve farmer outcomes

- **Credit quality standards**
 - More rigorous loan making compliance adhering to statutory, regulatory and handbook requirements that loan officers must meet annually became effective on October 1, 2020.
 - Training has been provided on the standards and the tools used to track, analyze, and report each loan officer's compliance, with aggregation to the service center, state and national levels.

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FSA Conservation Reserve Program (CRP)

CRP is a land conservation program administered by FSA. In exchange for a yearly rental payment, farmers enrolled in the program agree to remove environmentally sensitive land from agricultural production and plant species that will improve environmental health and quality.

		FY 18	FY 19	FY 20	FY 21	FY 22
5.3.1 Acreage enrolled in Conservation Reserve Program (CRP) riparian and grass buffers (Cumulative, Million Acres)	Target	1.60	1.43	1.41	1.46	1.56
	Results	1.53	1.43	1.36	TBD	TBD
	Status	NI	Met	NI	TBD	TBD

Alignment with 2022-2026 priorities:

- Climate Change and Agriculture:** This measure supports a significant impact to climate objectives by removing land from annual production and establishing conservation cover for, at a minimum, the life of the contract. In general, CRP practices increase carbon sequestration, reduce greenhouse gas emissions, and otherwise are climate smart practices. This measure further protects and improves water quality which builds agricultural resiliency.

		FY 18	FY 19	FY 20	FY 21	FY 22
5.3.3 Restored wetland acreage (million acres)	Target	1.90	2.34	2.41	2.34	2.64
	Results	2.30	2.34	2.35	TBD	TBD
	Status	Met	Met	NI	TBD	TBD

Alignment with 2022-2026 priorities:

- Climate Change and Agriculture:** This measure supports a significant impact to climate objectives by removing land from annual production and establishing conservation cover for, at a minimum, the life of the contract. In general, CRP practices increase carbon sequestration, reduce GHG emissions, and otherwise are climate smart practices. This measure further protects and improves water quality which builds agricultural resiliency.

Progress Toward the Achievement of Strategic Objectives FY 2021

In FY 2020 and FY 2021, FSA CRP is not able to meet performance targets (both measures) due to:

- COVID-19 required telework and limiting the number of staff who could be in the field office at the same time, resulting in face to face appointments (to process new and re-enrolled land) being limited or prohibited.

However, even when faced with these challenges, FSA CRP was able accomplish the following:

- Expanded acreage cap**
 - The 2018 Farm Bill extended enrollment authority to September 30, 2023, and incrementally increased overall enrollment caps from 24 million acres in FY 2019, 24.5 million acres in FY2020, 25 million acres in FY2021, 25.5 million acres in FY2022 and to 27 million acres in FY 2023.
- CRP Evaluation**
 - The new administration is currently evaluating all aspects of CRP to determine if changes are needed. There are several proposed changes been reviewed.
- General Signup**

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- Signup is an annual competitive opportunity for producers starting in FY 2020. The FY 2021 General Signup began on January 4, 2021 and is on-going, having been extended indefinitely to allow for evaluation of the program. The General Signup includes enhanced opportunities for enrollment of wildlife habitats through the State Acres for Wildlife Enhancement (SAFE) Initiative.
- ***Continuous Signup***
 - Signup for continuous CRP is on-going with the FY2021 signup beginning on October 1, 2020. The 2018 Farm Bill prioritized water quality practices, specifically through the Clean Lakes, Estuaries, and Rivers (CLEAR) initiative under Continuous CRP which includes practices that benefit water resources such as grass waterways, contour grass strips, filter strips, riparian buffers, wetland and wetland buffers, saturated buffers, or other similar water quality practices. In addition, the 2018 Farm Bill set a target of 8.6 million acres of continuous signup of which 40% are targeted to be CLEAR practices. As of end of February 2021, we are exceeding this target with 46%.
- ***Agency collaboration***
 - FSA and NRCS National Staff and State subject matter experts collaborated on a regular basis regarding conservation planning and monitoring of CRP contracts. NRCS provides the technical assistance for the program, including such activities as development of the conservation plan, site visits to verify practice establishment, and status reviews.
- ***CLEAR30 Pilot***
 - The CLEAR30 program is a CRP pilot to enroll eligible land into a 30-year CRP contract. The pilot began in FY2020. Certain CRP water quality practices under continuous CRP contracts that are expiring may be offered into CLEAR30. Re-enrolled practices will continue to reduce sediment loadings, nutrient loadings, and harmful algal blooms. For FY 2020, the pilot focused on the Great Lakes and Chesapeake Bay Priority Areas. Financial benefits include 30 years of annual rental payments, a rental rate incentive of 27.5% more than non-CREP Continuous re-enrollment and funding the cost of contract maintenance either to the participant who completes the contract maintenance or a third party vendor who is contracted to complete the maintenance activities.
- ***Removal of CRP acreage allocation caps for buffers and wetlands***
 - State acreage allocations limited acre enrollment through SAFE and all wetland practice enrollment prior to FY 2020. FSA administratively removed these allocation limits beginning in FY20.

Expected Progress at the 2022 Proposed Resource Level

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At the requested budget levels, FSA CRP will be able to meet its projected performance target outlined in the table above. Meeting the targets will result in improved water quality, improved agricultural resiliency, and supports the administration's climate objectives.

In FY 2021:

- ***County Office Reopening Strategies***
 - Adapting to new servicing protocol based on local conditions and restrictions. The return of county office staff to their offices to ensure we continue to administer FSA programs while utilized physical distancing, occupancy requirements, and use of PPE will ensure the best level of security we can for the health and safety of staff and our customers.

- ***Improved outreach to customers by going beyond reliance of face to face interactions***
 - FSA CRP Program Outreach materials are available to FSA State and County employees and State Outreach Coordinators. The Outreach Toolkit includes outreach meeting PowerPoints, CRP Fact Sheets, State press release templates, GovDelivery Toolkit and talking points. USDA holds stakeholder webinars for the two active pilots (SHIPP and CLEAR30), the Forest Management Incentives (FMI) initiative, as well as for changes to the General and Continuous CRP. In addition, national press releases are published announcing various CRP signup dates and deadlines. CRP participants are becoming more accustomed to remotely enrolling on FSA programs which should translate to increased enrollment in CRP in FY 2022.

- ***Increased partner collaboration***
 - FSA Conservation Division will be increasing collaboration and interactions with NGO partner organizations and state partners, in addition to collaboration with NRCS and FS, to further increase partner awareness of available practices, pilots, and incentives. This is expected to result in increased interest and participation by producers.

- ***Increase customer interest in CRP***
 - FSA Conservation Division in collaboration with the new administration has introduced significant changes to CRP which will increase interest in enrollment. Financial payments are being increased and additional incentives are being offered. These program changes in combined with the other two items (increase partner collaboration and improved outreach resources and techniques will increase the opportunity to meet or exceed the targets.

- ***New measure development:***
 - CRP, in conjunction with the FPAC Business Center, will work with OBPA once guidance is issued from the Department on adjusting, adding or developing Key Performance Indicators based on the new USDA Strategic Plan.

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- **MAE program investment:**
 - In an effort to measure, monitor, quantify results, and verify (MMRV) CRP climate outcomes, USDA will invest \$10 million in the CRP Monitoring, Assessment and Evaluation (MAE) program to measure and monitor the soil carbon and climate resilience impacts of conservation practices over the life of new CRP contracts. This will enable the agency to further refine the program and practices to provide producers tools for increased climate resilience.

Funding at the proposed levels will allow CRP to meet or exceed its targets while mitigating the challenges it faces.

- Additional program outreach materials and resources for FSA State and County employees and State Outreach Coordinators.
- Increased outreach activities using previously unused methods such as informational webinars and partner collaborations.
- Program changes to payment rates and percentages targeting water quality and climate, as well as across the board revision of soil rental rates and other adjustments.

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Risk Management Agency (RMA)

RMA was established in 1996 to administer the Federal crop insurance program, in accordance with the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) as amended. The mission of the agency is serving America’s agricultural producers through effective, market-based risk management tools to strengthen the economic stability of agricultural producers and rural communities. Federal crop insurance is available to producers through private insurance companies (Approved Insurance Providers - AIPs) that market and service policies and share in the risk. Thus, the program delivery is a joint venture between the Federal government and the private insurance industry.

Strategic Objective 2.1		FY 18	FY 19	FY 20	FY 21	FY 22
2.1.1. The annual normalized value of risk protection provided to agricultural producers through the Federal Crop Insurance program (\$ Billion)	Target	64.0	77.3	77.6	77.9	78.2
	Results	76.8	78.2	84.1	TBD	TBD
	Status	Met	Met	Met	TBD	TBD

Alignment to 2022-2026 priorities:

- **Rural Community and Economic Development:** Crop insurance provides financial stability to farmers which helps maintain the economic viability of rural communities

Progress Toward the Achievement of Strategic Objectives FY 2020 - 2021

In FY 2021 RMA is accomplishing the following:

- ***New and improved coverage to the dairy and livestock section***
 - Dairy Revenue Protection has grown to cover almost 30 percent of the milk production in the United States in only the second year since the inception of the program. In 2021, RMA implemented several changes to cattle and swine policies, which will make these policies more affordable and accessible to livestock producers. These initiatives help dairy and livestock producers weather the markets by providing vital protection against price declines.
- ***Implementing new shallow loss coverage: Enhanced Coverage Option (ECO)***
 - Privately-developed product approved by the Federal Crop Insurance Corporation (FCIC) Board
 - Provides area-based coverage for a portion of the deductible of the underlying insurance policy
 - Available for over 70 crops
- ***New and improved coverage to the dairy and livestock section***
 - Dairy Revenue Protection has grown to cover almost 30 percent of the milk production in the United States in only the second year since the inception of the program. In 2021, RMA implemented several changes to cattle and swine policies, which will make these policies more affordable and accessible to livestock producers. These initiatives help dairy and livestock producers weather the markets by providing vital protection against price declines.

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- ***Flexible written agreements***
 - Of the more than one million policies in effect, RMA issued more than 13,000 written agreements. Written agreements are manually underwritten policies that offer coverage not available in the county or offer specific improved coverage or terms. This process provides significant flexibility, which covered over \$950 million, of the total \$127 billion in liability for our nation's farmers annually. This process also naturally identifies changing farming practices and crops grown in areas ensuring that our program is adaptive and effective. Since 2018, RMA has expanded crop policies to 661 counties where an insurance offer was not previously available. This expansion added nearly 1,500 policies and \$120 million in liability since 2018.

- ***State Cover Crop Subsidy Program***

A program that enables states to pay for a portion of a farmer's crop insurance premium on acres where cover crops are planted has been expanded to Indiana for 2021. This program first started in Iowa and then expanded to Illinois in 2020. Over 500 thousand acres have been covered over the life of the program

Expected Progress at the 2022 Proposed Resource Level

At the requested budget levels, RMA will be able to meet its projected performance target outlined in the table above.

In FY 2021, RMA mitigates challenges presented in FY 2020 by:

- ***Training of agents and farmers***
 - Support training of agents and farmers
 - Participate in Industry training meetings
 - Training "Webinars"
 - FAQs and other documentation
- ***Expanded offerings for specialty crops***
 - RMA continues efforts to expand offerings for specialty crops using the new Production and Revenue History (PRH) product design. PRH utilizes individual revenue history to provide revenue protection for specialty crops that previously did not have this option. Initially offered for strawberries in 2021 crop year, RMA is engaging in both internal and contracted research and development for more crops that have traditionally been underserved.

Funding at the proposed levels will allow RMA to:

- Continue efforts to expand offerings for specialty crops using the new Production and Revenue History (PRH) product design.
- Initiate efforts to enhance Hurricane Insurance Protection by exploring how coverage for tropical storms may be added.
- Continue efforts to expand coverage to additional cover crops.

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Natural Resources Conservation Service (NRCS) NRCS helps private landowners improve the health of their operations while protecting natural resources for the future. NRCS works to ensure the long-term sustainability of American agriculture by providing farmers and ranchers with financial and technical assistance to voluntarily put conservation on the ground. All programs are voluntary and offer science-based solutions that benefit both the landowner and the environment.

Strategic Objective 5.1		FY 18	FY 19	FY 20	FY 21	FY 22
5.1.1. Contract Implementation Ratio	Target	Baseline	87%	87%	87%	87%
	Results	87%	87%	87%	TBD	TBD
	Status	N/A*	Met	Met	TBD	TBD

* This measure was not tracked at this time.

Alignment to 2022–2026 priorities:

- **Climate Change and Agriculture:** This measure supports protection and improvement of the environment through long-term monitoring of conservation implementation.

Strategic Objective 5.1		FY 18	FY 19	FY 20	FY 21	FY 22
5.1.2. Practice implementation rate	Target	Baseline	53%	53%	53%	53%
	Results	43%	55%	43%	TBD	TBD
	Status	N/A*	Met	Unmet	TBD	TBD

* This measure was not tracked at this time.

Alignment to 2022–2026 priorities:

- **Climate Change and Agriculture:** This measure supports protection and improvement of the environment through consistent conservation practices.

Strategic Objective 5.2		FY 18	FY 19	FY 20	FY 21	FY 22
5.2.1. Cropland with conservation applied to improve soil quality (Million Acres) - EQIP	Target	3	3.1	3.4	3.4	3.4
	Results	3.1	3.4	3.9	TBD	TBD
	Status	Met	Met	Met	TBD	TBD

Alignment to 2022–2026 priorities:

- **Climate Change and Agriculture:** This measure supports protection and improvement of the environment through better soil quality which may help sequester carbon.

Strategic Objective 5.2		FY 18	FY 19	FY 20	FY 21	FY 22
5.2.2. Cropland with conservation applied to improve soil quality (Million Acres) - CTA	Target	5.9	5.9	6.0	6.0	6.0
	Results	6	5.7	6.4	TBD	TBD
	Status	Met	NI	Met	TBD	TBD

Alignment to 2022–2026 priorities:

- **Climate Change and Agriculture:** This measure supports protection and improvement of the environment through better soil quality which may help sequester carbon.

Strategic Objective 5.2		FY 18	FY 19	FY 20	FY 21	FY 22
5.2.3. Tons of sediment prevented from leaving cropland and entering waterbodies (Million Tons)	Target	4.6	5.7	5.7	6.0	6.0
	Results	5.3	6.3	8.2	TBD	TBD
	Status	Met	Met	Met	TBD	TBD

Alignment to 2022–2026 priorities:

- **Climate Change and Agriculture:** This measure supports protection and improvement of the environment through retention of topsoil and improved water quality.

Strategic Objective 5.3		FY 18	FY 19	FY 20	FY 21	FY 22
5.3.2. Working lands protected by conservation easements (Thousand Acres).	Target	101	140	163	163	163
	Results	163	178	167	TBD	TBD
	Status	Met	Met	Met	TBD	TBD

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Alignment to 2022–2026 priorities:

- **Climate Change and Agriculture:** This measure supports protection and improvement of the environment preserving the ecosystem benefits of wetlands and preventing deleterious effects of additional development of farmland.

Progress Toward the Achievement of Strategic Objectives FY 2021

In FY 2020, NRCS was not able to meet its performance target for *Practice implementation rate* due to:

- Measure methodology challenges: NRCS will compile data from FY 2020 and FY 2021 to ensure stability in new methodologies before adjusting targets to reflect nominally higher outcomes present in FY 2020 data using the new quarterly metric paradigm. There was confusion implementing the transition of the new data capturing method, and as a result, the annual cumulative metric for FY 2020 was not met.

However, even when faced with these challenges, NRCS is accomplishing the following:

- **Conservation Delivery Streamlining Initiative (CDSI)**
 - NRCS has continued to refine its processes and systems to more efficiently and effectively delivery technical and financial assistance to USDA customers. As part of the CDSI effort, NRCS has implemented the Conservation Desktop (CD), one of three integrated systems including CD, Mobile Planning Tool, and Conservation Client Gateway (replaced by Farmers.gov). CD is an internally facing, map-based tool for field conservationists to efficiently develop science-based conservation plans and practice schedules to support conservation implementation. CD also helps field conservationists with the management of Farm Bill conservation program contracts. The initial release of CD was in July 2017. Since then there have been 14 additional releases providing additional enhancements and improvements enabling NRCS to retire its legacy conservation planning system Customer Service Toolkit. In 2020, CD was integrated with the Conservation Assessment and Ranking Tool (CART), which is used for performing science-based resource inventories, assessments, and ranking. With the integration of these systems, NRCS expects to save approximately two hours per conservation plan. Cumulatively, NRCS estimates this will result in an annual savings of approximately 160,000 hours for field conservationists while improving customer service. By the end of FY 2020, there were over 7,000 users in CD and 5,000 users in CART. CD/CART increased the total amount of assessments performed/conservation plans written by 118% and Conservation Planners were able to complete 135% more conservation plans/assessments compared to FY 2019. As the comfort level with using CD/CART continues to grow, efficiency gains will be fully realized and are expected to exceed those observed in FY 2020. As of the end of Q1 for FY 2021, approximately 14,000 assessments in CD/CART have been completed by 3,000 users. In FY 2022, NRCS will cease its investment in CDSI. However, we still have O&M work to do in FY 2021.
- **Farmers.gov application**

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- In addition to improving our customers experience, the Farmers.gov gateway app interfaces with field staff via secure, one-stop, customer-facing online conservation software. NRCS continues to monitor and improve Farmers.gov, where customers can view, digitally sign, and interact with NRCS conservation documents, such as conservation contracts, payment documents, practices, and maps. Users may also submit assistance requests for new conservation plans. To date, Farmers.gov has delivered 16 incremental releases of content. Each release has enhanced capabilities to allow users to request conservation assistance, eSign documents, and manage NRCS plans and contracts for themselves and their authorized businesses and Power of Attorney grantors. Additional functional improvements are finalized and pending deployment this month.
- ***Conservation Technical Assistance (CTA) Program Success***
 - The CTA program is the backbone of the NRCS's conservation delivery system. Many customers begin their relationship with NRCS through requests for assistance that later evolve into a conservation plan that may include cost-share assistance through mandatory programs. At the end of Q2 for FY 2021, approximately 75,000 Conservation Assessment Ranking Tool (CART) assessments and 87,000 ranked assessments were completed, evaluating over 5.8 million resource concerns on almost 460,000 land units (32 million program acres).
- ***Environmental Quality Incentives Program (EQIP) Success***
 - The accomplishments for EQIP by the end Q2 of FY 2021 include: publication of program information, conducting outreach activities, announcement of application cut-off dates, evaluation and ranking of applications, and selections for funding. By the end of the 2nd quarter, there were 84,309 applications and 1,399 contracts in the system for \$39,159,353 on 186,429 acres
- ***Agricultural Conservation Easement Program (ACEP) Success***
 - ACEP consists of two components: 1) an agricultural land easement (ALE) component under which NRCS assists eligible entities to protect agricultural land by limiting non-agricultural uses of that land through the purchase of agricultural land easements; and 2) a wetland reserve easement (WRE) component under which NRCS provides financial and technical assistance directly to landowners to restore, protect and enhance wetlands through the purchase of wetlands reserve easements. Through the ALE component, ACEP helps farmers and ranchers keep their land in agriculture. In Q2 of FY 2021, NRCS reviewed and closed 40 ALE easements-with eligible entities that received funding. ACEP-WRE provides technical and financial assistance directly to private landowners and Indian tribes to restore, protect, and enhance wetlands through the purchase of wetland easements. WRE enrollment options include permanent easements, 30-year easements, term easements, and 30-year contracts (for acreage owned by an Indian Tribe). In Q2 of FY 2021, NRCS closed on 91 new WRE easements.

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- ***Regional Conservation Partnership Program (RCPP) Success***
 - RCPP promotes the implementation of conservation activities through agreements between partners and producers. RCPP, through agreements with partners and conservation program contracts directly with producers, helps implement conservation projects that may focus on water quality and quantity, soil erosion, wildlife habitat, drought mitigation and flood control, or other regional priorities. Successful RCPP projects provide innovative conservation solutions, leverage partner contributions, offer impactful and measurable outcomes, and are implemented by capable partners.
 - In Q1 NRCS began to negotiate 87 awards offering over \$350M in assistance to support conservation activities across the country. The agreements have over \$400M in proposed partner contributions to amplify the impact of NRCS funding. Among active projects there are many recent success stories. One recent success story is the Grass Highway project in Wyoming, where the Nature Conservancy and 14 partners rebuilt 40 miles of fencing to wildlife-friendly specifications impacting 410,000 acres of habitat. In Grant County, Wisconsin, a local chapter of Trout Unlimited restored over twenty miles of stream to protect the Blue and Simile Branch rivers while creating a new recreational area for residents. In Nebraska, RCPP was used to restore wetland while allowing producers to continue to irrigate those acres, encouraging conservation among producers who would otherwise find the barrier to entry too great.
 - In Q2 the agency announced the FY 2022 Alternative Funding Arrangements funding opportunity, setting aside \$75M for innovative partner-driven proposals for regional resource concerns. NRCS also announced \$330M in funding for the 85 awards selected under the FY 2020/2021 RCPP Classic funding opportunity. These awards will be leveraged by an additional \$440M committed by partners to amplify the impact of conservation activities across the Nation. These public-private partnerships support the Biden-Harris administration's priorities of addressing climate change, improving the nation's water quality, combating drought, enhancing soil health, supporting wildlife habitat, and protecting agricultural viability. The RCPP program now has 336 active projects engaging more than 2,000 partners.

- ***Development of new performance metrics***
 - NRCS will work with OBPA once guidance is issued from the Department on adjusting, adding or developing Key Performance Indicators based on the new USDA Strategic Plan. NRCS will work across Deputy Areas, States, and with data stewards, others, etc. to solicit feedback/input on these new measures in support of the agency's strategic goals.

Expected Progress at the 2022 Proposed Resource Level

At the requested budget levels, NRCS will be able to meet its projected performance target outlined in the table above.

In FY 2021 NRCS mitigates challenges presented in FY 2020 by:

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- ***Social distancing solutions/Phased office return***
 - NRCS is rapidly adapting to new servicing protocol for program applications, contracting, and field-based delivery with social distancing. NRCS delivers technology and remote training to engage new employees in resource and application processing work. NRCS has a robust annual training effort utilizing the FPAC-Employee Development Section to conduct multiple classroom and field-based trainings. In alignment with the White House, CDC, and USDA guidance, NRCS has introduced a phased return to offices to ensure we continue to implement our programs and provide the highest quality customer experience. NRCS has taken steps to ensure our field staff take the necessary protective measures, including social distancing and use of PPE, to provide the best level of security we can for the health and safety of NRCS staff and the people we work with.

- ***Workload/staffing solutions***
 - To address the growing disparity between workload and staffing, NRCS has been developing and using data analytic models such as the National Staffing Distribution Model and the Optimally Productive Office model. The Optimally Productive Office study leverages analysis of cycle time analyses and core workload to determine how offices should be staffed. The study results are displayed in online dashboards. Additionally, NRCS is actively using the pathways program for recruitment efforts, both for interns and Presidential Management Fellows.

- ***Directives Updates***
 - NRCS is in the process of addressing the need to keep all policy guidance current. In addition to working with the various components of NRCS responsible for each directive's maintenance, NRCS is working with the Farm Production and Conservation Business Center to create a new directives management system and to track progress on this effort and the future maintenance of the directives system through the Operational Excellence platform, using SmartSheets.

Funding at the proposed levels will allow NRCS to meet or exceed its targets while mitigating the challenges it faces, making progress on its mission to aid and facilitate the conservation efforts of producers, States, Tribes, and partners.

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MARKETING AND REGULATORY PROGRAMS

- **Agricultural Marketing Service**
- **Animal and Plant Health Inspection Services**

Introduction

The Agricultural Marketing Service (AMS) administers programs that create domestic and international marketing opportunities for U.S. producers of food, fiber, and specialty crops. AMS also provides the agriculture industry with valuable services to ensure the quality and availability of wholesome food for consumers across the country and around the world.

Alignment to Strategic Plan

AMS activities contribute to the success of USDA’s mission to provide leadership on agriculture, food, natural resources, rural infrastructure, nutrition, and related issues through fact-based, data-driven, and customer focused decisions. The Agency is responsible for achieving and measuring results within respect to the following Strategic Goal and Objectives:

Strategic Goal 2: Maximize the ability of American agricultural producers to prosper by feeding and clothing the world

Objective 2.2: Increase Agricultural Opportunities and Support Economic Growth by Creating New Markets and Supporting a Competitive Agricultural System

Summary of Performance

The following table summarizes the results for the Departmental KPIs for which AMS is responsible.

Strategic Objective 2.2		FY 2019	FY 2020	FY 2021*	FY 2022
2.2.1 Percent of meat and poultry user fee-funded employees’ time recovered through customer billings. (Meat)	Target	N/A	83%	83%	83%
	Results	N/A	95%	96%	TBD
	Status	N/A*	Unmet	TBD	TBD

* This measure was not tracked at this time.

Strategic Objective 2.2		FY 2019	FY 2020	FY 2021*	FY 2022
2.2.2 Percent of meat and poultry user fee-funded employees’ time recovered through customer billings. (Poultry)	Target	N/A	83%	83%	83%
	Results	N/A	93%	93%	TBD
	Status	N/A*	NI	TBD	TBD

* This measure was not tracked at this time.

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Progress Toward the Achievement of Strategic Objectives in FY 2021

Accomplishments towards objectives are highlighted within the Status of Programs section contained within FY 22 Congressional Justifications.. Additional information regarding performance can be located within the Annual Performance Report submitted in conjunction with our Congressional Justifications.

Expected Progress at the 2022 Proposed Resource Level

The AMS Livestock and Poultry Program continues to deliver quality services in an efficient manner recovering nearly all costs for the service. AMS is taking steps to increase its staffing to provide service to customers and maintain a cost-effective program for industry. At the requested budget levels, AMS will aim to lower the percentage closer to the 83% goal to ensure a sustainable workforce. A higher percentage means that earned leave and training had to be cancelled to ensure sufficient staffing levels to continue to deliver quality services in a timely manner to move USDA-graded products in commerce.

In FY 2021, AMS will mitigate challenges presented in FY 2020 by focusing efforts on hiring as well as employee safety and health.

Funding at the proposed levels will allow AMS to hire and maintain adequate grading staff to improve employee development and quality of life.

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Introduction

American agriculture continually faces threats arising from domestic and foreign pests and diseases that can have negative impacts on agricultural production, commerce, and trade. Identifying these threats early and maintaining response capabilities enables USDA and its stakeholders to anticipate potential outbreaks and act swiftly to prevent or mitigate potential damages. APHIS responds to the continually evolving situation by adjusting its strategies for the early and rapid detection of agricultural pests and diseases through surveillance and monitoring techniques, developing and maintaining diagnostic capabilities, and applying pest mitigations as necessary.

Alignment to Strategic Plan

APHIS activities contribute to the success of USDA’s mission to provide leadership on agriculture, food, natural resources, rural infrastructure, nutrition, and related issues through fact-based, data-driven, and customer focused decisions. The Agency is responsible for achieving and measuring results within respect to the following Strategic Goal and Objectives:

- Strategic Goal 2: Maximize the ability of American agricultural producers to prosper by feeding and clothing the world
- Objective 2.3: Protect agricultural health by preventing and mitigating the spread of agricultural pests and diseases.

Summary of Performance

The following table summarizes the results for the Departmental KPIs for which APHIS is responsible.

Strategic Objective 2.3		FY 18	FY 19	FY 20	FY 21	FY 22
2.3.1. Animal Health--Number of hours it takes to mobilize resources once it is determined that a Federal emergency response is needed to manage an agricultural outbreak	Target	24	24	24	24	24
	Results	24	24	24	TBD	TBD
	Status	Met	Met	Met	TBD	TBD

Alignment with 2022-2026 priorities:

- **Climate Change and Agriculture:** This measure supports protection and improvement of the environment preserving the ecosystem benefits of wetlands and preventing deleterious effects of additional development of farmland.⁴

Strategic Objective 2.3		FY 18	FY 19	FY 20	FY 21	FY 22
2.3.2. Plant Health--Percent of high-risk plant pests for which early detection surveys are conducted (annual measure)	Target	93	95	96	96	96
	Results	96	96	96	TBD	TBD
	Status	Met	Met	Met	TBD	TBD

⁴ This measure supports APHIS’ ability to respond to animal disease emergencies, including zoonotic diseases that threaten both public and animal health. There is mounting evidence that climate change will exacerbate the spread and negative impacts of these diseases. USDA’s ability to rapidly respond to new disease outbreaks is crucial for protecting both agricultural production and human health in the face of changing disease threats.

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Alignment with 2022-2026 priorities:

- **Climate Change and Agriculture:** This measure supports the ability of U.S. agriculture to respond to the changing distribution of pests and diseases associated with climate change.⁵

Progress Toward the Achievement of Strategic Objectives in FY 2021

APHIS conducts surveillance for domestic and foreign animal and plant pests and diseases to ensure the rapid detection of agricultural threats and to document the presence or absence of diseases in support of trade. When a serious pest or disease outbreak occurs, the Agency activates its emergency response mechanisms to contain the outbreak. Examples of FY 2020 efforts follow:

- After a 2-year response effort, APHIS and the California Department of Food and Agriculture announced on June 1, 2020, an end to the virulent Newcastle disease (vND) quarantine in Southern California. vND is a contagious and fatal viral disease affecting the respiratory, nervous, and digestive systems of birds and poultry. APHIS also mounted responses in FY 2020 to the detection of avian influenza, both low pathogenic and highly pathogenic, in North and South Carolina—12 cases of low pathogenic avian influenza and one case of highly pathogenic avian influenza. During the multiple disease response efforts, APHIS mobilized resources and logistics support for each instance within 24 hours of determining that a Federal emergency response was needed.
- In FY 2020, APHIS and cooperators conducted a total of 252 commodity- and taxon-based surveys in 50 States and 3 territories through early detection surveys for plant pests and diseases. APHIS and State cooperators conducted surveys for more than 96 percent of the high-risk plant pests and diseases identified as targets for FY 2020, with the goal of ensuring that newly arrived pests and diseases would be detected before they have a chance to spread. The program was able to meet the goal in that all new detections were localized at the time of their detection in FY 2020.

Expected Progress at the 2022 Proposed Resource Level

At the requested budget levels, APHIS will be able to meet its projected performance target outlined in the table above.

In FY 2021, APHIS will mitigate challenges presented in FY 2020 by:

- Upgrading equipment used to depopulate poultry flocks affected by animal diseases and working with State cooperators to extend cooperative agreements for surveys that were delayed due to COVID-19.

Funding at the proposed levels will allow APHIS to:

- Continue to maintain and deploy countermeasures against the most damaging animal diseases within 24 hours and exercise emergency response capabilities with State territories and Tribal partners. The Agency will schedule tabletop exercises and trainings

⁵ Plant Health – this measure supports the ability of APHIS and U.S agriculture partners to detect and respond to plant pests and diseases. Climate change causes environmental and biological changes, which include changes in the distribution of pests and diseases. These cause negative impacts to production and the Nation’s food security.

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in the deployment of resources and response preparedness, ensuring that the agency and its partners are prepared to respond quickly and effectively to animal health events.

- Conduct surveys in 50 States and 3 Territories for at least 96 percent of high-risk plant pests identified as having pathways into the United States. APHIS will continue to evaluate additional exotic pests and develop pest lists, datasheets, and manuals in support of the FY 2022 National Pest Surveillance Guidelines that States use to plan surveys for FY 2022.

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TRADE AND FOREIGN AGRICULTURAL AFFAIRS

- **Foreign Agricultural Services**
- **US Codex Office**

Introduction

The Foreign Agricultural Service (FAS) is the lead U.S. agency tasked with promoting exports of U.S. agricultural products through market intelligence, trade policy, trade capacity building, and trade promotion programs. In concert, these capabilities allow FAS to engage foreign markets all along the market development spectrum – from developing economies to mature markets – facilitating an environment for trade growth opportunities for U.S. agriculture. FAS achieves its mission through relationship-building, including long-standing partnerships and collaboration with the U.S. agricultural industry, other U.S. Government agencies, and non-governmental organizations as well as with international partners, including foreign governments, international organizations, and international agriculture associations. To create more opportunity for trade, FAS’s work creates market access through many activities, including participating in international negotiations, encouraging the establishment science-based standards, and implementing marketing and capacity-building programs. This work is carried out by staff in Washington, D.C., as well as a global network of 93 offices covering 171 countries.

Alignment to Strategic Plan

FAS activities contribute to the success of USDA’s mission to provide leadership on agriculture, food, natural resources, rural infrastructure, nutrition, and related issues through fact-based, data-driven, and customer focused decisions. The Agency is responsible for achieving and measuring results within respect to the following Strategic Goal and Objectives:

USDA Strategic Goal 3: Promote American Agricultural Products and Exports

Objective 3.1: Expand International Marketing Opportunities

Objective 3.2: Prevent or Resolve Barriers to Trade That Hinder U.S. Food and Agricultural Exports

Summary of Performance

FAS has four agency strategic goals and two strategic objectives that contribute to one Strategic Goal within the Department’s Strategic Plan. The following table summarizes the results for the Departmental KPIs for which FAS is responsible.

Strategic Objective 3.1		FY 18	FY 19	FY 20⁶	FY 21	FY 22
3.1.1 Value of agricultural exports resulting from participation in foreign agricultural trade shows and trade missions (Billions)	Target	1.78	1.75	2.13	1.75	2.13
	Results	2.13	2.20	1.16	TBD	TBD
	Status	Met	Met	Unmet	TBD	TBD

Alignment with 2022-2026 priorities:

- **Open and Competitive Markets:** This KPI reflects the successful outcome of FAS efforts to open new markets to U.S. exporters.

⁶ *This KPI is unmet due to the cancelation of activities due to the Global COVID-19 pandemic.

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Strategic Objective 3.2		FY 18	FY 19	FY 20	FY 21	FY 22
3.2.1 Value of trade preserved through resolution of foreign market access issues such as U.S. export detainment, restrictive SPS & TBT issues, and trade regulations (Billions)	Target	4.00	5.50	6.00	6.10	6.10
	Results	12.75	2.47	7.67	TBD	TBD
	Status	Met	Unmet	Met	TBD	TBD

Alignment with 2022-2026 priorities:

- **Open and Competitive Markets:** This KPI supports the ability of U.S. agriculture to overcome market access issues caused by trade policy.

FAS continues to support the monitoring of completed trade agreements and bilateral trade remedies, including the China Phase One Agreement, USMCA, and Japan Agreement. FAS anticipates concluding trade agreements with the United Kingdom and Kenya, in 2022, further expanding export opportunities for U.S. agriculture. FAS also implements trade programs that include the Market Access Program and Foreign Market Development Program, as well as \$300 million in additional programs, under the Agricultural Trade Promotion (ATP) program. Despite a reduced schedule of trade show and direct marketing outreach through Agricultural Trade Missions (ATM) due to the COVID-19 global pandemic, FAS anticipates a more robust schedule of activities, further supported by the new virtual trade event platform implemented in 2020.

Overseas markets remain vital to U.S. farmers. For many agricultural products, a significant portion (one-third or higher) of domestic production (on a volume basis) is exported. Exports are an important source of income for food processing companies, packaging materials companies, transportation, and other related industries. The fiscal year 2021 agricultural exports are forecast at \$157.0 billion, up \$21.3 billion from last year.

Progress Toward the Achievement of Strategic Objectives FY 2020-2021

- USDA has engaged with global trading partners to open and retain markets for U.S. agriculture. The marquis accomplishment is the successfully negotiations of the Phase One agreement with China that provides U.S. agriculture market access valued at more than \$3.5 billion. The agreement also includes improvements to procedures for registering and maintaining list of facilities for numerous products, including dairy, valued at \$0.275 billion.
- Defended U.S. interests against anti-dumping and countervailing duty actions by Peru against U.S. corn, preserving a market valued at \$0.5B.
- Renegotiated a dairy certificate with Japan following changes to Japan's domestic regulations, preserving a market valued at nearly \$0.3B. Persuaded Japan to limit restrictions on U.S. corn following a maximum residue level (MRL) detection, retaining access for \$0.2B in non-genetically modified varieties that would not have been treated with the identified chemical.
- Protected a continuation of the current accreditation for pork and beef exports to the Philippines following that government's announcement proposing changes to the terms of the access agreement that would have effectively closed the market to nearly \$0.2B in U.S. beef and pork exports.

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- Secured Ecuador’s tariff exemption extension for wheat and soybean meal imports for five years, preserving competitive access for nearly \$0.2B in wheat and soybean meal.
- Negotiated an agreement with South Korea guaranteeing market access for more than \$0.1B in annual U.S. rice exports.
- Collaborated with USTR, U.S. industry, and other trading partners to persuade Saudi Arabia to withdraw non-science-based proposed regulations setting extremely low limits on the amount of added sugar in all processed food and beverages, preserving a market valued at \$0.1B
- Responding to the COVID-19 global pandemic, FAS held it’s first-ever virtual trade show events, including one that linked U.S. pet food sellers with buyer in China and Hong Kong.
- Despite the COVID-19 pandemic, FAS held six virtual trade events with \$19.75 million in projected 12-month sales.

Expected Progress at the 2022 Proposed Resource Level

- FAS will support the Administration’s trade agenda, including negotiations on free trade agreements (FTA), including monitoring and enforcement of existing FTAs.
- FAS will engage in the development of trade rules and policy related to climate change and sustainability that advance the common vision of agricultural and food systems that are economically, socially, and environmentally sustainable by engaging and influencing outcomes in International Organizations.
- FAS will continue to pursue strengthened engagement with international organizations to make substantive progress on long-term objectives, including on science-based regulation of veterinary drugs; innovative agricultural production methods; creation of CODEX-consistent science-based regulations and standards; and promotion of the tracking and notification of new and amended standards and regulations through the SPS and TBT Committees of the WTO.
- In 2022, FAS anticipates supporting 23 trade shows and leading 5-7 trade missions, following the global pandemic.
- FAS will also continue implementation of its regional European Union and Africa strategies.

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RURAL DEVELOPMENT

- **Rural Business and Cooperative Programs**
- **Rural Housing Service**
- **Rural Utilities Service**

Introduction

USDA’s Rural Development (RD) serves a leading role in facilitating rural prosperity and economic development by financing investments in rural utilities, housing, and business investments. Building and modernizing rural America’s infrastructure is critical to create jobs and increase our country’s productivity of vital goods and services. Additionally, communities that do not invest in critical infrastructure upgrades risk losing their ability to provide clean, safe, and reliable water; electric, broadband, health, other community services; and business growth. Continued investment will be required to close infrastructure gaps and connect rural residents and businesses to nationwide and global commerce. RD is comprised of three agencies: Rural Business Cooperative Service (RBS) which offers programs to help businesses grow as well as job training for people living in rural areas, Rural Housing Service (RHS) which offers a variety of programs to build or improve housing and essential community facilities in rural areas, and Rural Utilities Service (RUS) which provides financing to build or improve infrastructure in rural communities.

Alignment to Strategic Plan

The programs of RD directly support activities that contribute to the success of USDA’s mission to provide leadership on agriculture, food, natural resources, rural infrastructure, nutrition, and related issues through fact-based, data-driven, and customer focused decisions. The Agency is responsible for achieving and measuring results with respect to the following Strategic Goal and Strategic Goal 4: Facilitate rural prosperity and economic development.

Objective 4.1: To expand rural business opportunity and rural quality of life with access to capital; improve infrastructure, broadband access and connectivity; and support workforce availability.

RD has four KPIs within the Department’s Strategic Plan Goal 4, Facilitate Rural Prosperity and Economic Development. The following KPIs are measured at the RD mission level by aggregating individual program performance from RBCS, RHS, and RUS. The following table summarizes the results for the two Departmental KPIs for which RD measures at the Mission Area level. The additional two RD KPIs are measured at the Agency level, RHS and RUS.

Strategic Objective 4.1		FY 18	FY 19	FY 20	FY 21	FY 22
4.1.3. Leverage: Percent of RD commercial/infrastructure investments that leverage non-Federal funding	Target	77	78	79	80	80
	Results	77	83	62	TBD	TBD
	Status	Baseline	Met	Unmet	TBD	TBD

Alignment with 2022-2026 priorities:

- **Rural Community and Economic Development and Equity and Inclusion:** This KPI measures the additional funds that get invested alongside RD investments to support rural infrastructure, businesses, and the economic vitality of rural communities.

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Strategic Objective 4.1		FY 18	FY 19	FY 20	FY 21	FY 22
4.1.4 Distressed Communities: Percent of RD assistance that went to distressed communities	Target	11	12	13	14	14
	Results	11	11	12.5	TBD	TBD
	Status	Baseline	NI	NI	TBD	TBD

Alignment with 2022-2026 priorities:

- Rural Community and Economic Development and Equity and Inclusion: This KPI measures the investments made into distressed communities.

Progress Toward the Achievement of Strategic Objectives FY 2020 -2021

Beginning in March of FY 2020, RD implemented 100% telework status for its employees. RD staff learned to use existing technology for improved communication, pivoted to online outreach, facilitated webinars in place of in-person meetings, and continued to obligate funds. RD quickly implemented several actions to mitigate COVID, including enhanced information and tools, service delivery, and portfolio management.

While obligation activity and loan making performance has been maintained under COVID-19, RD has experienced continued challenges reaching the target for the leverage KPI. As a result of the pandemic, RD saw a significant decrease in non-Federal funds that are usually invested alongside RD funds in projects. This was especially true in RD’s rural infrastructure projects related to water and electric investments.

Despite challenges faced in FY 2020 RD was able to meet its performance target for 4.1.4 Percent of RD assistance that went to distressed communities. RD invested close to \$5 billion in distressed rural communities during a pandemic.

Expected Progress at the 2022 Proposed Resource Level

The economic and social effects of COVID-19 on rural communities remains a concern. Demographic characteristics (a higher share of elderly population) and geographic features (larger distances to access health care centers), coupled with reduced health care staff and facilities, impede the ability of rural communities to respond to the pandemic. In addition, the overall slowdown in aggregate demand has affected some primary sectors, and the expected further slow-down in trade and global demand will hit rural economies severely given their higher reliance on tradable activities, such as mining and tourism.

Unless economic conditions improve there is potential for the continued decrease in non-Federal funds available for investment alongside RD funds. In addition, distressed Communities were already vulnerable and even more vulnerable under COVID-19. The Innovation Center facilitated a webinar discussion for all RD staff that focused on working with Distressed Communities. – what works, what are the challenges, and what are new ways to engage and conduct outreach under COVID-19.

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Rural Housing Service (RHS)

RHS delivers both housing programs authorized by the Housing Act of 1949 (Act), as amended, and the Cranston-Gonzalez National Affordable Housing Act of 1990, and community facilities programs authorized by the Consolidated Farm and Rural Development Act of 1972, as amended. In addition, Omnibus Farm Bills are often used to address issues related to rural development. RHS is responding to the needs of rural communities in need of housing opportunities for both single family as well as multifamily housing. In addition, RHS focuses funding on improving community facilities across the country that improve the educational, health and security options in rural America.

RHS has one KPI within the Departments Strategic Plan Goal 4, Facilitate Rural Prosperity and Economic Development. The following table summarizes the results for the Departmental KPI for which RHS is responsible.

Strategic Objective 4.1		FY 18	FY 19	FY 20	FY 21	FY 22
4.1.1. Health Facilities: Percent of customers who are provided access to new and/or improved essential community facilities	Target	6.8	6.8	3.0	3.0	3.0
	Results	9.4	2.45	5.1	TBD	TBD
	Status	Met	Unmet	Met	TBD	TBD

Alignment with 2022-2026 priorities:

- Rural Community and Economic Development and Equity and Inclusion:** This measure monitors the investments made by Community Facilities Program to provide new and improved access to rural health care.

Progress Toward the Achievement of Strategic Objectives FY 2020 - 2021

Accomplishments towards objectives are highlighted within the Status of Programs section contained within the FY22 Congressional Justifications. Additional information regarding performance can be located within the Annual Performance Report submitted in conjunction with our Congressional Justifications. A high-level summary of progress is provided below: Community Facilities Programs (CF): CF programs provide loans, grants, and guarantees to help rural communities build or improve essential community facilities and community infrastructure. In addition, grants for disaster relief, technical assistance and training, and community and economic development support rural communities in building long-term capacity and tackling urgent challenges such as disaster recovery.

During 2020 the United States faced a historic pandemic and major economic crisis, yet, during those extraordinary circumstances, CF invested over \$571 million in 122 health facilities to provide improved and expanded access to rural health care. Despite challenges faced in FY 2020 CF was able to meet its performance target in its KPI. In addition to the annual targeting and monitoring of Strategic Objective KPI 4.1.1 related to health facilities the Rural Development Innovation Center’s Data Analytics Division is conducting an evaluation focused on the impact of CF on health care outcomes in recipient facilities and communities.

The evaluation of this program is to understand the level and nature of impacts on intended beneficiaries. The findings will be used to assess the effectiveness and efficiency of the program. Descriptive analysis will help the agency better understand how the program is operating, who is

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receiving benefits, or how operations transpire at the local level. Impact evaluation will help policy makers decide whether the program is generating intended effects; promotes accountability in the allocation of resources across RD programs; and fills gaps in understanding whether the program works, and how measured changes in well-being are attributable to the program.

This evaluation was included in USDA's FY 2022 Annual Evaluation Plan.

Expected Progress at the 2022 Proposed Resource Level

The economic and social effects of COVID-19 on rural communities remains a concern. Demographic characteristics (a higher share of elderly population) and geographic features (larger distances to access health care centers), coupled with reduced health care staff and facilities, impede the ability of rural communities to respond to the pandemic. In addition, the overall slowdown in aggregate demand has affected some primary sectors, and the expected further slow-down in trade and global demand will hit rural economies severely given their higher reliance on tradable activities, such as mining and tourism.

CF will continue outreach efforts to attract institutional investors and the capital credit markets that are interested in long term investment opportunities in rural community infrastructure, which will improve rural America's access to capital and leverage Agency resources to better manage credit risk. RHS will also continue to closely monitor loan delinquencies and act proactively to mitigate account issues and strengthen the portfolio.

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Rural Utilities Service

RUS mission is to enhance the quality of life and improve economic opportunity in rural communities by providing financing for the basic infrastructure of modern life. Electricity, telecommunications, and water and waste systems are essential services for individuals and businesses alike that assist communities with creating wealth, supporting self-sustaining and repopulating communities, and thriving economically. RUS is composed of three major programs: Electric, Telecommunications, and Water and Environmental. Electric and telecommunications programs are authorized by the Rural Electrification Act of 1936, as amended, 7 U.S.C. 901 et seq. (RE Act) and related legislation. Water and environmental programs (WEP) are authorized by Section 306 of the Consolidated Farm and Rural Development Act (CONACT), 7 U.S.C. 1926 et seq. Broadband loans were initially authorized by the Farm Security and Rural Investment Act of 2002 (2002 Farm Bill) and reauthorized and modified in the 2008 Farm Bill and 2014 Farm Bill. Distance learning and telemedicine grants are authorized by 7 U.S.C. 950aaa. Community connect broadband grants are authorized by section 306(a)(20)(E) CONACT and 7 U.S.C. 1926(a)(20)(E).

RUS has one KPI within the Departments Strategic Plan Goal 4, Facilitate Rural Prosperity, and Economic Development. Objective 4.1 Expand Rural Business Opportunity and Rural Quality of Life with Access to Capital; Improved Infrastructure, Broadband Access, and Connectivity; and Support for Workforce Availability. The following table summarizes the results for the Departmental KPI for which RUS is responsible.

Strategic Objective 4.1		FY 18	FY 19	FY 20	FY 21	FY 22
4.1.2 E-connectivity ⁷ : Number of borrowers' subscribers receiving new and/or improved telecommunication services (thousand)	Target	175	139	160	162	162
	Results	45	68.9	131	TBD	TBD
	Status	Unmet	Unmet	Unmet	TBD	TBD

Alignment with 2022-2026 priorities:

- Rural Community and Economic Development and Equity and Inclusion:** This measure monitors the investments made by Telecommunications to provide new and improved access to e-connectivity/broadband.

Progress Toward the Achievement of Strategic Objectives FY 2020 - 2021

In FY 2020, RUS was not able to meet its performance target in its KPI 4.1.2. The progress towards objectives was affected by:

- Telecom did not meet its subscriber goal from FY 2020 because of projects they de-obligated/rescinded project funding for under the ReConnect program. The projects funded under telecom in FY 2020 will make broadband available to over three hundred thousand households (336,165). The 131,000 represents the conservative projected subscriber level from this project, while the households number (336,165) indicates who can be potentially served by the project if they buy the service.

In addition to the annual targeting and monitoring of Strategic Objective Key Performance Indicator 4.1.2 related to e-connectivity the Rural Development Innovation Center's Data Analytics

⁷ The number of subscribers receiving service from are from RD Awardees, and not RD borrowers since the number includes our grantees under the ReConnect and Community Connect Programs.

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Division is conducting an evaluation focused on *Economic and Social Impacts of E-connectivity in Rural Areas through USDA Broadband Programs*.

This evaluation will provide insight into priority questions for USDA's Learning Agenda question, "What are the short-term and long-term economic and social impacts of RD programs, including indirect/spillover effects?"

- RD programs are designed to reach certain goals and beneficiaries. The RD broadband programs are designed to promote access to broadband in rural areas. E-connectivity is fundamental for economic development, innovation, advancements in technology, workforce readiness, and an improved quality of life. Reliable and affordable high-speed internet connectivity will transform rural America as a key catalyst for prosperity. The evaluation of each of these programs listed above on specific outcomes are to understand whether they work, as well as the level and nature of impacts on intended beneficiaries.
- The findings of each evaluation will be used to assess the effectiveness and efficiency of USDA broadband programs. Impact evaluation helps policy makers decide whether programs are generating intended effects; promotes accountability in the allocation of resources across RD programs; and fills gaps in understanding what works, what does not, and how measured changes in well-being are attributable to a particular program.

Expected Progress at the 2022 Proposed Resource Level

The economic and social effects of COVID-19 on rural communities remains a concern. Demographic characteristics (a higher share of elderly population) and geographic features (larger distances to access health care centers), coupled with reduced health care staff and facilities, impede the ability of rural communities to respond to the pandemic. In addition, the overall slowdown in aggregate demand has affected some primary sectors, and the expected further slow-down in trade and global demand will hit rural economies severely given their higher reliance on tradable activities, such as mining and tourism.

4.1.2 E-Connectivity - Remote, difficult terrain that makes construction and maintenance costlier; fewer potential subscribers per mile of infrastructure to support the cost of service; higher rates of unemployment, poverty and outmigration in the subscriber base. Additionally, the relatively low population densities and incomes can mean fewer potential subscribers, making it difficult to recoup deployment costs. These conditions make it less likely that a private service provider will build out or maintain a broadband network.

The telecommunications program will expand its outreach efforts through the ReConnect program and continue to reduce loan processing times through the streamlining of work process and staff training.

The electric program will continue to make investments in rural electric infrastructure, including transmission and distribution system modernization as well as renewable energy generation.

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NATURAL RESOURCES AND ENVIRONMENT

- **Forest Service**

Introduction

The Forest Service was established February 1, 1905, within the Department of Agriculture. The agency has a unique mission to sustain healthy, diverse, and productive forests and grasslands for present and future generations. The Forest Service is composed of the following major program areas: Business Operations, National Forest Systems (NFS), State and Private Forestry, Research and Development, and International Programs. The Forest Service manages America’s National Forests and Grasslands according to the diverse interests and values of national, regional, and local populations. These public lands support local economies through recreation, timber, energy, minerals, livestock grazing, environmental restoration projects, and construction and maintenance of infrastructure.

Alignment to Strategic Plan

The Forest Service contributes to Goal 6 of the Department’s Strategic Goals in the current 2018 – 2022 USDA Strategic Plan through fact-based, data-driven, and customer focused decisions, and is responsible for achieving and measuring results with respect to the following USDA Strategic Goal and Objectives:

Strategic Goal 6: Ensure productive and sustainable use of our National Forest System Lands.

Objective 6.1: Contribute to the Economic Health of Rural Communities Through Use and Access Opportunities

Objective 6.2: Ensure Lands and Watersheds Are Sustainable, Healthy, and Productive

Objective 6.3: Mitigate Wildfire Risk

Summary of Performance

Strategic Objective 6.1		FY 18	FY 19	FY 20	FY 21	FY 22
6.1.1 Percent of customers satisfied with recreation facilities, services, and settings on National Forests	Target	95%	95%	95%	95%	95%
	Results	95%	95%	95%	TBD	TBD
	Status	Met	Met	Met	TBD	TBD

Alignment with 2022-2026 priorities:

- **Equity and Inclusion:** This measure supports fair and equal access to services and facilities provided by USDA Forest Service.
- **Rural Community and Economic Development:** This measure supports rural communities’ health and access to recreational services.

Strategic Objective 6.2		FY 18	FY 19	FY 20	FY 21	FY 22
6.2.1 Timber Volume sold (Billion Board Feet)	Target	3.4	3.7	3.7	4.0	4.0
	Results	3.2	3.27	3.21	TBD	TBD
	Status	NI	Unmet	Unmet	TBD	TBD

Alignment with 2022-2026 priorities:

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- **Employee Morale:** Improved training under Forest Products Modernization and new management tools (digital tools and Unmanned Aerial Systems) for the Forest Management Staff will help well-trained employees to be more confident in their abilities to do their jobs.
- **Rural Community and Economic Development and Forest Management:** Increased forest management and restoration activities through timber sales will improve forest health and create jobs in rural areas.

Strategic Objective 6.2		FY 18	FY 19	FY 20	FY 21	FY 22
6.2.2 Percent of NFS landscape ecosystems improved, maintained or recovering due to management actions, Terrestrial Condition Assessment (TCA)	Target	N/A	N/A	42%	42%	32%
	Results	N/A	N/A	32%	TBD	TBD
	Status	N/A	N/A*	Baseline	TBD	TBD

* This measure was not tracked at this time.

Alignment with 2022-2026 priorities:

- **Forest Management:** This measure calculates the recovery, maintenance and improvement of landscape ecosystems due to management activities.
- **Climate Change:** Climate exposure is captured in the performance outcomes of the KPI.

Strategic Objective 6.3		FY 18	FY 19	FY 20	FY 21	FY 22
6.2.3 ⁸ Number of watersheds moved to improved condition class or sustained in Condition Class 1 ⁹	Target	19	14	15	NA	15
	Results	16	8	9	TBD	TBD
	Status	Unmet	Unmet	Unmet	TBD	TBD

Alignment with 2022-2026 priorities:

- **Climate Change and Agriculture:** This measure supports projects that will increase climate resilience in watershed condition and contributes to the Watershed Element of the updated Sustainability Scorecard
- **Rural Community and Economic Development:** This measure supports projects that will provide jobs and training opportunities for rural Americans
- **Forest Management:** This measure supports projects including soil and water improvements, forest thinning, prescribed fire and other fuels treatments, and road management that contribute to creating healthy forest conditions.

Strategic Objective 6.3		FY 18	FY 19	FY 20	FY 21	FY 22
6.3.1 Annual acreage of NFS lands where final treatment effectively mitigated wildfire risk (million acres, annually)	Target	1.1	1.1	1.1	1.1	1.4*
	Results	1.04	0.85	0.81	TBD	TBD
	Status	NI	Unmet	Unmet	TBD	TBD

The target acre increase in FY22 is due to the increased funding request for hazardous fuels in FY22.

Alignment with 2022-2026 priorities:

- **Equity and Inclusion:** Hazardous fuels treatments provide employment opportunities (e.g. Job Corps)
- **Climate Change and Agriculture:** Hazardous fuels treatments reduce wildfire risk from a changing climate
- **Forest Management:** Hazardous fuels treatments are an important silvicultural tool to improve forest condition.

Strategic Objective 6.3		FY 18	FY 19	FY 20	FY 21	FY 22
6.3.2 Annual acreage treated to reduce or maintain fuel conditions on NFS and non-Federal lands (million acres, annually)	Target	3.0	3.4	3.4	3.5	3.7*
	Results	3.42	2.90	2.65	TBD	TBD
	Status	Met	Unmet	Unmet	TBD	TBD

*The target acre increase in FY22 is due to the increased funding request for hazardous fuels in FY22.

Alignment with 2022-2026 priorities:

- **Equity and Inclusion:** Hazardous fuels treatments provide employment opportunities (e.g. Job Corps)

⁸ KPI 6.2.3 was developed in 2010 as the agency's first nationally consistent outcome performance measure to demonstrate accomplishments in watershed restoration. KPI 6.2.3 is new for FY22. For FY2021, watershed restoration was not an agency priority and no target was established.

⁹ https://www.fs.fed.us/biology/resources/pubs/watershed/maps/watershed_classification_guide2011FS978.pdf

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- **Climate Change and Agriculture:** Hazardous fuels treatments reduce wildfire risk from a changing climate
- **Forest Management:** Hazardous fuels treatments are an important silvicultural tool to improve forest condition.

Strategic Objective 6.3		FY 18	FY 19	FY 20	FY 21	FY 22
6.3.3 Number of high priority areas where treatments have occurred to reduce wildfire risk to communities (number of firesheds ¹⁰ , annually)	Results	N/A	N/A	N/A	N/A	TBD
	Target	N/A	N/A	N/A	N/A	3
	Status	N/A*	N/A*	N/A*	N/A*	Baseline

* This measure was not tracked at this time..

Alignment with 2022-2026 priorities:

- **Equity and Inclusion:** Hazardous fuels treatments provide employment opportunities (e.g. Job Corps).
- **Climate Change and Agriculture:** Hazardous fuels treatments reduce wildfire risk from a changing climate.
- **Forest Management:** Hazardous fuels treatments are an important silvicultural tool to improve forest condition.

Progress Toward the Achievement of Strategic Objectives FY 2020 - 2021

In FY 2020, the Forest Service was unable to meet the performance targets in its key performance indicators for several reasons.

- COVID-19 adversely affected the agency’s ability to meet FY 2021 key performance indicators and is likely to affect FY 2021 accomplishments as well.
 - Travel limitations inhibited the ability of teams to move around the country to help multiple forests prepare timber sales, hazardous fuels projects, prescribed burns, and conduct other restoration work.
 - COVID-19 concerns and the associated protocols also limited contractors’ ability to do work on the national forests, decreasing accomplishments in tree planting and stand improvement.

Spring is historically one of the best times for prescribed burning, but the initial COVID-19 impact in March paused most prescribed fire treatments. Several regions began prescribed fire projects once COVID-19 mitigation measures were in place, but some regions were unable to catch up. Due to dramatic fluctuations in timber markets, the agency issued a Finding of Substantial Overriding Public Interest April 2020 that added an additional two years to timber sale contracts in the continental United States and three years to timber sale contracts in Alaska to alleviate risks to purchasers due to market downturn. The agency extended over 900 contracts under this authority.
- 2020 Wildfires and Hurricanes:
 - 2020 was a very active and fire destructive year, across National Forest System lands and throughout the country.
 - The National Preparedness Level for fighting wildfire was at its highest level (5) from August 18 through the end of the fiscal year with more than 10,000 personnel committed to fighting large fires. The intensity and longevity of the fire season

¹⁰ Fireshed is a term similar to watershed. It refers to a geographic region with a similar risk of wildfire to adjacent communities. Reducing hazardous fuels within parts of the fireshed may reduce the overall risk to the adjacent community. 6.3.3 is a new KPI to move to outcome-based measures on reducing wildfire risk at a scale that will make a difference on transmission of wildfire to communities

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coupled with hurricane activity required the Forest Service to pause some hazardous fuels treatments to focus personnel on response activities.

- The staff who would typically work on preparing and administering timber sales supported recovery efforts after large wildfires, including stabilization work and hazard tree removal. In California, Oregon, and Washington especially, the 2020 wildfires affected private forestland as well as national forests. Consequently, the Forest Service is working with industry to re-organize offerings of salvage and green sales in FY 2021 and FY 2022 to avoid saturating the timber markets.
- Several hurricanes affected national forests in the southeastern States, reducing their ability to meet planned targets.

While faced with these challenges, the Forest Service:

- Increased its use of virtual technologies to continue design and implementation of restoration projects, timber sales, and hazardous fuel reduction projects.
- Implemented mechanical hazardous fuels reduction projects in place of prescribed fire projects to ensure the agency to accomplished 78 percent of the national hazardous fuels reduction target.
- Safely served the recreating public, while demand for recreation opportunities surged during COVID-19.

Expected Progress at the FY 2022 Proposed Resource Level

At the requested budget levels, the Forest Service will be able to meet its projected performance targets outlined above.

- FY 2022 targets are adjusted to reflect the increase in funding for hazardous fuels.
- The FY 2022 Budget request proposes a reduction in the Timber Volume Sold target from 4.0 to 3.4 billion board feet. At its current pace, a reduced target is proposed in FY22 to focus on areas in the country affected by wildfire and restoration, rehabilitation, reforestation, and inventory of impacted landscapes due to wildfires. The agency will strive to achieve 3.4 billion board feet in FY22. A target of 4.0 will be difficult for the agency to achieve after a second year dealing with COVID; devastating natural disasters in 2020 that the agency is still managing; care and recovery operations in four Regions; budget modernization that has changed the hiring and managing of temporary employees; and difficulty in training employees due to COVID travel restrictions. The agency is managing over 10.3 million acres affected by wildfires over 16,000 square miles. Over the past three years, the agency has used more authorities to engage partners in the implementation of the agency's timber program including increased Good Neighbor Authority agreements with State agencies and Stewardship Contracting. The pandemic continues to cause havoc with the economy and people's lives with the economy continuing to open to some degree (varying by state). Lumber producers stayed busy in 2020 yet prices hit historic highs and then stayed elevated - however, stumpage prices for the most part remained static due to an over-abundance of sawtimber in the southern region of the United States, and by the salvage of fire-damaged timber in the western region (California, Oregon, Washington).

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- The FY 2022 Budget request proposes a new KPI 6.3.3:
 - “Number of high priority areas (firesheds) where treatments have occurred to reduce wildfire risk to communities (number of firesheds, annually)”.
 - This KPI will highlight hazardous fuels reductions that have the highest probability of reducing wildfire risk to communities. This is an outcome-based performance measure comprised of treatments within a fireshed’s footprint conducted at a scale to make a significant difference to wildfire transmission to communities. Once the fireshed’s treatment is completed, it is in a maintenance mode where treatments are done less frequently to keep wildfire risk low.

In FY 2022, proposed funding levels will allow the Forest Service to mitigate challenges presented in FY 2020 and FY 2021 and:

- Continue to improve communications and use technology to work more efficiently during unplanned interruptions to standard work practices.
- Adjust the targets for the terrestrial condition assessment (TCA) KPI under Objective 6.2 to reflect necessary adjustments made in baseline methodology, which require a larger footprint area for activities, reducing outcomes to 32%. This year’s adjusted target incorporates increased funding to activities that support improved conditions thus the outcome increases from 32% to 35%.
- Work with regional staff to identify timber sale volume lost to wildfire or hurricanes, for both active and upcoming sales, and identify replacement opportunities.
- Seek opportunities to conduct prescribed burning when environmental conditions and physical distancing protocols allow the agency to undertake such activities.
- Increases to the hazardous fuels budget will allow the agency to mitigate wildfire risk on more acres to protect communities. This will decrease the transmission of wildfire to communities and will help to increase the number of fire adaptive communities.
- Continue to monitor the effectiveness of hazardous fuels treatments in areas that are subsequently burned in large fires.
- Continue to actively prioritize hazardous fuels allocations to areas of the highest risk and at the appropriate scale to reduce wildfire risk. The Forest Service identifies these high priority areas through complex computer modeling with overlapping geospatial layers of historical fire data, current and projected fuel types, and numbers and locations of proximate communities.
- Expand leveraging of Federal funding with private and non-profit dollars through targeted outreach to critical partners.
- Continue expansion of digital platforms for recreation and special uses programs to support customer service and visitor experience.
- Develop procedures for considering climate change related factors such as flood risk and wildlife behavior when determining new Watershed Condition Framework Priority Watersheds.

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FOOD SAFETY

- **Food Safety and Inspection Service**

Introduction

The Food Safety and Inspection Service (FSIS), a public health regulatory Agency within the U.S. Department of Agriculture (USDA), is responsible for protecting the public’s health by verifying the safety of meat, poultry, and egg products. Legislative mandates provide FSIS with the authority to conduct its public health mission.

Summary of Performance

FSIS contributes to USDA Strategic Goal 7, Provide All Americans Access to a Safe, Nutritious, and Secure Food Supply and coincides with Objective 7.1, Prevent Foodborne Illness and Protect Public Health. The Agency aligned its 2017-2021 Strategic Plan to its Annual Plan framework, which directly influences how the Agency operates and allocates resources. Within those objectives, FSIS achieved the following results for the Departmental KPIs for which the Agency is responsible:

Alignment to Strategic Plan

The work of FSIS supports the following components of USDA’s Strategic Plan for 2018-2022: Strategic Goal 7: Provide all Americans access to a safe, nutritious, and secure food supply.

Objective 7.1: Prevent Foodborne Illness and Protect Public Health.

Strategic Objective 7.1		FY 18	FY 19	FY 20	FY 21	FY 22
7.1.1 Percentage of Establishments that meet pathogen reduction Performance Standards.	Target	68	72	87	88	88
	Results	71	84	86	TBD	TBD
	Status	Met	Met	NI	TBD	TBD
Strategic Objective 7.1		FY 18	FY 19	FY 20	FY 21	FY 22
7.1.2 Percentage of Establishments whose Public Health Regulation noncompliance rate decreases below the early warning cut point 120 days after receiving an Early Warning Alert.	Target	71	73	74	74	74
	Results	73.70	86	73	TBD	TBD
	Status	Met	Met	NI	TBD	TBD

KPI 7.1.1: Percentage of Establishments that Meet Pathogen Reduction Performance Standards

KPI 7.1.1 focuses on using pathogen reduction performance standards to assess the food safety performance of establishments that slaughter and process poultry products. It examines FSIS’s influence on the behavior of establishments by verifying the effectiveness of establishments’ food safety programs and process controls to increase the percentage of establishments that meet pathogen reduction performance standards.

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FSIS continued to implement a data-driven regulatory strategy to improve *Salmonella* control in raw poultry slaughter and processing establishments. FSIS categorizes individual establishments based on their ability to meet the performance standard.

The categorization methodology assures that category status is reflective of the current conditions in an establishment. Since November 2018, FSIS has been posting on its website the category status of individual establishments producing chicken and turkey carcasses, not-ready-to-eat comminuted chicken and turkey products, and raw chicken parts. Publicly posting individual establishment's categorization, in addition to using a categorization methodology reflective of the establishment's current processes, have resulted in continuous improvement in the percentage of establishments meeting the performance standard.

Progress Toward the Achievement of Strategic Objectives FY 2020 -2021

With this measure, FSIS continued its multi-pronged approach to combat *Salmonella* in FY 2020. While FSIS did not meet its 87 percent target, its outcome was within 1 percentage point of the target with 86 percent of establishments meeting pathogen reduction performance standards.

Poultry – *Salmonella*: FSIS continued to monitor the percentage of eligible establishments that are categorized. The percentage of eligible plants that are categorized increased 13 percent between FY 2019 and FY 2020 through modifications to the samples allocated to establishments. FSIS will continue to develop strategies to further improve upon its ability to categorize eligible establishments.

FSIS continued to send alerts to establishments with increasing *Salmonella* levels and assessed subsequent data to determine compliance with the performance standard. For establishments that do not meet the performance standard, FSIS continues to provide Inspection Program Personnel (IPP) with alerts that summarize recent sampling results to provide information on whether subsequent establishment pathogen results are improving. While KPI 1 only applies to *Salmonella* in poultry, FSIS is taking other actions to address *Campylobacter* in poultry and *Salmonella* in other species.

Beef – *Salmonella*: FSIS proposed new performance standards and is reviewing the comments received on the Federal Register Notice proposing new performance standards for *Salmonella* in raw ground beef and beef manufacturing trimmings, the primary component of raw ground beef.

Pork – *Salmonella*: In FY 2020, FSIS published a manuscript on its exploratory sampling and testing of raw intact and non-intact pork cuts and raw comminuted pork product for *Salmonella*.

Selected Accomplishments Expected at the FY 2022 Proposed Resource Level

Poultry – *Salmonella*: In FY 2021, FSIS will further refine its strategy for follow-up at establishments producing raw poultry products and will issue an industry guideline specific to

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reducing *Salmonella* in raw poultry, which will include best practices for regaining process control and meeting the performance standards. FSIS will incorporate instructions for IPP on how to follow up with establishments that have been chronically or intermittently assigned to Category 3 in an Agency Directive. This Directive will provide instructions to IPP that FSIS will schedule no more than one set of 16 follow-up samples every 120 days.

Poultry – *Campylobacter*: In FY 2021, after considering comments received on the proposed standards, FSIS plans to finalize the performance standards for *Campylobacter* in comminuted chicken and turkey products. To assist establishments in meeting the revised performance standards, FSIS will issue industry guidance specific to reducing *Campylobacter* in raw poultry products.

Beef – *Salmonella*: In FY 2021, FSIS will respond to comments in a *Federal Register Notice* finalizing the new performance standards.

Pork – *Salmonella*: In FY 2021, FSIS plans to propose performance standards for *Salmonella* in raw intact and non-intact pork cuts and raw comminuted pork products.

KPI 7.1.2: Percentage of establishments whose Public Health Regulation noncompliance rate decreases below the early warning cut point 120 days after receiving an Early Warning Alert

KPI 7.1.2 supports the modernization of inspection systems, policies, and the use of scientific approaches by focusing on the results of actions inspection personnel take to address specific food safety concerns at establishments after receiving an early warning alert (EWA) of an elevated rate of Public Health Regulation (PHR) noncompliance.

FSIS Data Analysis and Reporting: Public Health Regulations

Public Health Regulations are verified regulations with statistically higher individual noncompliance rates in establishments in the 3 months prior to a microbiological positive or a public health-related enforcement action than in establishments with no positives or enforcement actions. FSIS uses results of inspection tasks to calculate a PHR noncompliance rate for each regulated establishment. The Agency issues a PHR EWA when an establishment has a noncompliance rate that is elevated and is at or exceeds FSIS' noncompliance cut point for early warning.

Progress Toward the Achievement of Strategic Objectives FY 2021 FSIS met its target with 74 percent of establishments decreasing their PHR noncompliance rate below the early warning cut point 120 days after receiving an EWA.

FSIS developed analytical tools and reports to assist in the monitoring and evaluation of EWA data. Using interactive data-driven graphics, FSIS can continue to research individual establishment performance over time. These tools assist in identifying recidivist establishments

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that need further assistance or action and influence policy decisions to address specific food safety concerns and improve public health.

FSIS will continue to monitor the percentage of establishments whose PHR noncompliance rate decreases below the early warning cut point 120 days after receiving an EWA. FSIS continues to use interactive data-driven graphics to assess individual establishment performance over time. These tools will assist the Agency in: (1) identifying establishments that need further assistance or where regulatory action may be warranted, and (2) informing policy decisions when addressing specific food safety concerns.

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FOOD, NUTRITION AND CONSUMER SERVICES

- **Food and Nutrition Service**

Introduction

The Food and Nutrition Service (FNS) was established August 8, 1969, by Secretary's Memorandum No. 1659 and Supplement 1 pursuant to the authority contained in 5 U.S.C. 301 and the Reorganization Plan No. 2 of 1953. FNS increases food security and reduces hunger in partnership with cooperating organizations by providing children and low-income people access to food, a healthful diet, and nutrition education in a manner that supports American agriculture and inspires public confidence. FNS administers USDA's 15 nutrition assistance programs. These programs, which serve one in four Americans over the course of a year, are designed to provide low-income persons with access to a more nutritious diet, to improve the eating habits of the Nation's children, and to help America's farmers by providing an outlet for food purchased under agricultural support authorities.

Alignment to Strategic Plan

The work of FNS supports the success of USDA's mission to provide leadership on agriculture, food, natural resources, rural infrastructure, nutrition, science, and related issues through fact-based, data-driven, and customer focused decisions; and is responsible for achieving and measuring results within respect to the following 2018 – 2022 Strategic Goal and Objectives: Strategic Goal 7: Provide all Americans access to a safe, nutritious, and secure food supply.

Objective 7.2: Provide access to safe and nutritious food for low-income people while supporting a pathway to self-sufficiency.

Objective 7.3: Support and encourage healthy dietary choices through data driven, flexible, and customer-focused approaches.

In addition, through reforms to our organization, workforce, and business processes, we contribute to USDA's Strategic Goal 1: Ensure USDA programs are Delivered Efficiently, Effectively, with Integrity and a focus on Customer Service.

Summary of Performance

FNS Key Performance Measures:

- Percentage of American households with consistent, dependable access to food
- Percentage of Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) participants engaged in education and skills-based training
- Annual percentage of eligible children participating in the National School Lunch Program (NSLP)
- Annual percentage of eligible children participating in the School Breakfast Program (SBP)

The following tables summarize the results for the Departmental KPIs for which FNS is responsible.

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Strategic Objective 7.2		FY 18	FY 19	FY 20	FY 21	FY 22
7.2.1 Percentage of American households with consistent, dependable access to food	Target	87.7	87.9	89	89.2	89.2
	Results	88.90	89.5	N/A*	N/A	N/A
	Status	Met	Met	TBD	TBD	TBD

Strategic Objective 7.2		FY 18	FY 19	FY 20	FY 21	FY 22
7.2.2. Percentage of SNAP Employment & Training participants engaged in education and skills-based training	Target	25.5	27.5	35.5	31.5	33.7
	Results	35	34.7	N/A*	TBD	TBD
	Status	Met	Met	TBD	TBD	TBD

*Note: Annual calculation based on administrative data. Final data to be available FY21.

Alignment with 2022-2026 priorities:

These measures support COVID-19 Relief efforts and food and nutrition security.

Strategic Objective 7.3		FY 18	FY 19	FY 20	FY 21	FY 22
7.3.1. Annual percentage of eligible children participating in the National School Lunch Program (NSLP)	Target	59	59	59	59	59
	Results	58	56.5	43*	TBD	TBD
	Status	NI	NI	Unmet*	TBD	TBD

Strategic Objective 7.3		FY 18	FY 19	FY 20	FY 21	FY 22
7.3.2. Annual percentage of eligible children participating in the School Breakfast Program (SBP)	Target	30	30	31	31	31
	Results	30	29.6	24*	TBD	TBD
	Status	Met	NI	Unmet*	TBD	TBD

* Note: Due to unanticipated school closures as a result of the Coronavirus pandemic (COVID-19), the actual 2020 figure is affected due to the changes in meal service levels. Additionally, many schools served non-congregate meals through the Summer Food Service Program (SFSP) which is not included in this metric.

Alignment with 2022-2026 priorities:

These measures support COVID-19 Relief efforts and food and nutrition security.

Progress Toward the Achievement of Strategic Objectives FY 2021:

In FY 20, FNS was not able to meet two of the performance targets due to impact of the Coronavirus Disease (COVID-19) and changes in program delivery, as noted in the table above. Two FY 20 FNS performance results have yet to be determined due to data lag. Despite challenges, FNS has made significant progress and accomplished the following:

- In 2020, SNAP conducted the first ever SNAP E&T National Work Forum, to bring together SNAP E&T stakeholders from around the country to share and learn best practices for promoting and increasing employment among SNAP households through state SNAP E&T programs. SNAP awarded the first ever SNAP E&T National Partnership Grants to expand E&T. A total of \$6.7 million in grants were awarded to national non-profit organizations with broad member or affiliate networks that provide direct workforce development services to low-income individuals, including SNAP participants, to support new organizational capacity to provide to network members training and other technical assistance so they may become third-party SNAP E&T providers.
- The COVID-19 pandemic introduced numerous challenges to USDA's overarching goals and objectives as they relate to ensuring access to safe, nutritious food. FNS acted quickly to

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leverage new and existing authorities to adapt strict program requirements for a wide and ever-evolving set of operational demands at the State and local levels. In 2020, FNS provided program flexibilities in response to COVID-19 including over 2,500 Child Nutrition waivers across all State agencies and territories, including both State-specific waivers and State election of nationwide waivers, making it easier to safely serve children meals during the COVID-19 pandemic. In addition, FNS responded to over 800 State agency waiver requests to statutory and regulatory program requirements, to provide the 89 WIC State agencies, including Indian Tribal Organizations and U.S. Territories, the flexibilities they need to assist WIC participants during the COVID-19 public health emergency. The nationwide COVID-19 waiver allowing schools to operate the Summer Food Service Program (SFSP) during the school year will impact National School Lunch Program (NSLP) and School Breakfast Program (SBP) participation in FY20 and FY21.

- The Families First Coronavirus Response Act of 2020 provided authority for USDA to approve a new temporary program, Pandemic Electronic Benefits Transfer (P-EBT). Through P-EBT, eligible school children received temporary emergency nutrition benefits loaded on EBT cards to purchase food. Over 99% of eligible children are covered by P-EBT.
- FNS leveraged a cooperative agreement with the Baylor University Collaborative on Hunger and Poverty (BCHP) to deliver nutritious, boxed meals to eligible children by mail. Emergency Meals to You (eMTY) focused on rural areas impacted by COVID-19 school closures where traditional congregate feeding sites may have been unavailable or hard to reach. At the end of FY20, 38.7 million meals were provided to over 270,000 participants via the Emergency Meals to You demonstration.

Expected Progress at the FY 2022 Proposed Resource Level:

In FY22, FNS will continue to support USDA strategic goals and objectives as well as implement Administration priorities for FNS, to include:

- Continued implementation of Nutrition Assistance Provisions in the American Rescue Plan Act
 - Strengthen our Response to the Food Hardship Caused by COVID-19 through Administrative Actions to Leverage Federal Nutrition Assistance Programs and Increase State Capacity
 - Incorporate a Racial Equity Lens into Internal Agency Operations and the Design and Administration of Federal Nutrition Assistance Programs
 - Reflect the Latest Nutrition Science in Federal Nutrition Assistance Programs and Increase Adherence by Program Participants
 - Increase Access and Participation in Nutrition Assistance Programs
 - Modernize the Consumer Experience
 - Implement USDA's strategy on Reauthorization of Child Nutrition and Supplemental Nutrition and Safety (SNAS) Programs
- In FY 22, SNAP plans to host the second SNAP E&T National Work Forum, bringing together stakeholders from across the country to discuss ways to further expand E&T. SNAP will complete its Assessment of the Collection, Analytics, Validation, and Reporting of SNAP E&T Data, which will include recommendations for how FNS can meet its present and future SNAP E&T data-related needs through information

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technology solutions, improved business processes, training and other appropriate recommendations. These recommended options shall provide more accurate and reliable data that States can use for program improvement purposes, as well as reduce the complexity and overall cost to the government of collecting, validating, analyzing, and sharing E&T data.

- In FY 22, FNS will continue to support our State and local partners in operating effective Child Nutrition Programs, reaching eligible children with the nutritious meals and snacks they need to grow and learn. This will be accomplished through the provision of training and technical assistance, the awarding of grants and demonstration funds, and through the issuance of guidance and rulemaking, as needed.
- In FY 22, SNAS plans to concentrate on implementing updates to the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) food package including publishing a final rule and implementation memos as needed. In addition, SNAS will be implementing the new Food Distribution on Indian Reservations (FDPIR) 638 program and Farm to Foodbank projects as prescribed in the 2018 Farm Bill. SNAS will continue to support states working towards full WIC EBT implementation.