

2026 USDA EXPLANATORY NOTES – OFFICE OF THE CHIEF FINANCIAL OFFICER

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PREFACE

This publication summarizes the fiscal year (FY) 2026 Budget for the U.S. Department of Agriculture (USDA). Throughout this publication any reference to the “Budget” is in regard to the 2026 Budget, unless otherwise noted. All references to years refer to fiscal year, except where specifically noted. The budgetary tables throughout this document show actual amounts for 2023 and 2024, Full-Year Continuing Resolution levels for 2025, and the President’s Budget request for 2026. Amounts for 2025 estimated levels include: non-enacted amounts such as Full-Time Equivalent levels, fleet levels, information technology investment levels, recovery levels, transfers in and out, balances available end of year, and obligation levels.

Throughout this publication, the “2018 Farm Bill” is used to refer to the Agriculture Improvement Act of 2018. Most programs funded by the 2018 Farm Bill are funded through 2025, as extended by the American Relief Act, 2025 (P.L. 118-158, Division D). Amounts shown in 2025 and 2026 for most Farm Bill programs reflect those confirmed in the baseline.

Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, sequestration is included in the numbers for mandatory programs in 2023, 2024, 2025 and 2026.

In tables throughout this document, amounts equal to zero (0) are displayed as dashes (-). Amounts less than 0.5 and greater than zero are rounded and shown as a zero (0). This display treatment is used to prevent the masking of non-zero amounts that do not round up to one (1).

AGENCY-WIDE**PURPOSE STATEMENT**

The Secretary established the Office of the Chief Financial Officer (OCFO) in 1995 under the authority provided in Reorganization Plan Number 2 of 1953 (7 U.S.C. 2201) to comply with the Chief Financial Officer Act of 1990. The OCFO focuses on the Department’s financial management activities to improve program delivery and ensure maximum contribution to achieving the mission of USDA. OCFO operations are led by the Chief Financial Officer (CFO), who is assisted by the Deputy CFO, three Associate CFOs for Shared Services, Financial Operations, Financial Policy and Planning, and the Director of the National Finance Center (NFC). OCFO is responsible for financial system management policy and the provision of timely, accurate, and reliable information from financial systems, development of financial statements, cost accounting policy and financial management budgets, policy guidance and oversight of the Department’s internal controls and management accountability programs and reporting to ensure adequate controls over the Department’s assets, oversight of the Departmental Working Capital Fund (WCF) and the Shared Cost Programs (SCP) and, providing policy guidance and oversight of the travel system, grants management, cash, and credit; and management operations, and other financial management functions.

The National Finance Center (NFC) employs staff in the operation and support of centralized, automated, and integrated payroll, personnel, administrative payments, and central accounting systems, which serve more than 40 Federal Departments, independent agencies, and Congressional entities, including USDA. Operations at NFC are financed entirely by fee-for-service contracts with customers through the USDA WCF. No direct appropriated funding for NFC is reflected in the OCFO operating budget. The OCFO headquarters is located in Washington, D.C. As of September 30, 2024, there were 969 full-time permanent employees which are funded by appropriated funds (31), reimbursable funds (4) and the Working Capital Fund (934).

OIG AND GAO REPORTS**Table OCFO-1. Closed, Implemented OIG Reports**

ID	Date	Title	Result
50024-0003-24	5/22/2023	USDA'S Compliance with Improper Payment Requirements for Fiscal Year 2022	OCFO closed five of the six recommendations issued. USDA Agency, Farm Service Agency (FSA) is working towards closure of their remaining recommendations.
50024-0004-24	7/12/2024	USDA's Compliance with Improper Payment Requirements for 2023	OCFO closed four of the six recommendations issued. Both the Food Nutrition Service (FNS) and OCFO are working towards closure of their respective recommendations.
50601-0004-23	3/14/2024	USDA's Controls Over Departmental Shared Cost Programs and Working Capital Fund	OCFO closed two of the four recommendations issued. OCFO is working towards closure of the remaining recommendations.

AVAILABLE FUNDS AND FTEs**Table OCFO-2. Available Funds and FTEs (thousands of dollars, FTEs)**

Item	2023 Actual	FTEs	2024 Actual	FTEs	2025 Estimated	FTEs	2026 Estimated	FTEs
Salaries and Expenses:								
Discretionary Appropriations..	\$7,367	28	\$6,867	31	\$6,867	36	\$6,000	24
Total Available	7,367	28	6,867	31	\$6,867	36	6,000	24
Lapsing Balances	-232	-	-139	-	-	-	-	-
Total Obligations	7,135	28	6,728	31	6,867	36	6,000	24
Other Funding:								
OCFO Reimbursable	-	-	818	4	885	4	885	4
ASC OCFO Oversight	1,464	5	2,359	6	2,836	10	2,836	10
ASC WCF Oversight.....	2,761	14	4,058	13	4,280	19	4,578	19
Financial Management								
Support Services	3,395	17	3,832	17	3,980	17	4,010	17
Financial Shared Services.....	141,759	466	118,681	353	115,864	361	115,864	361
Internal Control Support								
Services	2,738	6	2,973	7	2,701	11	2,701	11
National Finance Center	150,557	477	161,219	540	159,104	576	163,877	576
Total Appropriation, Other								
Funding	302,674	985	293,940	938	289,650	997	294,752	997
Total Available, OCFO	310,041	985	300,668	969	296,517	1,033	300,752	973

* This table assumes a reduced 2026 FTE baseline due to 2025 voluntary staff separations and administrative cost efficiencies.

PERMANENT POSITIONS BY GRADE AND FTEs**Table OCFO-3. Permanent Positions by Grade and FTEs**

Item	2023			2024			2025			2026		
	HQ	Field	Actual Total	HQ	Field	Actual Total	HQ	Field	Estimated Total	HQ	Field	Estimated Total
SES.....	1	-	1	2	-	2	2	-	2	2	-	2
GS-15	4	-	4	4	-	4	5	-	5	3	-	3
GS-14	6	-	6	5	-	5	5	-	5	5	-	5
GS-13	12	-	12	12	-	12	15	-	15	9	-	9
GS-12	4	-	4	3	-	3	5	-	5	3	-	3
GS-11	5	-	5	3	-	3	4	-	4	2	-	2
Total												
Permanent.....	32	-	32	31	-	31	36	-	36	24	-	24
Total Perm. FT												
EOY.....	32	-	32	31	-	31	36	-	36	24	-	24
FTE*	28	0	28	31	-	31	36	-	36	24	-	24

* This table assumes a reduced 2026 FTE baseline due to 2025 voluntary staff separations and administrative cost efficiencies.

SHARED FUNDING PROJECTS**Table OCFO-4. Shared Funding Projects (thousands of dollars)**

Item	2023 Actual	2024 Actual	2025 Estimated	2026 Estimated
Working Capital Fund:				
Administrative Services:				
AskUSDA	\$40	\$86	\$85	\$85
General Counsel Legal Compliance	-	-	9	115
Material Management Service.....	50	49	38	39
Mail and Reproduction Services.....	80	76	105	106
Integrated Procurement Systems.....	137	155	141	142
Procurement Operations Services.....	1,924	1,917	1,717	1,567
Human Resources Enterprise Management Systems ...	17	165	177	183
Subtotal	2,248	2,448	2,272	2,237
Communications:				
Creative Media & Broadcast Center.....	77	1,450	20	17
Finance and Management:				
National Finance Center	1,530	4,449	2,138	2,535
Financial Management Systems.....	1,693	1,493	1,558	1,559
Internal Control Support Services.....	444	463	329	329
Financial Management Support Services	168	186	333	336
Subtotal	3,835	6,641	4,358	4,759
Information Technology:				
Client Experience Center	5,416	4,408	4,912	5,358
Department Administration IT Office.....	1,984	4,690	3,597	3,610
Digital Infrastructure Services Center.....	41,157	43,303	42,541	42,109
Enterprise Cybersecurity Services.....	2,408	5,217	1,453	1,453
Enterprise Data and Analytics Services.....	90	92	94	82
Enterprise Network Services.....	2,116	3,228	2,964	2,790
Subtotal	53,171	60,938	55,561	55,402
Correspondence Management Services.....	-	-	-	-
Office of the Executive Secretariat.....	69	72	106	117
Total, Working Capital Fund.....	59,400	71,549	62,317	62,532
Department-Wide Shared Cost Programs:				
Agency Partnership Outreach	87	86	77	77
Diversity, Equity, Inclusion and Accessibility	24	31	6	-

Item	2023 Actual	2024 Actual	2025 Estimated	2026 Estimated
Employee Experience	41	44	29	29
Medical Services	45	50	40	40
National Capital Region Interpreting Services.....	14	20	13	13
Office of Customer Experience	38	35	31	31
Personnel and Document Security Program	58	66	70	70
Physical Security	54	55	59	59
Security Detail	60	63	81	81
Security Operations Program	83	87	75	75
Talent Group	43	39	34	34
TARGET Center.....	20	19	16	16
Total, Department-Wide Reimbursable Programs	12	12	12	12
E-Gov:				
Budget Formulation and Execution Line of Business.....	1	1	1	1
Financial Management Line of Business.....	2	2	2	2
Human Resources Line of Business	4	3	3	3
Total, E-Gov	7	6	6	6
Agency Total	59,974	72,150	62,854	63,063

ACCOUNT 1: OFFICE OF THE CHIEF FINANCIAL OFFICER**APPROPRIATIONS LANGUAGE**

The appropriations language follows (new language underscored):

Office of the Chief Financial Officer

For necessary expenses of the Office of the Chief Financial Officer, \$6,000,000.

LEAD-OFF TABULAR STATEMENT**Table OCFO-5. Lead-Off Tabular Statement (In dollars)**

Item	Amount
Enacted, 2025	\$6,867,000
Change in Appropriation	- 867,000
Budget Estimate, 2026	6,000,000

PROJECT STATEMENTS**Table OCFO-61. Project Statement on Basis of Appropriations (thousands of dollars, FTEs)**

Item	2023 Actual	FTEs	2024 Actual	FTEs	2025 Estimated	FTEs	2026 Estimated	FTEs	Inc. or Dec.	FTE Inc. or Dec.	Chg Key
Discretionary											
Appropriations:											
Office of the Chief											
Financial Officer.....	\$7,367	28	\$6,867	31	\$6,867	36	\$6,000	24	-\$867	-12	(1)
Total Appropriation.....	7,367	28	6,867	31	6,867	36	6,000	24	-867	-12	
Lapsing Balances	-232	-	-139	-	-	-	-	-	-	-	
Total Obligations.....	7,135	28	6,728	31	6,867	36	6,000	24	-867	-12	

Table OCFO-7. Project Statement on Basis of Obligations (thousands of dollars, FTEs)

Item	2023 Actual	FTEs	2024 Actual	FTEs	2025 Estimated	FTEs	2026 Estimated	FTEs	Inc. or Dec.	FTE Inc. or Dec.
Discretionary Obligations:										
Office of the Chief										
Financial Officer.....	\$7,135	28	\$6,728	31	\$6,867	36	\$6,000	24	-\$867	-12
Total Obligations.....	7,135	28	6,867	31	6,867	36	6,000	24	-	-12
Add back:										
Lapsing Balances	232	-	139	-	-	-	-	-	-	-
Total Appropriation.....	\$7,367	28	6,867	31	6,867	36	6,000	24	-867	-12

JUSTIFICATION OF CHANGES**Office of the Chief Financial Officer**

Base funds will continue to allow OCFO to carry out its statutory responsibilities. Continuing the base funding is crucial to maintain the Department's financial and performance management activities, to improve program delivery, and to ensure maximum contribution and efficiency to achieving the mission of USDA.

The numbers and letters of the following listing relates to values in the Change (Chg) Key column of the Project Statement:

- (1) A decrease of \$867,000 and 12 FTEs in salaries and expenses to the Office of the Chief Financial Officer (\$6,867,000 and 36 FTEs available in 2025).

To align with the government-wide efforts to streamline the workforce, optimize facilities, and improve operational efficiency, the OCFO has reduced its staffing from 36 to 24 FTEs. This reduction his reduction will eliminate duplicative functions within the OCFO.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS AND FTEs**Table OCFO-8. Geographic Breakdown of Obligations and FTEs for the Office of the Chief Financial Officer (thousands of dollars, FTEs)**

State/Territory/Country	2023		2024		2025		2026	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
District of Columbia	\$7,135	28	\$6,728	31	\$6,867	36	\$6,000	24
Obligations	7,135	28	6,728	31	6,867	36	6,000	24
Lapsing Balances	232	-	139	-	-	-	-	-
Total, Available	7,367	28	6,867	31	6,867	36	6,000	24

CLASSIFICATION BY OBJECTS**Table OCFO-9. Classification by Objects (thousands of dollars)**

Item No.	Item	2023 Actual	2024 Actual	2025 Estimated	2026 Estimated
Personnel Compensation:					
	Washington D.C.	\$3,926	\$3,940	\$4,148	\$2,975
11	Total personnel compensation	3,926	3,940	4,148	2,975
12	Personal benefits	1,440	1,425	1,510	1,098
13.0	Benefits for former personnel	3	1	-	-
	Total, personnel comp. and benefits	5,369	5,366	5,658	4,073
Other Objects:					
21.0	Travel and transportation of persons ..	43	54	50	50
22.0	Transportation of things	-	-	5	5
23.1	Rental payments to GSA	14	10	10	10
	Communications, utilities, and misc.				
23.3	charges.....	86	20	45	40
25.1	Advisory and assistance services	728	740	505	750
	Other services from non-Federal				
25.2	sources	56	44	50	50
	Other goods and services from				
25.3	Federal sources.....	804	443	524	1,002
26.0	Supplies and materials	12	22	10	10
31.0	Equipment	23	29	10	10
	Total, Other Objects.....	1,766	1,362	1,209	2,719
99.9	Total, new obligations.....	7,135	6,728	6,867	6,000
DHS Building Security Payments					
	(included in 25.3)	\$25	\$29	\$31	\$32
Information Technology					
Investments:					
Major Investment 1 SO-OCFO-NFC					
Payroll Services					
11	Internal Labor	\$29,182	\$25,680	\$26,960	\$28,310
	External Labor (Contractors)	11,821	27,770	6,130	5,750
	Total Major Investment 1	41,003	53,450	33,090	34,060
Major Investment 2 SO-OCFO-FMMI					
11	Internal Labor	26,483	19,290	25,190	25,690
25.2	Outside Services (Consulting)	62,660	101,650	50,580	35,080
	Total Major Investment 2	89,143	120,940	75,770	60,770
Major Investment 3 NFC Employee					
Services					
11	Internal Labor	1,948	700	740	770
25.2	Outside Services (Consulting)	1,020	1,360	5,750	6,030
	Total Major Investment 3	2,968	2,070	6,480	6,810

Item No.	Item	2023 Actual	2024 Actual	2025 Estimated	2026 Estimated
11	Major Investment 4 Human Capital				
	Internal Labor	12,861	11,750	12,340	12,960
	External Labor.....	4,420	10,140	13,110	13,760
	Total Major Investment 4	17,281	21,890	25,450	26,720
	Mission Area Non-Major				
	Investment Totals	2,708	2,753	2,891	1,905
	Mission Area Standard Investment Totals	19,456	21,578	26,222	28,329
25.3	Mission Area WCF Transfers	12,918	12,918	27,200	32,061
	Total Non-Major Investment	32,374	34,496	53,422	60,390
	Total IT Investments.....	182,769	232,836	184,222	188,740
	Cybersecurity				
	Identify	3,558	4,117	4,356	4,549
	Protect	1,359	1,628	1,871	2,034
	Respond	385	419	442	463
	Total Cybersecurity	5,302	6,164	6,669	7,064
	Position Data:				
	Average Salary (dollars), ES Position..	\$203,000	\$213,000	\$215,000	\$217,000
	Average Salary (dollars), GS Position .	\$129,000	\$135,000	\$138,000	\$138,500
	Average Grade, GS Position	13.6	13.6	13.7	13.7

* This table assumes a reduced 2026 FTE baseline due to 2025 voluntary staff separations and administrative cost efficiencies.

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STATUS OF PROGRAMS

The Office of the Chief Financial Officer (OCFO) has Department-wide responsibility and leads USDA's financial management, financial management systems, financial control and accounting, internal control and assessment, and financial management training. OCFO is also responsible for the administration of the Working Capital Fund (WCF) and directly manages four WCF-funded activities, the National Finance Center, Financial Management Services, Internal Controls and Support Services, and Financial Management Support Services.

The Chief Financial Officer (CFO) is USDA's principal financial management policy officer and the chief financial advisor to the Secretary and Senior Officials. The CFO also serves as the Departmental official charged with responsibility for the financial health of the WCF, and effective day-to-day financial management.

Current Activities**Departmental Financial Statements**

USDA received a qualified opinion on its 2024 financial statements. USDA will continue to make improvements to internal controls regarding financial reporting and financial systems, including compliance with the Federal Information Security Management Act to reduce the number and severity of material weaknesses.

Budget Services

A wide variety of budgetary services are provided by the Budget Division to the Office of the Secretary and Departmental staff offices. These services include: the preparation of detailed exhibits, tables and supporting justification for the President's budget requests submitted to the Office of Management and Budget (OMB) and Congress; the establishment of budgetary amounts and financial controls in the Department's financial system; financial advice to policy and program officials relating to ongoing operating programs, including analysis of issues, monitoring of resource utilization via status of funds reporting, and development of alternatives and recommended courses of action for resource allocation, development, and budget execution; and overseeing the supplemental funding that is provided to the Office of the Secretary and is distributed to agencies within the Department.

These services cover over 20 appropriation accounts which encompass diverse functions, programs, and activities, each of which require technical service at a level equivalent to the operation of a separate appropriation. The Budget Division also provides services to the Departmental Shared Cost Program Advisory Committee by conducting reviews and making resource recommendations to the Advisory Committee in setting funding levels and priorities for decision by the Secretary.

Payment Integrity, Cash Management, and Debt Management and Collections

The Office of the Chief Financial Officer's Fiscal Policy Division (FPD) leads USDA agencies and staff offices to meet the requirements of the Payment Integrity Information Act of 2019 (PIIA) and the Debt Collection Improvement Act of 1996. FPD oversees agency programs to ensure compliance with the laws and provisions of the OMB, Department of Treasury (Treasury), Government Accountability Office (GAO), and the Office of Inspector General (OIG).

The Financial Policy Division (FPD) provides a Department-wide consolidated response to laws, guidance, and policies by coordinating data calls, analyzing submissions, and offering feedback to agencies on several key areas. These include improper payments and overpayment recovery, cash management of Administrative Wage Garnishments and Salary Waivers, debt management and collections, and USDA-Treasury interdepartmental efforts regarding the utilization of the Do Not Pay (DNP) database.

FPD also plans and communicates up-to-date, relevant guidance with Departmental user groups to coordinate, track, and monitor the preparation to meet government-wide financial policy and planning initiatives' requirements. Specifically, FPD affects the management of agency programs for these requirements by addressing the issues of PIIA related mandates such as Do Not Pay (DNP), Overpayment Recovery Auditing, High Dollar Overpayments, Improper Payments Testing and Reporting, and Corrective Action Plans (CAPs) to minimize monetary loss. FPD coordinates the reporting for the Improper Payment section of the USDA's annual Agency Financial Report, serves as USDA's official representatives to OMB, GAO, and Treasury, and functions as the Department's audit support in OIG's mandatory audits.

USDA leadership is committed to improving USDA's payment integrity and accuracy by addressing root causes of payment error, pursuing advances in anti-fraud efforts, managing debt, and taking collective actions to ensure proper collections of outstanding debt, and ultimately eliminating waste abuse.

Current FPD activities include assisting agencies in meeting reporting deadlines for risk assessments, statistical sampling, improper payment rate reporting, corrective actions addressing the root causes of improper payments, DNP, and recovery/recapture auditing. FPD also monitors USDA agencies' Corrective Action Plans (CAPs) to support the development of internal controls, enhance systems, and facilitate payment recovery, thereby improving program integrity and payment accuracy. Furthermore, FPD promotes the increased utilization of the DNP database by expanding portal access to additional users and data sources.

Travel and Conference Activities

OCFO is responsible for travel management policy for the Department and has oversight responsibility for USDA's travel program. OCFO develops, coordinates and implements Department-wide policy and procedures on travel management services, the travel card program and conference management.

The current activities include minimizing inappropriate use of the travel card through training and compliance/data mining efforts. OCFO also conducts data calls to ensure timely submission of various reports to external entities. Additionally, the office reviews and analyzes conference proposals to ensure responsible use of government time and resources. Furthermore, OCFO holds meetings with the electronic travel system provider, vendor bank, compliance/data mining partners, and agency travel and policy points of contact.

U.S. Government Accountability Office (GAO) and Office of Inspector General (OIG) Audits

OIG Audit Follow-up

As required by the Inspector General Act Amendments of 1988, the OCFO: (1) codifies into regulations and interprets revisions to the OMB Circular A-50, Audit Follow-up, and (2) researches and analyzes audits, making determinations on final actions, monitoring management's actions on audits, tracking individual audit recommendations, and reporting results annually to the Congress.

GAO Audit Closures

GAO provides Congress, the heads of executive agencies, and the public with timely, fact-based, non-partisan information that can be used to improve government and save taxpayers billions of dollars. GAO performs audits at the request of Congressional committees or subcommittees or is statutorily required by public laws or committee reports, per our Congressional Protocols. OCFO maintains an inventory of open GAO audits but is not involved in making determinations of final action. Supporting documentation for closure of GAO audit recommendations is submitted by the auditee directly to GAO for a decision. When recommendations are successfully closed, the GAO records this information in the GAO audit database and notifies the auditee. The auditee will in turn

notify OCFO of the closure to facilitate updates to our records in the Audit Follow-up Tracking and Reporting tool.

Specifically Addressed Areas

OCFO also provides policy guidance and assistance to agencies on technical matters related to the OIG and Government Accountability Office audits. Specific efforts by OCFO related to the OIG audits included: periodic coordination with USDA's OIG to share the current status of open audit recommendations; collaborating with the Department to develop dashboards on the CXO Tableau site to depict USDA agencies and staff office status and compliance on the resolution of OIG Audit recommendations; following up with USDA agencies' management and/or agency audit liaison officials to ensure corrective action responses to audit findings and recommendations are appropriate and achievable, cost-effective, and tracked to achievement of final action by the estimated completion dates; reviewing and analyzing USDA agencies' progress in completing corrective action for audits one-year or more past the management decision date, without final action and behind schedule; providing useful and timely information on the status of audits to USDA management and Congress for decision-making and resource allocation purposes; working with OIG on a Final Action Verification to determine if the agency/staff office provided OCFO with sufficient documentation to support corrective action as agreed in the original management decision; collaborating with the Office of Budget and Program Analysis to include a report on outstanding OIG and GAO recommendations with the annual budget justification to Congress; and, increasing efforts to monitor agency/staff office progress on closure of GAO audit recommendations.

Management Accountability and Control

The OCFO is responsible for management accountability and control under the CFO Act, Federal Managers' Financial Integrity Act (FMFIA), Federal Financial Management Improvement Act (FFMIA) and OMB Circular A-123, Management's Responsibility for Enterprise Risk Management and Internal Control. OCFO establishes policy and guidance to ensure that USDA agencies comply with the requirements of FMFIA and FFMIA, and report on material weaknesses, financial system non-conformances, and FFMIA noncompliance in the Agency Financial Report to the Congress and the President.

To accomplish this task, OCFO prepares the annual data call to the Under and Assistant Secretaries, heads of USDA staff offices, USDA component agency Chief Financial Officers, and Management Control Officers, requesting a certification statement on compliance with FMFIA and FFMIA as of June 30, 2024, and an addendum (Bridge Memo) that covered the period July 1 through September 30, 2024. Each submission was reviewed to compile the Secretary's Annual Assurance Statement. Additionally, OCFO is responsible for following-up and coordinating with USDA agencies on the resolution or mitigation of auditor identified material deficiencies, system non-conformances, and FFMIA non-compliances, reviewing and providing feedback to agencies and staff offices on their Entity Level Control (ELC) assessments and draft/final certification statements, working with USDA agencies, staff offices and the OIG to identify and report non-compliances with laws and regulations, annually providing training to USDA agencies and staff offices on the completion of the ELC questionnaire in A-123 Compliance and Reporting Tool. This is essential to evaluate the effectiveness of an agencies internal controls as prescribed by the Green Book principles and conducting training in the preparation of annual certification statement and bridge memo.

Transparency and Accountability Reporting

The Transparency and Accountability Reporting Division leads the Department's efforts to provide greater information sharing and transparency of data at USDA. OCFO provides Department oversight of Federal financial assistance policy and mutual interest agreements as well as Suspension and Debarment policy and Prizes and Challenges policy. OCFO is responsible for the Digital Accountability and Transparency Act (DATA Act) reporting. OCFO also supports conference transparency, foreign assistance, and supplemental funding (disaster-related) reporting. In 2022, OCFO assimilated

significant new Infrastructure Investment and Jobs Act (IIJA) reporting requirements and continues to maintain American Rescue Plan and Inflation Reduction Act reporting and policy implementations. The Buy America, Build America Act, which also passed in 2022, resulted in a new policy and the development of a small grant, de minimis, and minor component waiver for the entire department. OCFO continues to provide oversight support, comply with, and improve these requirements and policies.

Federal Financial Assistance Policy

OCFO provides policy guidance for Federal financial assistance including the Office of Management and Budget (OMB) Uniform Guidance found at Title 2 of the Code of Federal Regulation Part 200. OCFO continues to support the policy by developing and issuing Departmental Regulations to clarify requirements for certain parts of the Uniform Guidance while addressing agency concerns and answering agency policy questions. OCFO designed the Financial Assistance policy website to post USDA agency waivers and provide Build America Buy America Build guidance.

OCFO leads the Department in Federal financial assistance policy and oversight and regularly convenes the Federal Financial Assistance Committee consisting of agency representatives that are central to providing innovative solutions to grants reporting improvements. OCFO regularly convenes with the agency Build America Buy America (BABA) Points of Contact (POC) to share information and best practices for meeting the requirements set forth in the Build America Buy America Act within the Infrastructure Investment and Jobs Act.

Selected Examples of Recent Progress

Budget Services

The Budget Division provides budgetary services for over 20 staff office appropriation accounts throughout the year. During 2024, various budget services were completed including the preparation of the 2025 President's Budget for Departmental Administration and the USDA staff offices, which was presented to Congress, development of the 2025 Agency Estimates, and Department Estimates presented to OMB, loading 2024 actual spending and outlays for the 2025 budget in the OMB MAX entry system, and managing OMB apportionments and internal apportionments for all Mandatory and Supplemental funding that comes through the Office of the Secretary. The Budget Division also tracked the obligations and outlays of these funds on a weekly basis, entered the 2025 budgetary apportionments for over 20 appropriated accounts including during the Continuing Resolutions for 2025 while using robotic process automation that effectively allowed for the establishment of budgetary authority in the financial system, developed the 2025 operating spend plans for the Office of the Secretary's appropriation and reimbursable accounts, and conducted reviews and recommendations for the Advisory Committee regarding funding decisions and recommendations to the Secretary for the Departmental Shared Cost Program reimbursements.

Payment Integrity, Cash and Debt Management

Agency Financial Report

The Payment Integrity (PI) team collaborated with USDA mission areas, agencies, staff offices and consultants to gather, analyze, and organize data for the USDA's 2024 Agency Financial Report (AFR). USDA agencies submitted deliverables throughout 2024 and that data was utilized by the team to edit the AFR using the software reporting tool. With consultant support, the Fiscal Policy Division leveraged industry best practices to compile the submissions for their portion of report, which was delivered to the Transparency, Accountability and Reporting Division by the negotiated due date for inclusion in the final report. The team updated the Payment Integrity section of the AFR to include results from Phase 1 and Phase 2 program assessments.

FPD established USDA internal processes, samples, and methods, such as the Data Call guidance for response to the 2024 OMB Annual Data Call, which provided specific instructions for review,

timelines, and submission of data entry, to achieve the objectives for this year's annual reporting. FPD also devised guidance to direct USDA agency program completion and certification of OMB documents to centralized repositories for data within FPD's SharePoint system for review prior to submission.

Debt Management

During 2024, FPD continued to assess FPD's role in USDA debt management areas, reviewed the processes in its debt programs, and evaluated how they interact with Treasury, with a goal of reducing delinquent debt and providing oversight to USDA agencies, on accurate and timely processing and reporting debt/payments/collections, and on improving debt collection activities in programs.

FPD continues to coordinate with Treasury to monitor USDA debt management statistics, to provide agencies with information to lower debt numbers. Using the quarterly ARM (Agency Relationship Management) assessment scorecard, we continue to analyze USDA agency debts and eligibility for the Treasury Offset Program and Cross Servicing, referral rates and the status of 100 percent of agency delinquent debt. Our plan is to continue to work with agencies to determine rationale for those not in compliance with debt management policies.

FPD coordinated with Department points of contact and Chief Financial Officers to obtain information to fulfill the annual Treasury Report on Receivables and Debt Collection Activities annual certification/verification requirements. The PI team organized, validated, and presented this information by the required deadline.

FPD focused on evaluating the USDA Administrative Wage Garnishment (AWG) program with an emphasis on strengthening its processes. We continue to review and update USDA guidance, to include step by step processes, statistics (number of orders/collections, notice letters/hearings), and timelines, and ensure agencies are following guidance. Plans are also in place to improve SharePoint accessibility through online tools, automated assistance processes, POCs, electronic access to forms, policies and guides, and have the site provide a one-stop, informative gateway to information agencies require. We continue to meet with Treasury, as AWG and hearing processes are developed, and to review USDA's hearing list to determine the status of each hearing. A policy memo has been finalized.

Do Not Pay (DNP):

DNP operates a resource dedicated to preventing and detecting improper payments. The Working System and DNP together create one element of the larger multi-agency government-wide DNP Initiative and centrally provides a variety of data matching and data analytics services to support agency programs in their efforts to prevent and detect improper payments. Agencies use a secure online interface to check various data sources to verify eligibility of a vendor, grantee, loan recipient, or beneficiary to receive federal payments. The DNP Portal lets the user search multiple databases at one time.

During 2024, the average number of DNP searches doubled from 2023 (from 5,068 in 2023 to 10,185 in 2024). The total dollar amounts matched increased by 7 percent (\$11.68 million in 2023 to \$12.5 million in 2024).

USDA has increased its active users from 1,869 in 2023 to 3,509 in 2024, an increase of 88 percent. These users span five agencies and multiple program areas. USDA consistently increases the number of active users each fiscal year. The USDA DNP Authorizing Official (AO), in tandem with the Primary Local Security Administrator (PLSA), provided administrative support to programs currently using DNP during the pre-award, pre-payment, and post-payment phases of the payment life cycle. USDA has also begun the enrollment and onboarding process with four new program areas, which will result in the potential of adding approximately 2,000 more DNP users. The enrollment process is expected to be completed during 2025.

Travel and Conference Activities

Excellent management of the travel charge card program consisting of over 67,000 card accounts, maintained Department delinquency rates of less than 5 percent (for both centrally billed and individually billed accounts) with over \$64 million of spend volume.

FPD has been innovative in making use of bank tools and reports for oversight. Collaborated with US Bank to develop a report that provides metrics when a cardholder has made a purchase with a merchant located in the cardholder's home zip code. This report gives FPD quick access to the information, so a proper assessment can be made, and the cardholder's agency is contacted immediately. Using this tool in 2024, FPD has identified 67 cardholders with verified misuse of their government travel charge card. FPD also collaborated with US Bank to create a report that provides metrics when a cardholder uses their travel card to withdraw cash from an ATM that exceeds \$750 in a billing cycle or three or more ATM withdrawals in a billing cycle. The information was sent to the respective agencies for justification/rationale. Using this tool in 2024 revealed 75 GTCC holders exceeded the \$750 amount, and 43 card holders exceeded the three or more ATM withdrawals in a billing cycle.

Provided monitoring and oversight for travel charge card transactions using the Oversight Insights on Demand (IOD) automated system. IOD flagged over 10,821 transactions, totaling \$8 million, for closer review and scrutiny.

Collaborated with USDA conference points of contact to gather, validate, and finalize the 2024 Annual Plan with 1,350 events, with an estimated cost of \$90 million.

Provided guidance and advice to over 7,000 customers through monitoring Shared TPM Inbox and responding to requests for hierarchy transfers, IBA/CBA account reinstatements, and answering general inquiries. Sought advisement from team members for policy inquiries to provide clear and constructive directives to customers. Assisted and processed staff requests in a customer service environment, encouraged and provided opportunities to accommodate feedback for any improvement needed to expedite such requests.