

2026 USDA EXPLANATORY NOTES – WORKING CAPITAL FUND

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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 the 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 U.S. Department of Agriculture (USDA) Working Capital Fund (WCF) was established in 1944, authorized under 7 U.S.C. 2235. The WCF mission is to provide a financing mechanism to support services that the Secretary, with the approval of the Office of Management and Budget, determines is more effective as central services within the Department's Agencies. The WCF is used to finance services provided to USDA and Non-USDA agencies on a reimbursement or fee-for-service basis. USDA services over 100 Non-USDA Agencies* which reduces USDA's share of fixed cost. Centrally managed operations provide efficient, cost-effective, reliable, and transparent services through economies of scale, extensive management oversight, and recurring Fund reviews. The WCF does not receive appropriated funds.

* Some of the non-USDA agencies include: Department of Commerce, Department of Justice, Department of Labor, Department of Air Force, Department of Army, Department of Interior, Department of Treasury, Office of Personnel Management, Federal Election Commission, Government Accountability Office, United States Secret Service, and Library of Congress. Other Non-USDA Agencies serviced consist of numerous Independent Agencies, Boards, Commissions, and Foundations.

The WCF introduced two new activity centers in 2025, General Counsel Legal Compliance (GCLC) and Fleet Card Charge Services (FCCS). The WCF finances USDA Activity Centers under five functional categories as follows:

Administration:

- AskUSDA Contact Center (ACC)
- Fleet Card Charge Services (FCCS)
- General Counsel Legal Compliance (GCLC)
- Human Resources Enterprise Systems Management (HRESM)
- Integrated Procurement Systems (IPS)
- Mail and Reproduction Services (MRS)
- Materiel Management Service Center (MMSC)
- Personnel and Document Security (PDS)

- Procurement Operations (POD)

Communications:

- Creative Media and Broadcast Center (CMBC)

Correspondence Management:

- Office of the Executive Secretariat (OES)

Financial Management:

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

Information Technology:

- Client Experience Center (CEC)
- Department Administration Information Technology Office (DAITO)
- Digital Infrastructure Services Center (DISC)
- Enterprise Cybersecurity Services (ECS)
- Enterprise Data and Analytics Services (EDAS)
- Enterprise Network Services (ENS)

As of September 30, 2024, there were 2,605 permanent full-time employees (FTEs), with 479 in Washington, D.C., and 2,126 in field offices.

AVAILABLE FUNDS AND FTEs

Table WCF-4. Available Funds and FTEs (thousands of dollars, FTEs)

Item	2023 Actual	FTEs	2024 Actual	FTEs	2025 Estimated	FTEs	2026 Estimated	FTEs
USDA Fee for Service:								
Administration.....	\$65,051	180	\$80,355	190	\$85,150	237	\$101,870	238
Communications	17,473	11	11,412	12	6,838	15	6,838	15
Correspondence Management....	3,629	17	3,521	17	3,804	18	3,804	18
Financial Management	153,306	523	166,393	508	161,095	576	162,367	537
Information Technology.....	879,197	1,364	1,064,901	1,411	978,325	1,445	1,001,976	1,445
Subtotal	1,118,656	2,095	1,326,582	2,138	1,235,212	2,291	1,276,855	2,252
Capital Funding Availability.....	14,110	-	43,477	-	65,359	-	65,359	-
Purchase Card Rebate Proceeds .	23,716	-	1,806	-	10,000	-	10,000	-
Unobligated Balances Transfers..	33,121	-	38,092	-	-	-	-	-
Technology Modernization.....	20,498	-	14,101	-	-	-	-	-
Subtotal (USDA)	1,210,101	2,095	1,424,059	2,138	1,310,571	2,291	1,352,214	2,252
Non-USDA Fee for Service:								
Administration.....	1,211	3	1,350	4	1,271	5	1,205	5
Communications	660	0	12	0	632	0	632	0
Financial Management.....	149,307	464	126,730	426	127,669	417	131,499	457
Information Technology	87,543	25	89,157	37	79,962	28	87,945	28
Subtotal (Non-USDA)	238,721	492	217,248	467	209,535	451	221,282	490
Total Available, WCF	1,448,822	2,587	1,641,307	2,605	1,520,105	2,742	1,573,496	2,742

PERMANENT POSITIONS BY GRADE AND FTEs**Table WCF-5. Permanent Positions by Grade and FTEs**

Item	2023 Actual			2024 Actual			2025 Estimated			2026 Estimated		
	HQ	Field	Total	HQ	Field	Total	HQ	Field	Total	HQ	Field	Total
SES	16	3	19	7	4	10	5	9	14	5	9	14
SL.....	-	-	-	-	-	-	-	-	-	-	-	-
GS-15.....	43	49	92	35	51	86	25	71	96	25	71	96
GS-14.....	94	206	300	86	199	284	58	245	303	59	244	303
GS-13.....	116	534	650	153	498	651	111	590	701	113	592	705
GS-12.....	71	572	643	90	570	660	76	631	707	72	630	702
GS-11.....	29	442	471	49	456	505	35	471	506	38	470	508
GS-10.....	5	1	6	4	1	5	1	3	4	1	3	4
GS-9.....	13	97	110	10	74	84	9	75	84	8	75	83
GS-8.....	4	19	22	2	16	18	1	18	19	1	18	19
GS-7.....	16	161	177	12	157	169	21	191	212	21	191	212
GS-6.....	7	23	30	7	17	24	6	8	14	6	8	14
GS-5.....	10	21	31	12	61	73	14	27	41	14	27	41
GS-4.....	2	5	6	2	3	5	1	4	5	1	4	5
GS-3.....	2	0	3	3	1	4	2	1	3	2	1	3
GS-2.....	-	-	-	-	-	-	-	-	-	-	-	-
GS-1.....	-	-	-	-	-	-	-	-	-	-	-	-
Other Graded	21	6	27	8	18	25	14	19	33	14	19	33
Ungraded.....	-	-	-	-	-	-	-	-	-	-	-	-
Total Permanent..	446	2,140	2,587	479	2,126	2,605	380	2,362	2,742	380	2,362	2,742
Unfilled, EOY	-	-	-	-	-	-	-	-	-	-	-	-
Total Perm. FT EOY.	446	2,140	2,587	479	2,126	2,605	380	2,362	2,742	380	2,362	2,742
FTE*	446	2,140	2,587	479	2,126	2,605	380	2,362	2,742	380	2,362	2,742

* Total FTEs are all inclusive of workforce categories including temporary positions.

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

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ACCOUNT 1: WORKING CAPITAL FUND**APPROPRIATIONS LANGUAGE**

The appropriations language follows (new language underscored):

Working Capital Fund

Of the unobligated balances from prior year appropriations made available in the "Working Capital Fund", \$77,884,474 are hereby permanently cancelled: Provided, That no amounts shall be cancelled from amounts that were designated by the Congress as an emergency or disaster relief requirement to the concurrent resolution on the budget or the Balanced Budget and Emergency Deficit Control Act of 1985.

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

Item	Amount
2025 Recurring Operations Estimate ^{1/}	\$1,444,746,464
Change in Estimate	+ 53,390,612
Recurring Operations Estimate, 2026	1,498,137,076
2025 Capital Availability	\$65,359,000
Change in Availability	0
Capital Availability, 2026	65,359,000
2025 Purchase Card Rebate Proceeds Availability ^{2/}	\$10,000,000
Change in Availability	0
Purchase Card Rebate Proceeds Availability, 2026	10,000,000
2025 Unobligated Balances Transfer Availability ^{3/}	0
Change in Availability	0
Unobligated Balances Transfer Availability, 2026	-

NOTES

^{1/} This amount includes both USDA and non-USDA fees for service activities.

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

^{3/} The Secretary has authority to transfer unobligated balances to the WCF for acquisition of plant and capital equipment for financial, administrative, and information technology services of general benefit to agencies of the Department of Agriculture. The amount for 2025 (unobligated 2024 funds) will not be known until the end of 2025.

PROJECT STATEMENTS**Table WCF-6. Project Statement on Basis of Appropriations (thousands of dollars, FTEs)**

Item	2023 Actual	FTE	2024 Actual	FTE	2025 Estimated	FTE	2026 Estimated	FTE	Inc. or Dec.	FTE Inc. or Dec.	Chg Key
Fee for Service:											
Administration	\$65,051	180	\$80,355	190	\$85,150	237	\$101,870	238	+\$16,720	1	(1)
Communications	17,473	11	11,412	12	6,838	15	6,838	15	-	0	
Correspondence Management	3,629	17	3,521	17	3,804	18	3,804	18	-	-	
Financial Management	153,306	523	166,393	508	161,095	576	162,367	537	+1,272	-39	(1)
Information Technology	879,197	1,364	1,064,901	1,411	978,325	1,445	1,001,976	1,445	+23,652	0	(1)
Subtotal	1,118,656	2,095	1,326,582	2,138	1,235,212	2,291	1,276,855	2,252	+41,643	-38	(1)
Capital Funding Availability	14,110	-	43,477	-	65,359	-	65,359	-	-	-	
Purchase Card Rebate Proceeds	23,716	-	1,806	-	10,000	-	10,000	-	-	-	
Unobligated Balances Transfers	33,121	-	38,092	-	-	-	-	-	-	-	
Technology Modernization	20,498	-	14,101	-	-	-	-	-	-	-	
Subtotal (USDA)	1,210,101	2,095	1,424,059	2,138	1,310,571	2,291	1,352,214	2,252	+41,643	-38	(1)
Non-USDA Fee for Service:											
Administration	1,211	3	1,350	4	1,271	5	1,205	5	-65	0	(2)
Communications	660	0	12	0	632	0	632	0	-	-	
Financial Management	149,307	464	126,730	426	127,669	417	131,499	457	+3,830	39	(2)
Information Technology	87,543	25	89,157	37	79,962	28	87,945	28	+7,982	0	(2)
Subtotal (Non-USDA)	238,721	492	217,248	467	209,535	451	221,282	490	+11,747	39	(2)
Total WCF	1,448,822	2,587	1,641,307	2,605	1,520,105	2,742	1,573,496	2,742	+53,391	1	
Adjustment to Authority											
Permanent Recission	-	-	-46,192	0	-116	0	-77,884	0	-77,768	-	(3)
Temporary Recission	-	-	-31,808	0	-77,884	0	0	0	0	-	
Rescission Recovered	-	-	0	0	31,808	0	77,884	0	+46,192	-	(3)
Subtotal (Adjusted)	-	-	-78,000	0	-46,192	0	0	0	-31,692	-	(3)
Total WCF Adjusted	1,448,822	2,587	1,563,307	2,605	1,473,913	2,742	1,573,496	2,742	-99,583	1	

JUSTIFICATION OF CHANGES
Working Capital Fund

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

A net increase of \$53,391,000 for recurring operations (\$1,520,105,000 and 2,742 FTEs available in 2025).

The increase reflects estimates of costs in response to anticipated levels in service demand from USDA and Non-USDA agencies for WCF-supported services. Amounts shown for 2026 are estimates of costs only, and USDA and Non-USDA agencies will be billed their share of actual costs. The staff years represent Activity Centers' best estimate of the most economical use of human resources to deliver expected demand for goods and services.

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

(1) A net increase of \$41,644,000 and a net decrease of 38 FTEs for Fee for Service recurring operations (\$1,235,212,000 and 2,291 FTEs available in 2025).

A) Administration – A net increase of \$16,720,000 and a net increase of 1 FTE (\$85,150,000 and 237 FTEs available in 2025).

A net increase of \$16,720,000 is attributed to the GCLC service provider delivering technology and support to the Department in performing legal compliance functions related to Federal records and other electronically stored information. In 2025, its first year of operations as a WCF Activity Center, GCLC funding was established through a combination of WCF reimbursable agreements with USDA agency customers and Nonrecurring Expenses Fund (NEF) funding. The 2025 operational costs processed through the WCF represent only 9 percent of the full cost for service delivery while the NEF would cover 91 percent of costs. A dual funding scenario was implemented utilizing NEF funding to minimize budgetary impact to USDA agency customers as much as possible during the first year of operations. In 2026, the dual funding scenario transitions to a WCF-only, fully reimbursable situation wherein 100 percent of the GCLC operating cost will be recovered through interagency agreements with USDA customers. This transition of costs is reflected in the Administration functional category increase. A net increase of 1 FTE is attributed to the General Counsel Legal Compliance (GCLC) service provider labor breakout allocating additional leadership oversight and support staff time.

B) Financial Management – A net increase of \$1,272,000 and a net decrease of 39 FTE (\$161,095,000 and 576 FTEs available in 2025).

A net increase of \$1,272,000 is attributed to three service providers: National Finance Center (NFC) at \$943,000; Administrative Support Costs-Working Capital Fund (ASC-WCF) at \$298,000; and Financial Management Support Services (FMSS) at \$30,500. Additionally, a net decrease of 39 FTEs is attributed to the National Finance Center (NFC). With its 2026 budget, NFC identified a customer driven shift to decrease labor hours (FTE) associated with its USDA customer base and towards an increase in support of Non-USDA Federal partners (i.e., Department of Homeland Security (DHS), Department of Justice (DOJ), etc.). The NFC provides USDA customers demand based, usage driven services addressing Payroll &

Personnel Systems, HR Operational Services, and Customized project requests. From 2025 to 2026, NFC identifies a mix of personnel cost increases based on staff maturation, inflationary factors increasing costs to provide services, and a shift in allocation of indirect costs between the USDA/Non-USDA customers bases that is reflected in its increase. The ASC-WCF provides overall financial oversight to the WCF and technical consultative support for Activity Centers in matters pertaining to the financial management of Business Lines supported by the WCF. In 2026, the ASC-WCF identifies an increase from 2025 due to the maturation of currently onboard, career ladder employees and inflationary increases in operational non-discretionary costs. The FMSS provides a combination of timely, reliable, and relevant funds execution, financial analysis, financial advice, status of funds reporting, budget formulation and forecasting services for USDA Departmental Staff Offices. From 2025 to 2026, FMSS identified an increase from the maturation of currently onboard career ladder employees.

C) Information Technology – A net increase of \$23,652,000 (\$978,325,000 available in 2025).

A net increase of \$23,652,000 is attributed to two service providers: the Client Experience Center (CEC) at \$31,634,000 increase, offset by the Digital Infrastructure Services Center (DISC) with a (\$7,982,000) decrease. The CEC provides comprehensive, fee-for-service information technology (IT) operations, security, and technical support services for over 100,000 USDA customers. As a service provider exceeding \$400 million in services provided annually, CEC represents a complex business operation with an array of budgetary increases and decreases factoring into any budget year. However, the CEC increase observed from 2025 to 2026 is majority attributed to four costs drivers with the remaining increases generally identified as contractual and non-discretionary adjustments. Cost Driver One: Beginning in 2026, CEC anticipates the WCF launch of the Departmental Computer Asset Management (DCAM) business offering with an anticipated \$10,000,000 in customer driven demand expected that will address the Department's IT hardware Assessment, Ordering, Provisioning, and Disposition needs. Cost Drivers Two and Three: Additionally, CEC has identified \$6,300,000 and \$6,900,000 estimate increases to further the ServiceNow Modernization and Development, Enhancement, Modernization (DMW) Project, and to fund the next Option Year pricing for the Department's Microsoft Government Community Cloud (GCC) M365 Option Year 2 & 3 pricing for CLINs 2 and 6, respectively. Cost Driver Four: Based on current onboard employees, CEC identifies a \$2,150,000 increase to address anticipated non-discretionary personnel costs. The DISC is a consumption-driven, managed services provider for enterprise IT infrastructure services utilizing managed service processes and tools to improve service delivery in a customer-centric manner. With a diverse customer base consisting of 80 percent USDA and 20 percent Federal partners, DISC identified a necessary allocation adjustment in its 2026 budget that shifted a net \$7,982,000 in application development services from USDA to Non-USDA offerings. This reallocation is guided by customer demand for tailored business solutions and is identified in the WCF Project Statement increase to Non-USDA Fee for Service for the same amount.

(2) A net increase of \$11,747,000 and a net increase of 39 FTEs for Non-USDA Fee for Service recurring operations (\$209,535,000 and 451 FTEs available in 2025).

A) Administration – A net decrease of \$65,000 (\$1,271,000 available in 2025).

A net decrease of \$65,000 is attributed to the Materiel Management Service Center (MMSC). The MMSC provides personal property disposal service for USDA and Federal agency customers through various methods such as reissuance of furniture and equipment, Federal transfers, donations, and recycling. With its 2026 budget, MMSC identifies decreases in a Material Handler labor contract supporting Non-USDA Federal partners based on expected consumption.

- B) Financial Management – A net increase of \$3,830,000 and a net increase of 39 FTE (\$127,669,000 and 417 FTEs available in 2025).

A net increase of \$3,830,000 is attributed to the NFC across four Federal (Non-USDA) customer demand based, usage driven services addressing HR operations and customized requests. With a mix of net (\$949,000) decreases from reduced software license purchases for customers offset by net \$4,780,000 increases as non-discretionary foundational costs are allocated across the customer based (with the Non-USDA base representing approximately 80 percent of consumers), NFC observes an overall increase. A net increase of 39 FTE is attributed to the National Finance Center (NFC). With its 2026 budget, NFC identified a customer driven shift to decrease labor hours (FTE) associated with its USDA customer base and towards an increase in support of Non-USDA Federal partners (i.e., Department of Homeland Security (DHS), Department of Justice (DOJ), etc.).

- C) Information Technology – A net increase of \$7,982,000 (\$79,962,000 available in 2025).

A net increase of \$7,982,000 is attributed to the Digital Infrastructure Services Center (DISC) service provider. With a customer base allocated as approximately 80 percent USDA and 20 percent Non-USDA Federal partners, DISC proportionately distributes non-discretionary operational costs as well as customer specific service requirements as dictated by business needs. With its 2026 budget, DISC identifies a necessary cost shift from application development services for USDA clients, based on a USDA representing a reduced proportion of the customer base, to non-USDA offerings. This reallocation is guided by customer demand for tailored business solutions and is identified in the WCF Project Statement decrease to Fee for Service (USDA) for the same amount observed in non-USDA.

- (3) \$77,884,000 in the Working Capital Fund Unobligated Balances account will be permanently canceled in 2026. This is due to unobligated balances from prior appropriations made available in the Working Capital Fund account.

- A) A net decrease of \$77,768,000 is attributed to the 2025 temporary rescission becoming permanent in 2026. The WCF only has authority using offsetting collections in 2026 compared to 2025. An additional net decrease of \$116,000 will be provided using recovery from unobligated balances appropriated authority.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS AND FTEs

Table WCF-7. Geographic Breakdown of Obligations and FTEs for Working Capital Fund (thousands of dollars, FTEs)

State/Territory/Country	2023		2024		2025		2026	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
Alabama	\$7,078	13	\$8,970	15	\$4,880	14	\$5,251	14
Alaska.....	3,835	7	4,741	8	3,047	8	3,288	8
Arizona	7,932	15	10,990	19	6,076	16	6,514	16
Arkansas.....	7,427	14	9,366	16	5,714	15	6,165	15
California.....	23,535	45	31,418	53	28,248	51	29,551	51
Colorado	75,841	145	68,862	116	147,725	154	149,567	154
Connecticut.....	2,422	5	2,963	5	2,770	4	2,861	4
Delaware	3,986	8	3,710	6	2,454	6	2,605	6
District of Columbia.....	21,691	41	284,014	479	188,403	350	205,954	348
Florida.....	23,000	44	29,073	49	30,954	43	32,010	44
Georgia	19,663	37	25,388	43	22,189	42	23,264	42
Guam	1,049	2	1,185	2	762	2	822	2
Hawaii.....	2,825	5	3,556	6	1,905	5	2,055	5
Idaho.....	9,546	18	10,953	18	7,237	19	7,810	19
Illinois.....	22,099	42	24,809	42	25,444	44	26,487	44

2026 USDA EXPLANATORY NOTES – WORKING CAPITAL FUND

State/Territory/Country	2023		2024		2025		2026	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
Indiana	7,267	14	9,577	16	6,960	15	7,382	15
Iowa	12,763	24	15,080	25	18,500	25	19,223	25
Kansas.....	54,237	103	54,554	92	62,302	76	63,658	76
Kentucky.....	7,558	14	9,395	16	6,383	17	6,872	17
Louisiana.....	428,350	816	510,633	862	380,745	1,000	386,218	1,000
Maine.....	3,623	7	2,635	4	2,285	6	2,466	6
Maryland.....	146,084	278	19,200	32	65,193	136	67,603	136
Massachusetts.....	\$2,624	5	\$2,371	4	\$1,905	5	\$2,055	5
Michigan	7,653	15	8,565	14	5,506	15	5,933	15
Minnesota	10,925	21	13,368	23	10,368	25	10,927	25
Mississippi	38,468	73	45,038	76	24,034	34	24,701	34
Missouri	95,692	182	87,125	147	150,420	173	152,827	173
Montana.....	9,538	18	10,525	18	9,830	18	10,327	18
Nebraska	11,403	22	11,228	19	6,848	19	7,373	19
Nevada	3,148	6	4,346	7	3,532	6	3,683	6
New Hampshire.....	848	2	1,361	2	1,524	4	1,644	4
New Jersey.....	3,128	6	2,546	4	1,905	5	2,055	5
New Mexico.....	14,804	28	17,881	30	13,050	33	13,968	34
New York	10,733	20	13,587	23	8,709	20	9,267	20
North Carolina	18,435	35	18,017	30	24,590	30	25,582	31
North Dakota.....	7,627	15	8,795	15	5,529	15	5,955	15
Ohio.....	7,287	14	9,450	16	5,145	14	5,538	14
Oklahoma	8,404	16	9,546	16	7,341	16	7,793	16
Oregon	9,223	18	10,666	18	7,406	19	7,948	19
Pennsylvania	10,053	19	10,473	18	9,223	16	9,675	16
Puerto Rico.....	3,047	6	4,149	7	2,285	6	2,466	6
South Carolina.....	8,840	17	11,612	20	8,837	16	9,249	16
South Dakota	5,066	10	6,410	11	3,428	9	3,699	9
Tennessee.....	8,104	15	8,890	15	5,537	15	5,919	15
Texas.....	52,260	100	38,487	65	30,700	58	32,039	58
Utah	6,519	12	8,122	14	4,735	13	5,102	13
Vermont.....	2,624	5	3,556	6	4,653	4	4,743	4
Virginia	72,329	138	110	0	44,072	46	44,957	46
Washington.....	9,862	19	10,661	18	6,475	17	6,987	17
West Virginia.....	4,844	9	6,300	11	3,428	9	3,699	9
Wisconsin.....	13,954	27	14,613	25	9,848	23	10,481	23
Wyoming	7,601	14	4,741	8	3,705	12	3,918	12
United Arab Emirates	525	1	220	0	-	-	-	-
Total Obligations.....	1,357,378	2,587	1,543,831	2,605	1,444,746	2,742	1,498,137	2,742
Capital Funding Available	91,445	-	97,476	-	75,359	-	75,359	-
Total, Available.....	1,448,822	2,587	1,641,307	2,605	1,520,105	2,742	1,573,496	2,742

CLASSIFICATION BY OBJECTS**Table WCF-8. Classification by Objects (thousands of dollars)**

Item No.	Item	2023 Actual	2024 Actual	2025 Estimated	2026 Estimated
Personnel Compensation:					
	Washington D.C.....	\$45,320	\$52,955	\$39,842	\$42,545
	Personnel Compensation, Field	229,382	234,895	265,682	266,936
11	Total personnel compensation	274,702	287,850	305,524	309,481
12	Personal benefits	104,574	110,519	118,012	119,862
13.0	Benefits for former personnel	(45)	(113)	135	136
	Total, personnel comp. and benefits.....	379,231	398,256	423,671	429,479
Other Objects:					
21.0	Travel and transportation of persons.....	3,057	2,957	4,132	4,262
22.0	Transportation of things	2,305	2,129	2,069	2,250
23.1	Rental payments to GSA	5,194	1,446	4,746	4,756
23.2	Rental payments to others	2,600	705	2,110	2,128
23.3	Communications, utilities, and misc. charges....	206,358	287,167	234,627	245,736
24.0	Printing and reproduction	\$131	\$94	\$185	\$159
25.1	Advisory and assistance services	1,714	9,360	10,111	10,366
25.2	Other services from non-Federal sources.....	372,685	420,542	373,410	357,195
25.3	Other goods and services from Federal sources	145,357	173,033	141,131	151,634
25.4	Operation and maintenance of facilities	872	797	1,955	1,955
25.7	Operation and maintenance of equipment.....	210,876	235,265	236,286	271,643
25.8	Subsistence and support of persons.....		0		
26.0	Supplies and Materials.....	11,465	5,970	3,763	9,871
31.0	Equipment.....	106,978	103,585	6,551	6,702
	Total, Other Objects.....	1,069,592	1,243,051	1,021,076	1,068,658
99.9	Total, new obligations	1,448,822	1,641,307	1,444,746	1,498,137
DHS Building Security Payments (included in 25.3).....					
		\$1,714	\$1,843	\$1,909	\$1,874
Position Data:					
	Average Salary (dollars), ES Position.....	\$195,564	\$205,946	\$210,065	\$205,946
	Average Salary (dollars), GS Position	\$101,190	\$105,882	\$107,999	\$110,159
	Average Grade, GS Position.....	12.6	12.6	12.6	12.5
	Operating	1,357,378	1,543,831	1,444,746	1,498,137
	Capital	91,445	97,476	75,359	75,359
	Total New Obligations including Capital	1,448,822	1,641,307	1,520,105	1,573,496

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STATUS OF PROGRAMS

The Working Capital Fund (WCF) is a financing mechanism that supports five functional categories (Administration, Communication, Correspondence Management, Financial Management, and Information Technology) across seven Departmental organizations. The Office of the Chief Financial Officer (OCFO), in addition to its responsibilities in financial policy and operations, is responsible for the administration of the WCF.

Administration

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

AskUSDA Contact Center (ACC)
Human Resources Enterprise Systems Management (HRESM)
Integrated Procurement Systems (IPS)
Materiel Management Service Center (MMSC)
Mail and Reproduction Services (MRS)
Personnel and Document Security (PDS)
Procurement Operations Division (POD)

AskUSDA Contact Center (ACC)**Current Activities**

AskUSDA Contact Center (ACC) serves as the centralized entry point for the public to access information and assistance from USDA through one website, one phone number, and one email address, resulting in an integrated solution with a singular point of entry for USDA customers from multiple channels. ACC Customer Service Representatives (CSRs) connect citizens with USDA's information and services by delivering a high-quality experience to citizens anytime, anywhere through omnichannel communication between the public and their government. ACC provides self-service to citizens using a knowledge-based management system that houses thousands of knowledge articles on askusda.gov for easy access to specific information where customers can quickly find answers to their questions without contacting USDA. ACC supports all nine mission areas and staff offices by serving as the "voice of the USDA," helping citizens navigate and understand USDA programs, services, and information. AskUSDA transforms USDA's customer experience by improving processes for greater simplicity, efficiency, and transparency.

Selected Examples of Recent Progress

In 2024, ACC demonstrated exceptional performance by responding to 72,729 customer phone inquiries, 20,095 chats, and 33,864 emails. The ACC created 1,033 new knowledge articles, including 975 new Spanish articles addressing meat and poultry topics. Knowledge managers at the ACC reviewed 3,153 articles, resulting in the archiving of 640 outdated articles. Notably, the ACC effectively managed a 21 percent increase in inquiries regarding the Summer Nutrition (SUN) Bucks summer program for children, showcasing its adaptability and commitment to customer service.

The impactful work of the ACC has led to numerous positive outcomes for customers, including preventing foreclosure for Rural Development (RD) loans and reestablishing Supplemental Nutrition Assistance Program (SNAP) benefits for elderly clients within Food and Nutrition Service (FNS). These actions have had a significant impact on the lives of our customers, demonstrating the ACC's commitment to improving their well-being. Throughout 2024, ACC received commendable Customer Satisfaction (CSAT) scores for timeliness and professionalism, consistently exceeding the goal of 4.0.

The ACC's commitment to continuous improvement is evident in its collaboration with the Digital Services Center (DSC) and Koniag's Salesforce Enhancement Team. Together, the team has implemented several enhancements to the Salesforce Customer Relationship Management (CRM) platform, significantly increasing the effectiveness and efficiency of USDA's multi-channel contact

center. These improvements have facilitated better identification and addressing of trends, streamlined article attachment and usage for CSRs, and added new fields and sections to case pages. This optimization has resulted in heightened productivity and improved quality assurance scores, alongside revising and creating several reports to ensure accurate data reporting and cost efficiency.

Additionally, the ACC participated in the General Services Administration (GSA) sponsored Federal Artificial Intelligence (AI) Hackathon, a pivotal step toward enhancing technology and the overall customer experience. The team evaluating the ACC was honored with the People's Choice Award for the most innovative concept, showcasing the effectiveness of creative, user-centered design. This recognition has strengthened the relationship between USDA and GSA, aligning the Department's customer experience goals with GSA's mission to drive federal innovation. The Hackathon provided valuable insights for modernizing the AskUSDA website and outlined actionable steps to enhance its functionality, marking a significant milestone in USDA's digital transformation efforts and exciting stakeholders about the future of the ACC.

In collaboration with our partners, the ACC offered guidance and insights for reviewing its standard operating procedures, focusing on aligning these areas of concern. This collaborative approach ensures that all stakeholders are included in the process, enhancing our understanding of the inquiry process, improving data collection, and providing insights into overall customer sentiment and satisfaction with AskUSDA.

Human Resources Enterprise Systems Management (HRESM)

Current Activities

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

HRESM provides long-term and structured cost reductions through consolidation and coordination of HR Information Technology systems across USDA. HRESM accomplished this through OneUSDA, an intranet system customized and configured specifically to meet OPM regulations, USDA policies, and various processes including customized data fields, forms, and workflows supporting USDA business practices.

Selected Examples of Recent Progress

HRESM led a cross-functional team to address EmpowHR's performance challenges, reducing system downtime nearly 70 percent from the previous average of 17 days per month. Through partnerships with the National Finance Center (NFC) and Office of the Chief Information Officer (OCIO), HRESM implemented proactive monitoring and problem-solving, significantly enhancing system stability and reliability for USDA HR users.

HRESM expanded the agency's capabilities in Applicant Flow Data (AFD) utilization within the USA Staffing system, providing training and workshops that enhanced data access and usage. This data supported strategic workforce planning, including Senior Executive Service (SES) level recruitment, and provided critical insights to the Office of Civil Rights and the OHRM HR Operations Division.

The deployment of eHR Apps, such as the Enterprise Performance Management Application (EPMA) and Enterprise Remote and Telework (ERT), automated multiple HR processes, generating an estimated \$3.14 million in cost avoidance. This integration not only improved recordkeeping

compliance but also enhanced data analytics capabilities for the Office of Management and Budget (OMB) reporting and organizational performance assessments.

HRESM prepared USDA for electronic retirement processing, leading the Retirement Calculator User Group and collaborating with NFC for a smooth transition to the Government Retirements and Benefits (GRB) platform. This modernization accelerated processing times and reduced errors, with the electronic retirement application successfully processing over 50 applications in its pilot phase and maintaining a pipeline of over 100.

HRESM advanced USDA's Robotics Process Automation efforts by establishing the first Enterprise HR RPA User Group, selecting six high-impact Personnel Action Request (PAR) types for automation. This initiative promotes economies of scale, enhancing the efficiency of HR transactions across all USDA HR entities.

HRESM refined and aligned its dashboards with the Office of Personnel Management's Human Capital Framework, introducing the Human Capital (HC) Landing Page, a comprehensive hub for workforce data. This initiative supports USDA's mission by enabling leaders to make informed, data-driven decisions with greater ease of access and clarity.

HRESM collaborated with the Office of Contracting and Procurement (OCP) and OCIO to establish a streamlined procurement strategy for Labor and Employee Relations Information System (LERIS), creating a department-wide Business Process Automation that aligns contract performance periods across agencies. This state-of-the-art human capital management software solution allows USDA to meet the agency's HR needs. HRESM also established the first LERIS User Group to foster collaboration, address user needs, and drive application enhancements.

Through these achievements, HRESM has demonstrated its commitment to enhancing USDA's HR operations, promoting a data-driven and integrated workforce management system, and achieving significant cost savings and operational efficiencies. These efforts contribute directly to USDA's strategic objectives, ensuring that HR systems and processes effectively support the agency's mission and workforce.

Integrated Procurement Systems (IPS)

Current Activities

Integrated Procurement Systems (IPS) provides modern, integrated procurement tools to the USDA acquisition community through the Integrated Acquisition System (IAS). IAS serves as the enterprise-wide administrative procurement system for the Department and continues to prove its value daily. The Credit Card Service Center (CCSC) is responsible for planning, developing, and implementing its charge card program under SmartPay3 and providing consolidated, Department-wide governance in this program to further USDA's mission.

The IAS business model provides an acquisition platform for the USDA procurement community. It is operationally sound and cost-efficient. In addition, it applies modern technology within a secure environment to improve customer service, implement systems and process enhancements, and apply industry-standard program management practices. As a result, there are greater user benefits for USDA initiatives while complying with federal mandates.

Similarly, the objective of CCSC is to provide a framework for a mutually beneficial government-corporate partnership. CCSC achieved this by utilizing the latest technological advances to increase transparency; protecting the Department from potential fraud, waste, misuse, and abuse; and maximizing the charge card program benefits, such as higher rebates and efficiencies gained through streamlined payment mechanisms.

Selected Examples of Recent Progress

IAS demonstrated exceptional performance in 2024, processing \$7.3 billion in obligations, a 16.6 percent increase over 2023. This significant achievement underscores IAS's robust operational management, which earned a green status rating from the USDA Office of the Chief Information Officer (OCIO). This top rating reflects IAS's success in cost management, risk mitigation, contract oversight, timely project delivery, software development, performance measurement, and adherence to OCIO governance guidelines.

To enhance procurement efficiency through automation, IAS deployed several innovative solutions. IAS implemented the Contract Closeout Utility, automating the identification and closure of Unliquidated Obligations (ULOs) and expediting the closeout process on a mass scale. This enhancement allowed the automated closure of 62,000 awards, de-obligating \$44 million in ULOs. Additionally, IAS introduced a File Upload Utility that streamlined contract file management, achieving 66,000 file uploads with an estimated savings of \$214,000 in contract administration costs. Furthermore, IAS improved the Procurement Forecast application, launched in 2023, by linking forecasted items to requisitions. This enhancement has significantly increased the accuracy and availability of procurement opportunities for vendors, supporting more reliable and accessible procurement forecasting.

In alignment with the Secretary's Memorandum on Mission Enabling Activities for Calendar Year 2024, IAS launched the Contractor Performance Assessment Reporting System (CPARS) Dashboard to integrate procurement data across multiple systems, greatly enhancing visibility and access to CPARS compliance metrics across USDA. This innovation drove a marked increase in USDA's CPARS compliance rate, soaring from 42.3 percent in 2023 to 84.53 percent in 2024, surpassing the Secretary's Calendar Year (CY) 2024 goal by over 14 percent and doubling CPARS metric performance across the Department.

Building on the previous year's collaboration with the Office of the Chief Financial Officer (OCFO) and U.S. Bank to deploy AgPay XPress, the Office of Contracting and Procurement (OCP) successfully processed 287 contract invoices totaling \$8.96 million through AgPay in 2024. This initiative yielded \$101,000 in rebates, underscoring AgPay's effectiveness in streamlining payments and returning value to USDA.

The USDA Government Purchase Card (GPC) Program within CCSC achieved record performance, with GPC holders spending \$497.7 million in 2024, generating \$9.78 million in rebates. USDA's use of Commercial Platforms (CP) also increased, reaching a total of \$29.6 million in purchases across four platforms. This strategic use of CP saved USDA \$2.95 million compared to traditional purchasing methods, further supporting cost efficiency.

In 2024, the GPC Program executed a comprehensive rewrite of the USDA GPC Program Guide, introducing new resources, such as tables of authorized and prohibited items, for streamlined decision-making. This updated guide, now accessible on the OneUSDA intranet site, includes advanced search and cross-linking capabilities for quick reference. Additionally, the GPC Program launched a new SharePoint site that provides centralized access to program information, with secure areas for Agency Program Coordinators and Local Agency Program Coordinators.

Through these transformative initiatives, USDA has strengthened procurement processes, maximized financial efficiency, and enhanced compliance—demonstrating a sustained commitment to operational excellence and strategic resource management.

Material Management Service Center (MMSC)

Current Activities

Material Management Service Center (MMSC) is responsible for the general management and coordination of Departmental logistics operations and activities including personal property acquisition, use and disposal, transportation systems, products and services, warehousing and program support

systems, as well as maintaining unified and coordinated supply support systems that meets the ongoing and numerous emergency needs of various programs of the Department. MMSC provides on demand customer services to all USDA agencies and to certain non-USDA federal customers.

At Beltsville, Maryland, MMSC operates the USDA Sales Center, which is part of the Federal Asset Sales Program. This center allows MMSC to auction surplus personal property from federal agencies to the public. Operating this center generates revenue that offsets the cost of MMSC services to USDA agencies and allows MMSC to improve its services by reinvesting in its operations. The center provides a centralized unit for excess/surplus personal property disposal used by USDA Agencies, staff offices, and divisions along with certain non-USDA agencies in the Washington D.C. Metropolitan area; and effectively creates cost avoidance to USDA agencies through the rehabilitation of office furniture and reuse of as-is furniture and excess equipment. MMSC recycling and re-use programs fully supported Executive Order (EO) 13514, Federal Leadership in Environmental, Energy, and Economic Performance, dated October 5, 2009. This EO establishes an integrated strategy towards sustainability in the Federal Government. MMSC's staff tracks greenhouse gas emissions by using the Environment Protection Agency (EPA) Waste Reduction Models (WARM) and Greenhouse Gases (GHG) Emissions Analysis Reports. MMSC recycling efforts in support of the EO include paper recycling, furniture reuse and scrap metal recycling.

Selected Examples of Recent Progress

In 2024, MMSC recycled 462,966 lbs. (210 metric tons) of carbon.

Consolidated Forms and Publications Distribution Center (CFPDC) took advantage of the web ordering and inventory management system and used a new cloud-based system. CFPDC continued to provide expanded services to Food Safety and Inspection Service (FSIS) to support their growing industry which increased by 291 additional customers, bringing their total customer base to over ten thousand users. CFPDC provided over \$2.9 million in sales and specialty supplies to FSIS nationwide. The total amount of packages filled were 33,088. CFPDC shipped 29,612 packages that included 518,210 units including 49,918-line items for FSIS only. Additionally, CFPDC oversaw customer support of the Base Supply Center (Online Retail Supply Store) and processed and shipped 9,412 supply orders filled, that included 45,655-line items filled and 113,163 units filled.

Central Excess Property Operations (CEPO) contributed over 27 tons of recyclable electronics valued at \$650,000 that have no reuse or re-sale value to UNICOR, Federal Prison Industries, Inc. recycling program managed by the Department of Justice. Agencies are encouraged under the Federal Electronics Challenge (FEC) to purchase greener electronic products, reduce the impact of electronic products during use, and manage obsolete electronics in an environmentally safe manner. Additionally, 97 tons of scrap metal was sold for revenues over \$7,200.

CEPO works diligently to provide excess supplies and computer equipment to schools and non-profit organizations. In 2024, CEPO donated excess office supplies no longer needed by the government and valued over \$32,000 to seven local schools. CEPO's donations of excess computer equipment began in response to Executive Order 12999's Computers for Learning (CFL) Program, empowering America's children for the 21st century. This program allows federal agencies to transfer used/excess computers to schools and nonprofit organizations for the purpose of education. CEPO receives and screens over 1,500 pieces of computer equipment daily. The equipment selected for the CFL program is placed in a holding area for testing and repair prior to donation to educational institutions. It is paramount that equipment is tested and repaired prior to donation so that recipient schools can put it into immediate use. In 2024 CEPO reissued 2,295 computers to educational institutions saving them \$4.5 million. CFPDC staff recycled 75 pallets or 33 tons of forms and publications in support of USDA environmental objectives. CEPO completed its fourteenth full year as a Federal Asset Sales Center and rendered proceeds of \$2.2 million.

Excess supply support was provided to USDA and eleven non-USDA agencies in the Washington, D.C. Metropolitan Area to ensure proper accountability and disposal for over 64,262 units of excess personal property. In 2024 income from all non-USDA agencies exceeded \$1.4 million. Income from

non-USDA agencies helps reduce overall costs to USDA agencies for CEPO services by distributing operating costs over a larger population of users.

During 2024 MMSC and the USDA Office of the Chief Information Officer (OCIO) Client Experience Center (CEC) Enterprise Depot shared model partnership grew as MMSC increased OCIO/CEC storage capacity generating \$134,000 annually, along with increasing their shipping needs which MMSC shipped over 57,000 computers nationwide to all USDA agencies.

Mail and Reproduction Services (MRS)

Current Activities

MRS is responsible for the management and accountability of USDA's nationwide postage budget and implementing the recommendations of the National Performance Review Mail Management Initiative, authored by MRS's Departmental Mail Manager. MRS is committed to providing efficient and effective pick-up and mail delivery throughout USDA buildings, complexes, and leased facilities. MRS staff research and examine new technologies to identify, obtain, and implement the most effective mail processing methods available in the marketplace for their customers. Its staff provides postal information and education to its customers in the most efficient and economical ways to meet their mailing needs.

Selected Examples of Recent Progress

MRS produced, packaged, and mailed over 126,000 brochures, equipped with interactive Quick Response (QR) codes, to 2,522 destinations spanning 55 states and territories. These brochures provided stakeholders with seamless, immediate access to the PCSC dashboard, offering real-time insights into state-specific projects, funding allocations, and key partnerships, thus bolstering transparency and engagement.

To execute this high-stakes and time-sensitive project, MRS mobilized its entire team, integrating this initiative into daily operations without compromising service levels for other customers. Traditionally handled by commercial vendors, this complex project was successfully managed and completed in-house, showcasing MRS's operational agility, resourcefulness, and capacity for high-impact service delivery.

Personnel and Document Security (PDS)

Current Activities

Personnel and Document Security (PDS) within the Office of Homeland Security (OHS) leads the collaborative security program to safeguard USDA people, information, national industrial security program, equipment, and property. The office develops, implements, and oversees the Department's security policies, programs, and standards; delivers security training and education to USDA personnel; and provides security support to mission areas, agencies, and staff offices. Additionally, PDS provides liaison support to the intelligence community on security matters affecting USDA.

Selected Examples of Recent Progress

In 2024, PDS successfully adjudicated 7,649 public trust background investigations and 498 national security investigations, demonstrating a commitment to protecting USDA's operational integrity and security. At the beginning of 2024, PDS faced a significant backlog of 4,400 public trust investigations, which was effectively reduced to 1,026 by year-end, despite receiving 4,825 new investigations during the same period. This timely adjudication and substantial reduction in the public trust backlog ensured USDA's compliance with suitability adjudication principles as mandated by the Office of Personnel Management (OPM), thus promoting both efficiency and service integrity. These efforts strengthened USDA's ability to safeguard people and information by ensuring that those in trusted positions consistently demonstrate strong conduct and character.

PDS also led USDA's transition to the Trusted Workforce 2.0 framework, achieving key milestones set by the Performance Accountability Council. As part of this transition, PDS enrolled 20,912 USDA employees in the Rapback program, ensuring ongoing oversight of personnel. Additionally, PDS managed the Continuous Vetting enrollment for 2,601 employees in national security roles and deferred 208 national security periodic reinvestigations, resulting in an estimated savings of over \$60,000 in investigation costs for 2024.

In the Kansas City Space Optimization Project, PDS played a pivotal role in ensuring USDA's operational resilience and security compliance. When notified in late spring 2022 that USDA would need to return the Beacon Facility—a critical classified operation and devolution site—to the General Services Administration (GSA) in early 2024, PDS swiftly coordinated the acquisition and modification of a Sensitive Compartmented Information Facility (SCIF) in the Bannister Building, Kansas City, MO. This \$1.3 million project moved forward without requiring a design and feasibility study, thanks to PDS's proactive efforts. As a result, USDA maintained devolution capability and protected access to national security information. The Bannister SCIF received full accreditation on February 7, 2024, allowing USDA to officially return the Beacon Facility to GSA by April 11, 2024. These efforts not only preserved USDA's devolution capabilities but also yielded substantial cost savings, including \$1.3 million in design expenses and over \$22,000 in monthly recurring costs.

Procurement Operations Division (POD)

Current Activities

Procurement Operations Division (POD) provides the full range of cradle-to-grave procurement support encompassing acquisition planning, market research, solicitation, evaluation, negotiation, source selection, contract award, contract administration, and contract closeout to the Office of the Secretary (OSEC), Departmental Administration (DA), and its Staff Offices, as well as other USDA agencies in support of Information Technology (IT) services and other Department-wide procurement actions. Given POD's alignment within DASO, many of the procurement actions managed by POD are Department-wide in scope. Examples of POD's scope include IT Modernizations, IT Consolidation, Executive Information System (EIS) Migration, and Financial Management Modernization Initiative (FMMI).

Selected Examples of Recent Progress

POD supported its customers with just under \$1.6 billion in new 2024 contract obligations for construction, information technology solutions, civil rights, human resources, and financial systems support services. 69.8 percent of the obligations were set aside for small businesses, exceeding the USDA Small Business (SB) goal of 57.5 percent. POD increased small business participation through virtual outreach and introductory "meet and greet" sessions with new and emerging small business vendors interested in doing business with the Department. Noteworthy contract awards are highlighted in the following paragraphs.

POD remains integral to USDA's strategy to meet the Department's Small Businesses goals as we collaborate with USDA Agency-level Small Business Specialists to develop and share the best outreach practices targeting small businesses. POD continues to promote SB growth and sustainability in the Department, especially in the DA environment, as demonstrated by different virtual meetings, in-person vendor meetings, and networking opportunities hosted and coordinated. These events encourage the use of SB vendors, provide access to small business resources, and streamline engagement between SBs and larger government entities and vendors. POD established a process for the Small Business Virtual Reverse Industry Day, allowing vendors to provide industry perspective, SB success stories, and an opportunity for USDA and SB partners to address specific topics and learn about upcoming procurement opportunities.

POD has provided contract administration to the National Administrator and Regional Hub Administrator task orders in support of USDA's Discrimination Financial Assistance Program (DFAP), also known as the Inflation Reduction Act (IRA) Assistance for Producers Who Experienced

Discrimination in USDA Farm Loan Programs. The awards totaled \$150 million spread over three delivery task orders that contract the National Administrator and Regional Hubs to conduct outreach, assist with the financial assistance application process, process applications, manage program call centers, and operate local offices to achieve USDA's goal of providing financial assistance to farmers, ranchers and forest landowners who experienced discrimination in USDA's farm lending before January 1, 2021. POD's work in 2024 focused on program completion and distribution of funding for approved applications. The DFAP received more than 58,000 applications, with 43,000 assistance awards approved, for applicants from every state, the District of Columbia, the U.S. Virgin Islands, Puerto Rico, and American Samoa, totaling \$1.9 billion in awards. In tandem with the Office of the Chief Information Officer (OCIO), OSEC, the Office of General Counsel (OGC), and the Farm Production and Conservation (FPAC) Mission Area; POD is now focusing on successfully decommissioning the DFAP Call Center, Mail Operations, and provide records retention guidance to the contractors.

POD collaborated with the Office of the OCIO Digital Infrastructure Services Center (DISC) to develop a new contracting solution, enabling the DISC Cloud Broker Officer (CBO) to offer enterprise cloud solutions for the USDA. The vehicle created is named STRATUS, a centralized cloud Basic Ordering Agreement (BOA) to drive cloud adoption across the agency. STRATUS is a critical component of USDA's IT strategy, aligning with IT governance and emerging cloud models for a USDA Digital Enterprise. It is planned to be a Best-In-Class (BIC) over its expansive lifecycle. The three pools awarded by the POD for the BOA in support of STRATUS are estimated to be \$6.9 billion over ten years collectively.

POD awarded the 3-year, \$6.1 million Summer Electronic Benefits Transfer (EBT) contract supporting the Food Nutrition Services (FNS), and the President's signed legislation that significantly expanded children's access to federal nutrition assistance during the summer months. The new summer EBT program presents USDA with another opportunity to make real progress and continue its commitment to the fight against childhood food insecurity. FNS aimed to develop a technology-based product to help ensure the success of the states in delivering this assistance to children. This contract will develop the summer EBT household application, which incorporates required data points and makes the application available, on behalf of USDA to all state and tribal organizations at the states' option. The application will allow users to overcome the challenge of setting up new state systems and modifying existing systems to carry out essential accounting, reporting, and data management.

In support of OCIO Client Experience Center (CEC) and Forest Service (FS), POD awarded the Tier 1 Help Desk support awarded to an AbilityOne contractor. This contract meets the use of the mandatory provider – AbilityOne. AbilityOne is a mandatory provider of Tier 1 helpdesk support; however, CEC was previously granted an exception from using AbilityOne for their Tier 1 support. CEC decided to consolidate the CEC Tier 1 support and FS's support to achieve better pricing through economies of scale and leverage the helpdesk function from AbilityOne, which offers the right mix of productive agents with state-of-the-art technologies to ensure a complete multi-channel solution. CEC's historical Tier 1 Help Desk contract was approximately \$15 million a year, with pricing determined on a per-person cost basis; meanwhile, with the AbilityOne contract CEC and FS will be paying for the level of work and support requested.

POD awarded an enterprise-wide multiple-award blanket purchase agreement (BPA) with a total estimated value of \$498 million to women-owned small businesses for Strategic Management, Architecture Resourcing, and Technical (SMART) Advisement Support to align with USDA's IT vision and organizational core values of customer-first experience, innovation, quality and availability of data and information, efficiency, and value. These services aid with cyber, system engineering, and planning services to develop policy, procedures, and processes that support USDA's Digital Transformation with specific emphasis on developing/implementing cloud environments, application migration management/tracking, cloud account management and operations, sustainment of cloud environment development benchmarks, performance monitoring, and metrics.

Communication

Current Activities

Activities under this heading are managed by the USDA Office of Communications.

The Creative Media and Broadcast Center (CMBC) offers strategic planning services that include innovative design, video, multimedia, and radio production studios. These resources provide agencies with access to technology and content development, enabling shared cost efficiencies. By utilizing CMBC's services, clients can reduce travel expenses while effectively delivering mission outreach and training to field offices and the public. CMBC upholds the USDA's OneUSDA brand standards and department regulations, actively promoting content marketing and expanding social media outreach. CMBC's creative services encompass field video production, publication layout, illustrations, public service campaigns, posters, brochures, infographics, podcasts, banners, trade show exhibits, visitor centers, special media events, creative development, and the delivery of comprehensive information campaigns.

CMBC's core services support the Digital Communications Division, which provides USDA-wide benefits by consolidating design, maintenance, and support for the www.USDA.gov web portal, as well as various other USDA websites and social media platforms. These platforms include USDA Facebook, YouTube, X, and Instagram, enhancing USDA's digital presence and cost-effectiveness.

Selected Examples of Recent Progress

The CMBC team has provided production support for USDA leadership enabling them to optimize their schedules and expand audience reach. The on-site studio facilities allow for efficient recording on multiple sets, script revisions, and presentation reviews, allowing prerecorded or live remarks to reach larger audiences.

In 2024, CMBC achieved notable successes in agency-specific communications support. For the Food and Nutrition Service (FNS), CMBC assisted with the Summer Feeding Program's "Sun Bucks" campaign by developing a new webpage to allow states to administer the program and parents to register for benefits. The marketing outreach contract was completed in 4 months and the campaign generated 129 million impressions (a total number of times a piece of content is displayed to users), 7.4 million video views, and 4.7 million webpage views. CMBC provided the Animal and Plant Health Inspection Service (APHIS) with two separate campaigns to amplify the threat of African Swine Fever; these contracts have a combined value over five years of \$20 million. CMBC also produced the "Conservation at Work" video series for the Natural Resources Conservation Service (NRCS) and created a "How We Work" video series for the Farm Service Agency (FSA). For the Forest Service (FS), CMBC developed a 20-part "Leave No Trace" video series, educating the public on responsible practices to reduce environmental impact and lower maintenance costs on national lands.

The OneUSDA Intranet was managed by the CMBC Brand, Events, Print, Editorial Review, and Internal Communications Team, which oversaw coordination with vendors for web development. This included a redesign of the homepage, agency microsites, and topics microsites. Eight new dynamic content management tools were introduced to offer content managers greater flexibility in design. Since October 1, 2023, OneUSDA engagement has surged, with 1,556 new pages created and 216 events promoted, focusing on workforce development. Participation rates have increased tenfold since 2019, with 204 Department Detail opportunities and 26 blog and employee appreciation posts, spotlighting critical achievements, best practices, and recognize exemplary staff.

The Digital team produced social media highlights, including an increased amount of Instagram Reels, that exceeded all the 2024 follower growth goals across all platforms, gaining 166,500 new followers, and surpassing the 102,000 new follower goal by 65 percent. Instagram is a vital tool as the USDA continues to utilize social media to deliver the messages and information of USDA programs to the customers. USDA's social media platforms now reach more customers than traditional media due to heightened engagement through Instagram and other social media platforms.

Through its diverse services and strategic focus, CMBC continues to strengthen USDA's communications, promoting efficient outreach and aligning with departmental goals for digital transformation and public engagement.

Correspondence Management

Current Activities

The Office of the Executive Secretariat (OES) serves the Office of the Secretary of Agriculture by facilitating the official correspondence of the immediate Office of the Secretary (OSEC), maintaining the official records of OSEC in compliance with the Federal Records Act, 36 Code of Federal Regulations (C.F.R.), the National Archives and Records Administration regulations, the Government Printing Office's (GPO) Style Manual, the Plain Writing Act, the Freedom of Information Act, the USDA Departmental Regulations (DR) 3060-001 Correspondence Management, and the USDA DR 3060-002 Secretarial Documents. The OES Director also represents USDA on the Interagency Council of Executive Secretariats and to many front office leaders around the Federal Government, including USDA's Offices for Congressional Relations, Information Management, the General Counsel, Budget and Program Analysis, the Chief Financial Officer, and the Chief Information Officer.

Selected Examples of Recent Progress

OES recorded roughly 143,000 public campaign letters and processed approximately 6,000 correspondence and other documents in 2024. Of the campaign letters recorded in 2024, the most popular topics of interest to the public were: the importation of genetically modified corn into Mexico, mature and old-growth forests and overall forest health issues, the transport of farm animals, and the assessment fees that fund animal testing.

OES streamlined document processes among 300 USDA employees by eliminating unnecessary steps, simplifying tasks, and automating workflows as much as possible. Of the estimated 6,000 records processed in 2024, 22 percent were at the highest priority levels. These high-priority records are commonly oversight correspondence and reports to Congress, the Secretary's correspondence to industry and other Government officials, responses to reports from the Government Accountability Office, Presidential and Secretarial proclamations, boards and committee actions, and memoranda of understanding with other organizations.

AgWrite launched in May 2024 with a goal to lower resistance to change and facilitate a smooth transition from the legacy system to AgWrite. The transition to AgWrite caused no delays in processing records. Though more analysis and surveys are needed, AgWrite has already improved collaborative document tracking, program specialists' access to data, increased intel, and greater ease of communication across offices.

OES employees successfully practiced using AgWrite during the testing period, which made a substantial difference in OES's ability to complete the transition and assist members of the USDA community, many of whom did not use the legacy system. OES utilized Microsoft Teams to share resources on AgWrite, stood up the AgWrite helpdesk, and quickly troubleshooted issues as they arose. Several OES employees also completed advanced training to prepare Section 508 compliant documents.

Financial Management

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

Associate CFO Shared Services

Financial Shared Services (FSS) (Washington, DC, New Orleans, LA, and Kansas City, MO)
National Finance Center (NFC) (New Orleans, LA)

Associate CFO Financial Policy and Planning

Financial Management Support Services (FMSS)

Internal Control Support Services (ICSS)

Financial Shared Services (FSS) (Washington, DC, New Orleans, LA, and Kansas City, MO)**Current Activities**

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

Selected Examples of Recent Progress

In 2024, FSS achieved significant milestones in the FMMI Intelligent Enterprise Transformation (FIET) project, completing the Initiate, Confirm, Design and Build, and System Integration Testing 1 phases. This project transitions USDA's financial system of record from the current SAP ERP Central Component (ECC) to a next-generation SAP intelligent enterprise platform (S/4HANA), ensuring operational continuity as ECC becomes obsolete in 2027. The S/4HANA system will provide users with real-time data processing and reporting capabilities. With full implementation scheduled for February 2025, FSS is setting new standards for financial management, empowering USDA with enhanced analytical insights and superior decision-making support.

FSS successfully implemented the SAP Contract and Lease Management (CLM) module in 2024 to meet the Statement of Federal Financial Accounting Standards (SFFAS) 54 lease accounting standards, which took effect on October 1, 2024. This comprehensive upgrade included importing critical frameworks for right-to-use and long-term leases, addressing seven identified solution gaps, and establishing an interface with the Corporate Property Automated Information Systems (CPAIS). These efforts ensure accurate valuation of leases and compliance with federal reporting requirements, supporting USDA's audit compliance and enhancing transparency in financial reporting.

In preparation for the S/4HANA transition, FSS implemented SAP - Information Lifecycle Management (ILM) in the First Quarter of 2024, archiving data from 2009 through 2016 to reduce the database footprint. This initiative not only enhances data efficiency but also reduces costs, ensuring the new system operates optimally. By implementing ILM, FSS has established a robust data management strategy critical to the future S/4HANA migration.

In February 2024, FSS deployed SAP Analytics Cloud (SAC), a unified analytics and planning solution that offers USDA personnel advanced data visualization and analysis tools. This technology will drive enhanced decision-making by enabling real-time analytics, scenario building, and what-if forecasting. By September 2024, a full rollout with training was completed, positioning SAC as a core component of FMMI's transformation into an intelligent enterprise and replacing outdated dashboard and forecasting tools.

FSS played a critical role in distributing \$2 billion in financial assistance to 43,000 farmers and producers under Discrimination Financial Assistance Program (DFAP), part of the Inflation Reduction Act (IRA). Within 24 hours, FSS developed and tested a utility program to create 30,000 new vendor profiles and verify Taxpayer Identification Numbers with the IRS. Through remarkable efficiency, FSS issued and disbursed payments within six days, showcasing FSS's dedication to supporting agricultural stakeholders.

In a cost-saving initiative, FSS migrated the Health and Human Services (HHS) and National Institute of Food and Agriculture (NIFA) Formula Grants Calculation interfaces from MuleSoft to SAP Process Orchestration (PO), saving USDA approximately \$433,000 annually by eliminating redundant software. This redesign aligns with FSS's commitment to operational efficiency and prudent financial management.

FSS organized the 2024 Financial Training Forum, offering 6,161 attendees' insights into current financial management practices and future FMFI updates. This training supported USDA's engagement goals and awarded over 6,200 Continuing Professional Education (CPE) credits, equipping USDA personnel with essential skills and knowledge in preparation for the FIET transformation.

By implementing an interface between Centralized Receivables Service (CRS) and FMFI, FSS transformed manual reconciliation into an automated process, improving data accuracy and enabling more efficient debt management. This advancement facilitates seamless integration of additional USDA programs into the Treasury Department's CRS collection system.

In response to an audit finding, FSS redesigned the Digital Accountability and Transparency Act (DATA Act) File B/C process, automating and separating inbound files to minimize errors and enhance accountability. This improvement reduced manual processing errors by 95 percent, strengthening USDA's compliance with federal transparency requirements.

FSS optimized the Animal and Plant Health Inspection Service (APHIS) integration into the Enhanced Overseas Maintenance System (OMS) interface, automating the daily processing of APHIS transactions with minimal manual intervention. This interface now captures obligations, advances, and expense transactions accurately and efficiently, enhancing data management for USDA's international operations.

Each of these initiatives exemplifies FSS's role in advancing USDA's financial systems, enhancing operational efficiency, and supporting the mission through impactful financial management practices.

National Finance Center (NFC) (New Orleans, LA)

Current Activities

National Finance Center (NFC) is the premier shared services organization in the Federal sector. NFC's mission is to provide reliable, cost-effective, employee-centric systems and services to Federal organizations, thus allowing its customers to focus on serving this great nation through their core mission delivery. NFC was established in 1973 to provide centralized payroll and personnel systems and a centralized voucher and invoice processing system for USDA. NFC's business model has evolved over the last 50 years and is a model for Federal Shared Services offering various Human Resources (HR), Payroll, and Insurance Services to the entire Federal government, and modern data center hosting services. NFC leases office space from the National Aeronautics and Space Administration (NASA), Michoud Assembly Facility in New Orleans and has an authorized staff of 500+ employees.

Selected Examples of Recent Progress

NFC successfully demonstrated results to achieve its mission for executing shared services activities for human resources, personnel services, payroll services products, and programs. In 2024 NFC embarked on a year focused on People, Process, and Technology to help drive innovation, improve decision making, structure and streamline processes to gain efficiency and invest in technology that

support and strengthen the workforce. This framework marked the beginning of monumental change that ensures NFC's sustainability for years to come. As a premiere shared services provider, the NFC continued to provide premiere services to the more than 650,000 employees serviced through the portfolio of customer agencies.

The highly visible, critical, cross-cutting initiatives included onboarding the new Government Employees Services Division (GESD) Director in February 2024 and acquiring 82 new hires. NFC created robust development and reskilling opportunities for employees in 2024 to address today's rapidly evolving workplace. NFC prioritized employee development to foster a culture of continuous learning, growth, and adaptability. Employees were able to enhance their skills, knowledge, and capabilities from training programs, workshops, and mentorship opportunities, enabling them to meet the changing demands of their roles and contribute more effectively to the organization's success. Reskilling initiatives further empowered the employees to transition into new roles and embrace emerging technologies, ensuring their long-term employability and job satisfaction. These development opportunities benefited the individual employees and contributed to a more skilled and agile workforce, driving innovation and increasing productivity. In 2024, NFC demonstrated a significant commitment to its workforce through a retention project aimed at documenting crucial processes and facilitating knowledge transfer. This strategic investment underscored the organization's dedication to not only preserving essential institutional knowledge but also to enhancing employee engagement and operational continuity.

Complementing these efforts, aggressive recruitment drives 82 new employees successfully onboard. NFC utilized all available hiring authorities to ensure a diverse talent pool to bolster the organization's capabilities and create a robust talent pipeline. These initiatives collectively highlight the organization's holistic approach to investing in its people and support for a culture of continuous improvement and employee satisfaction. In further support of these values, in 2024 NFC, in partnership with GSA, successfully secured short-term lease space to house the Office of the Chief Financial Officer (OCFO) New Orleans workforce. This ended housing employees in temporary modular units and finally moved staff back to a brick-and-mortar structure since losing NFC's Building-350 to a tornado in February 2017.

NFC is uniquely positioned to improve Federal retirement processing due to its integrated payroll/personnel system and large customer base. For more than 30 years, NFC has worked collaboratively with the OPM to carry out key services such as health insurance clearinghouse and reconciliation, HR services and payroll/personnel processing, including retirements. The NFC team continues to implement improvements in the processing of retirement cases. Partnership with the OPM to pilot OPM's internally developed Online Retirement Application (ORA) remains a top priority. This initiative will allow annuitants to complete their retirement applications online via an OPM portal. Additionally, NFC has partnered with USDA's Office of Human Resources Management (OHRM) to enhance USDA's online retirement initiative. In this partnership, USDA, OHRM, and NFC have successfully initiated the Government Retirement Benefits (GRB) platform to pilot an electronic application and submission process for USDA retirees. Utilizing the edits developed by NFC, the GRB platform ensures retirement application packages contain all necessary documents and signatures to allow for timely and error free processing. To date, NFC in partnership with OHRM, has processed 169 cases. In addition to ORA and GRB, the NFC embarked on improvements for military service retirement cases. The NFC developed and implemented a web-based application that reduced human error in calculations and data entry that ultimately ensured retirement benefits are accurate.

NFC continued its focus to strengthen USDA's cybersecurity posture by addressing and implementing several initiatives. NFC implemented Multifactor Authentication (MFA) in partnership with OCIO; completed a second major upgrade of EmpowHR (application and infrastructure) to the latest version of 8.60; and successfully passed two independent Cyber Assessments of NFC's applications by participating in the Department of Homeland Security (DHS) Bug Bounty Program. The Bug Bounty assessed GovTA and EmpowHR for vulnerabilities and opportunities to exploit and penetrate each system using ethical hackers. The NFC will continue to partner with OCIO to ensure the future success

and viability of the organization to ensure the support and safeguarding of customer data to the organizations that the NFC serves.

NFC's greatest and most significant modernization effort to date is the NFC Forward Initiative. In the summer of 2024, NFC commenced NFC Forward, an initiative aimed at improving operations and enhancing its enterprise to remain effective, adaptable, and capable of meeting the evolving needs of government agencies. The goal is to implement an integrated HR and payroll system that positively impacts performance, creates and sustains long-term growth, aligns services with market expectations, and stabilizes internal operations. NFC Forward will be a multi-year project requiring continued support and partnership from USDA and the NFC customers.

NFC is a premier shared services provider that is entrusted with a third of the Federal Civilian Workforce's payroll obligations, insurance, health benefits and Thrift Savings Plan contributions. During 2024, NFC disbursed and certified approximately 36 million Bi-Weekly Payroll Payments totaling over \$110 billion; processed 295,396 child support payments totaling over \$114 million; completed 9,396 payments for City/County/State Taxes and charitable contributions totaling over \$259 million; disbursed over \$26 billion for life insurance/health benefits/retirement; disbursed over \$9 billion for the Thrift Savings Plan; and collected over \$20 million in Administrative Billings and Collections.

NFC exceeded or met USDA's small business goals for 2024 with one exception. The small business obligation amount was \$15.9 million out of a contract total of \$43.6 million representing 36.5 percent. The small business awards were broken down into 27.3 percent for Small Disadvantage Business Direct, 9 percent for 8(A) sole sources, 5.7 percent for Veteran Owned, 5.7 percent for Service-Disabled Veterans Small Business, 10 percent for Women Owned, and 3.4 percent for Hub Zone Small Business Concerns.

Financial Management Support Services (FMSS)

Current Activities

Financial Management Support Services (FMSS) provides financial management oversight, budget execution, and budget formulation services to key Departmental Administration Staff Offices (DASO), Office of the Chief Information Officer (OCIO), Office of the Chief Financial Officer (OCFO), Office of Partnership and Public Engagement (OPPE), Office of Homeland Security (OHS) and the Office of the Executive Secretariat (OES) in support of the Department's strategic goals. FMSS administers fiscal resource management practices, including timely, accurate and effective high-quality financial advice, in-depth funds execution analysis and reconciliation, budget forecasting, resource planning, program spending analysis, and fiscal reporting to include monthly status of funds briefings.

Selected Examples of Recent Progress

FMSS successfully managed over \$475 million in budget authority spanning program reimbursement, appropriated funds, shared cost programs, working capital funds, and no-year funding sources. Additionally, FMSS processed more than \$1 billion in Non-recurring Expense Funds (NEF) for USDA-wide projects, exemplifying its crucial role in fiscal management across the Department.

FMSS's commitment to OPPE's Policy Center was demonstrated by the execution of \$24 million in grants for Outreach, Education, and Technical Assistance to socially Disadvantaged Farmers and Ranchers programs. FMSS also effectively closed out \$1 million in 2019 unliquidated obligations for these critical grants.

Additionally, FMSS rigorously executed A-123 Internal Control requirements across key financial areas, including User Access, Grants (awards, modifications, and closeouts), Intra-Governmental Payment and Collection (IPAC) reconciliation, Unliquidated Obligations, and Reimbursements. FMSS developed and delivered a comprehensive assessment, including the Project Plan, Risk Assessments, Control Procedures and Design Assessments, Operating Effectiveness Test Results, and Aggregated Deficiencies/Findings, while also successfully closing Corrective Action Plans (CAPs) and completing

the Certification Statement. This meticulous control and testing process ensures operational effectiveness and contributes directly to the USDA's Annual Financial Reports (AFR).

By identifying and mitigating potential material weaknesses, FMSS plays an essential role in safeguarding USDA's financial integrity and accountability, significantly impacting the Department's AFR and strengthening its fiscal health.

Internal Control Support Services (ICSS)

Current Activities

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

Selected Examples of Recent Progress

The ICSS team has achieved significant advancements in internal controls, addressing deficiencies, and supporting USDA's compliance initiatives. Through a comprehensive trend analysis of control deficiencies from 2020 to 2024, ICSS identified a notable reduction in deficiencies, with Fiscal Year 2024 showing a marked improvement. This progress reflects the reclassification of several material weaknesses to significant deficiencies and highlights successful efforts across agencies to enhance control measures.

ICSS collaborated closely with the Financial Management Service (FMS), Management Control Audit Team (MCAT), and program managers to improve the A-123 Compliance and Reporting Tool (ACRT) systems. This partnership enabled strengthened reporting for A-123 assessments and facilitated the closure of the Government Accountability Office (GAO)/Office of the Inspector General (OIG) findings, optimizing overall system functionality and data accessibility. Additionally, in partnership with FMS and GAO-OIG, ICSS established a service account in ACRT to automatically pull audit and recommendation data into Tableau, streamlining data integration and analysis for more efficient tracking of audit recommendations.

Expanding the scope of the A-123 Assessment, ICSS included additional Staff Offices and revisited areas such as Data Quality and Conference Planning and Reporting, which had not been assessed since 2019. This expansion ensures a comprehensive evaluation of critical departmental processes. Despite operating at 50 percent capacity due to personnel losses in the first quarter, ICSS successfully completed the 2024 A-123 Assessment. This accomplishment demonstrates the team's resilience and dedication to upholding strong internal controls across the department.

Through these initiatives, ICSS has reinforced USDA's internal control framework, advanced agency compliance, and enhanced reporting processes, aligning with USDA's commitment to accountability and operational excellence.

Information Technology

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

Client Experience Center (CEC); (Washington, DC, and field operations nationwide)
Departmental Administration Information Technology Office (DAITO); (Washington, DC)
Digital Infrastructure Services Center (DISC), which includes:
National Information Technology Center (NITC); (Kansas City, MO)

Enterprise Application Services (EAS); (Fort Collins, CO)
Enterprise Cybersecurity Services (ECS); (Washington, DC, and field operations nationwide)
Enterprise Data and Analytic Services (EDAS); (Washington, DC)
Enterprise Network Services (ENS); (Fort Collins, CO)

Client Experience Center (CEC); (Washington, DC, and field operations nationwide)

Current Activities

The Client Experience Center (CEC), under the Office of the Chief Information Officer (OCIO), provides comprehensive information technology (IT) associated operations and technical support services to more than 100,000 customers throughout the USDA. These customers work in offices located across the United States, its territories and protectorates around the globe and are in more than 3,400 field, state and headquarters offices located across the United States, its territories, and protectorates. The number of customers grew in 2023 and will grow even more in 2024 and beyond. CEC employs more than 1,400 Federal and contract staff members to deliver an extensive suite of services and products. The employees' Federal experience and education levels compare favorably to the Federal workforce overall. The CEC customers work in offices located across the United States, its territories and protectorates around the globe and are in more than 3,400 field, state and headquarters offices located across the United States, its territories, and protectorates. The number of customers grew in 2023 and will grow even more in 2024 and beyond. CEC employs more than 1,400 Federal and contract staff members to deliver an extensive suite of services and products. The employees' Federal experience and education levels compare favorably to the Federal workforce overall.

Selected Examples of Recent Progress

The CEC has successfully completed the Application Rationalization project, a significant milestone in efforts to enhance the Department's cybersecurity posture. Over two years, CEC standardized the end-user software products used across USDA, resulting in a 7 percent reduction in 80,000 software products installed and the removal of nearly 260,000 outdated, unsupported, and unapproved software installations. This not only improved cybersecurity but also led to significant cost savings, demonstrating CEC commitment to efficient resource management.

CEC configured and deployed 5,000 Chromebooks to Farm Service Agency (FSA) field offices in 2024, providing internet access to customers visiting county offices and allowing them to utilize web-based applications through Farmers.gov. These applications enable users to submit various program applications managed by FSA and to sign contracts with the USDA. This solution facilitates FSA in shifting to an all-digital model for program sign-up and approval documents, enabling producers without the physical technology to establish USDA eAuthentication credentials and digitally sign documents.

The CEC Enterprise Depot, launched in November 2021, successfully transitioned 25 Mission Area Agencies and 16 Departmental Administration (DA) and Staff Offices by March 2023. By August 2024, the Depot fully eliminated the need for offsite storage by consolidating pallets and relocating existing inventory from the offsite facility to the Depot resulting in savings of over \$300,000 per year for the USDA. In the last 12 months, the Depot has imaged and shipped 44,490 computers and processed over 44,000 customer returns. Additionally, the Depot's innovative partnership with the USDA Office of Operation (OO) Material Management Service Center (MMSC) continues to provide best-rate shipping, storage, and integrated computer excessing.

The CEC continued the transition of its telecommunication services from the current network contract to the USDANet Wide Area Network (WAN). As of September 12, 2024, IT Specialists visited 2,406 sites for activation with a current capacity of 25 sites per day. This multi-year project will improve network bandwidth, increasing the reliability of access to business applications. Modernization of hardware will enable better telecommunications circuit dependability, reducing the break-fix cost risks with outdated hardware. Customers and stakeholders benefit from lower vendor transmission costs, standardization, contractual SLAs, and better reliability.

The ongoing Windows 11 Migration project aims to develop and execute the migration of USDA workstations from Windows 10 to Windows 11. The Enterprise Depot will transition to Windows 11, and the remaining targeted Windows 10 systems will be upgraded by October 2025. The migration to Windows 11 has accelerated the replacement of obsolete and incompatible hardware. This transition allows customers to apply the latest Microsoft updates, utilize new features, and maintain device performance and security with multiple layers of protection. With the high level of application compatibility between Windows 10 and Windows 11, the software can coexist within a single management infrastructure, simplifying the migration process. All supported customer agencies can currently select Windows 11 workstations when placing orders from the CEC Enterprise Depot.

The Name Change Process Streamline Project simplifies the process for name changes in IT systems. CEC collaborated with the Office of Human Resource Management (OHRM) to release the "Uniform Application of Legal Name Changes in Official Records and Preferred Employee Names" in the USDA Systems memo to guide the implementation of legal and preferred name changes for federal and non-federal USDA employees, ensuring compliance with the Office of Personnel Management (OPM) requirements and guidance. CEC identified the Active Directory, Microsoft 365, and BMC Helix applications as the primary systems impacted by employee-preferred name change requests. This project's benefits include developing additional comprehensive education and reference materials, supporting transitioning employees with guidance through proper procedures and resources, and facilitating a positive workplace transition experience.

The Food Safety and Inspection Service (FSIS) CEC Support Realignment Project was a resounding success. The project aimed to transition from the existing FSIS support model on October 1, 2023, and implement a new interim support structure with existing CEC resources. During this interim period, the project team delivered targeted training and communications to stakeholders affected by the transition, updated support documentation, and monitored customer support issues. As a result of these efforts, FSIS successfully transitioned to standard CEC field support as of December 29, 2023, marking a significant achievement and a testament to the project's effectiveness. By removing after-hours and dedicating on-site support requirements, FSIS realized cost savings of over \$2 million as a direct result of this effort.

CEC completed the new five-year Blanket Purchase Agreements (BPAs) for Laptops, Desktops, and Tablets. These BPAs took effect on October 1, 2024, and have an estimated value of \$340 million, with Laptops making up over 80 percent of the order volume. All USDA agencies utilize hardware purchased from the BPAs and provide the best value for customers by incorporating the latest government-wide technology and energy efficiency standards with extended warranty coverage. All USDA agencies use the BPAs, and customers benefit from the latest technology standards and extended warranty coverage. The multiple award approach used for this year's BPAs means that more than one vendor can compete on each order placed by CEC or the Mission Areas, leading to discounts on larger orders.

The Field Services Modernization Project removed field-based file and print servers using centralized solutions (on-premises or cloud) and other technologies to provide the same or better services at Service Center Agency (SCA) offices. Moving to a serverless office reduced costs in infrastructure, software licensing, field system administrative support, and other areas in time for reduced funding brought on by End User Consolidation (EUC). Removing field-based files and print servers using centralized solutions (on-premises or cloud) and other technologies provided the same or better services at SCA offices at a lesser cost for our customers, resulting in an estimated cost savings of \$165,000.

During 2024, CEC deployed a new Tableau-based Inventory Dashboard for customers to view their billable Information Technology (IT) inventory. CEC enhanced existing reports by utilizing organizational data from Active Directory (AD) to allow our customers to view their inventory more meaningfully, creating reports that enable customers to view their summarized data in various ways with an all-inclusive view of CEC-managed devices and accounts belonging to each employee.

Departmental Administration Information Technology Office (DAITO); (Washington, DC)**Current Activities**

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

Selected Examples of Recent Progress

DAITO's work has not only significantly increased USDA's technology, security, and efficiency objectives, but also set a new standard for excellence in these areas. DAITO's implementation of USDA's enterprise-wide correspondence and content management system, AgWrite, has significantly modernized USDA's workplace. This system, which supports USDA's business needs across administrative, management, and leadership aspects, has strengthened USDA's operational framework, ensuring a more efficient and secure work environment.

DAITO's leadership was instrumental in the development of AgRecords, a single enterprise-wide system that ensures compliance with National Archives and Records Administration (NARA) requirements and USDA records management policies. This official records management system sits above all USDA systems, capturing and managing records automatically, ensuring consistent compliance across USDA.

DAITO's Information Security Division (ISD) has been a driving force in enhancing USDA's security posture. The implementation of an advanced Risk Management Framework (RMF) process streamlined the risk assessment and security authorization process across more than 70 systems and applications, emphasizing National Institute of Standards and Technology (NIST) standards and simplifying the Authority to Operate (ATO) approval process through automation and standardized documentation. DAITO achieved a 100 percent ATO improvement rate by the end of 2024, completing 22 ATOs for core systems and reducing overdue Plan of Action and Milestones (POA&Ms) by 80 percent through targeted training of the workforce and system owners.

DAITO modernized the Supplemental Nutrition Assistance Program (SNAP) Quality Control System (QCS) for Food and Nutrition Services (FNS). This modernization improves the integrity and accuracy of SNAP QCS, aligning it with the Payment Integrity Information Act of 2019 (PIIA).

The USDA data visualization project, led by DAITO for the Office of Property and Environmental Management (OPEM), transformed raw waste and recycling management data into actionable insights. Interactive dashboards allow real-time tracking, optimizing waste collection routes, and reducing operational costs. These insights enable USDA to allocate resources more effectively, potentially saving on transportation and processing expenses.

As part of USDA's Website Modernization efforts, DAITO launched three new agency websites: Animal and Plant Health Inspection Service (APHIS), Foreign Agricultural Service (FAS), and Risk Management Agency (RMA) on the Enterprise Web Application Platform Services (eWAPS) platform, ensuring high security and achieving 99.87 percent uptime for 18+ USDA critical websites in 2024. Customer satisfaction with the platform remains outstanding, with an average rating of 5.0/5.0 based on 79 reviews.

Digital Infrastructure Services Center (DISC); (Washington, DC, Kansas City, MO, FT Collins, CO, New Orleans, LA) which includes:**National Information Technology Center (NITC); (Kansas City, MO)****Enterprise Application Services (EAS); (Fort Collins, CO)**

Current Activities

The Digital Infrastructure Services Center (DISC) serves as a comprehensive solution provider within the USDA, delivering cloud hosting, application development, and support services. DISC has effectively aligned its strategy and operational execution with the USDA Strategic Plan and the OCIO Strategic Initiatives, aiming to provide robust support in achieving departmental goals.

DISC Enterprise Hosting Solutions (EHS) offers advanced technology, enabling government users to access business applications around the clock through a hybrid cloud architecture that seamlessly integrates USDA's on-premises data centers with commercial cloud services. This infrastructure ensures the confidentiality, integrity, and availability of applications and data by utilizing secure cloud architectures. The EHS platforms provides extensive connectivity across the United States through private and public networks tailored to USDA's business and service needs.

EHS offers a range of cloud platforms, including Infrastructure as a Service (IaaS), Platform as a Service (PaaS), and Professional Services (PS), as specified in the DISC Service Catalog. These services are designed and managed under the Information Technology Infrastructure Library (ITIL) v4 Service Management Framework, aligning with high-level security controls such as National Institute of Standards and Technology (NIST) 800-53, FedRAMP Moderate, Federal Information Security Modernization Act (FISMA) High, and Department of Defense (DoD) Impact Level 4 standards.

For nearly 40 years, DISC Enterprise Application Services (EAS) has been providing application development and support to USDA and its partner agencies. Operating on a fee-for-service model, EAS offers a full range of professional services to develop, deploy, and support business applications. EAS supports development on multiple SaaS platforms, including Salesforce, SharePoint, Oracle, Java, .Net, and Drupal. Utilizing the Scaled Agile Framework (SAFe) methodology, EAS adapts to customer needs and accelerates product delivery. Through this agile approach, EAS enhances efficiency across the DevSecOps lifecycle.

The DISC Digital Service Center (DSC) is responsible for establishing and managing enterprise processes, tools, resources, and best practices for USDA's Software as a Service (SaaS) platform, which include Salesforce, ServiceNow, MuleSoft, and Akamai. The DSC provides comprehensive services, including Enterprise Management, Business & Technology Support, Release & Configuration Management, Operations & Maintenance, Platform Management, and Security services, ensuring that USDA's SaaS offerings are managed effectively and securely.

Selected Examples of Recent Progress

In 2024, DISC transformed its organizational processes, leveraging Complex Solutions intake and a Customer Relationship Management (CRM) tool to support \$45.7 million in USDA customer proposals, exceeding the annual target of \$35 million.

DISC reached a major milestone in customer program automation; fully automating FEMA's Hermits' Peak claims process through Salesforce and DocuSign. This contributed to FEMA processing over \$1 billion in claims in 2024. DISC also completed all required migrations from OMB Max to the Connect.gov platform, which now enables collaboration among 60,000 users from more than 86 organizations in a secure, FedRAMP Authorized environment.

DISC established an Enterprise Cloud Vendor Management capability, with STRATUS Pool 1 pilots completed in the first quarter. The transition of legacy Foundational Cloud Hosting Services (FCHS) to Microsoft has been completed, with further migrations to Amazon, Google, and Oracle scheduled for September. Cloud costs on STRATUS have been 27 percent lower than previous FCHS expenses, representing significant savings for USDA.

In partnership with the Assistant Secretary for Administration (ASA), DISC launched the Intelligent Automation Citizen Developer Program, an initiative to streamline processes and increase efficiency. Through the DISC Intelligent Automation Center of Excellence and ASA projects, DISC has delivered

23 Robotic Process Automations (bots), achieving an estimated annual savings of 360,000 hours or \$20 million.

Enterprise Cybersecurity Services (ECS); (Washington, DC, and field operations nationwide)

Current Activities

Enterprise Cybersecurity Service (ECS) provides enterprise cybersecurity services that protect the Department of Agriculture's information systems, services, data, and privacy. ECS systems and services ensure to identify, protect, detect, respond, and recover from cyber risks, vulnerabilities, and incidents. ECS cybersecurity operations are mandated and governed by Federal regulations and directives such as Executive Orders, Office of Management and Budget (OMB), Department of Homeland Security (DHS), National Security Council (NSC), and National Institute of Standards and Technology (NIST). ECS Security Operations Center (SOC) services comply with the cybersecurity framework and ensure the Department's ability to identify, protect, detect, respond and recover from cyber risks, vulnerabilities, and incidents.

Selected Examples of Recent Progress

The ECS team has achieved significant milestones in enhancing USDA's cybersecurity capabilities and safeguarding its assets. Notably, ECS attained the highest Federal Information Security Modernization Act (FISMA) rating—Optimized—for incident response. This exceptional rating reflects the success of a multi-year initiative to elevate the maturity of the USDA Security Operations Center. Through this program, ECS has established mature processes, policies, and staffing levels necessary to manage incident response effectively across the department.

Multi-Factor Authentication (MFA): ECS, through the Cybersecurity Program Operations Center (CPOC), has successfully implemented Multi-Factor Authentication for USDA's entire workforce of 130,000 federal employees and contractors. This advanced security measure provides an additional layer of defense by ensuring that even if one authentication factor is compromised, unauthorized users cannot access USDA systems or physical spaces without meeting the second factor.

Endpoint Detection and Response (EDR): CPOC deployed EDR solutions to 90 percent of USDA's computers and servers, providing comprehensive visibility into the security status of USDA's endpoints, including critical mission systems. This technology enables USDA to maintain a strong cybersecurity posture by allowing cyber analysts to promptly identify risks and respond to potential security breaches.

Enhanced Logging of High-Value Assets (HVA): Following Office of Management and Budget's (OMB's) M-21-31 directive on improving the government's cybersecurity incident response, USDA achieved the highest tier of maturity for cybersecurity event logging. With level 3 logging in place, USDA now monitors all critical events across approximately 180,000 devices and assets, bolstering its ability to detect, investigate, and remediate cyber threats effectively.

Encryption of Data at Rest and in Transit: CPOC has encrypted 90 percent of USDA's data both in transit and at rest, meeting USDA's stringent requirements for data confidentiality and integrity. Encryption ensures that data remains secure and inaccessible to threat actors, reinforcing USDA's commitment to protecting sensitive information across all communications and systems.

These achievements underscore ECS's commitment to advancing USDA's cybersecurity resilience and its dedication to safeguarding departmental assets and information against evolving cyber threats.

Enterprise Data and Analytic Services (EDAS); (Washington, DC)

Current Activities

The Enterprise Data and Analytics Services (EDAS) provides an enterprise data and analytics platform and toolset that brings together data from across the organization into a common environment for rapid data access, analytics and reporting. This service will unlock the strategic value of data, deliver solutions for analytics priorities of the department and administration, support an enterprise data warehouse for all agency data, provide advanced analytics capabilities, enable the analytics workforce with data and tools to do their work more effectively, and support data governance needs to ensure that USDA data is well described, high quality, and useful to USDA and the public.

The Enterprise Data Management Center (EDMC) is 100 percent funded through EDAS WCF Activity Center and represents approximately 3 percent of the USDA Office of the Chief Information Officer (OCIO) budget. It is led by the USDA's Chief Data Officer (CDO) and represents the hub of USDA's data program. The CDO's vision is to realize the full potential of USDA's data and workforce to make better decisions, maximize the impact of citizen-facing programs, and provide the public with easier access to data that can solve national problems and spark innovation.

Selected Examples of Recent Progress

In 2024, EDAS refreshed USDA's Data Strategy, outlining a roadmap for data governance, infrastructure, open data, and AI oversight, developed in alignment with the USDA Strategic Plan and IT Strategic Plan.

EDAS launched USDA's enterprise Artificial Intelligence (AI) program, establishing a Generative AI Review Board, and achieving milestones in implementing Office of Management and Budget (OMB) M-24-10 guidance on responsible AI. In collaboration with the Chief Technology Officer and legal experts, EDMC enhanced USDA's reporting on AI use cases, meeting both OMB and public requirements.

EDAS improved the data visualizations and cataloging capabilities of the Enterprise Data Analytics Platform & Toolset (EDAPT), expanded access to USDA's Open Data Platform, and hosted targeted office hours for USDA employees, resulting in significant cost efficiencies and broad departmental engagement with data.

Partnering with the USDA Chief Technology Officer and Digital Service, EDAS led initiatives in vendor management, workforce hiring, and collaborative data governance. Working with the Deputy Performance Improvement Officer, EDAS aligned data programs with the Evidence Act, enhancing USDA's Quarterly Strategic Reviews.

Through innovative hiring pathways, EDAS expanded USDA's data and AI talent. The team launched the second annual cohort of 10 Virtual Student Federal Service interns, created AI Direct Hire Authority with OHRM, and sponsored university hackathons to attract top talent and elevate USDA's presence as a tech employer.

EDAS expanded USDA's Data Science Training Program, engaging facilitators from across federal agencies and incorporating AI training. Competitions and workshops enhanced USDA employees' data and analytics skills and raised awareness of USDA's data assets.

EDAS introduced 19 new public dashboards in 2024, covering critical areas such as Supplemental Nutrition Assistance Program (SNAP) benefits and avian influenza, resulting in a 90 percent increase in platform views compared to 2023, with over 1.3 million views achieved without raising costs.

Through these initiatives, EDAS demonstrated a commitment to leveraging data and AI for informed decision-making, public transparency, and enhanced programmatic impact, positioning USDA at the forefront of data-driven solutions for national challenges.

Enterprise Network Services (ENS); (Fort Collins, CO)**Current Activities**

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

ENS is responsible for compliance with security and privacy requirements for the Trusted Internet Connection and Backbone Network, ensuring that the ENS security program adheres to all Federal Rules and Regulations. ENS plays a vital role in providing USDA-wide telecommunications management, integrated inventory systems, billing, reporting, and validation services. ENS is committed to maintaining strong application performance on USDA's enterprise network, providing essential network access to public Internet and partner networks, and enabling application owners to manage risk and achieve cost efficiencies. Currently, ENS is combining 17 legacy networks into a cohesive, integrated network system to better support USDA missions.

Selected Examples of Recent Progress

The USDANet modernization project activated over 2,400 endpoints and submitted 4,520 orders by the end of 2024, surpassing the 80 percent target set for 4,547 sites. All core network functions were implemented in 2024, setting the stage to complete the remaining 3,200 sites in 2025. The USDANet consolidation and competitive pricing structure are projected to save USDA over \$500 million in costs and avoidances over the next decade. Benefits include more efficient cloud access, enhanced compliance with Chief Information Security Officer (CISO) standards, improved reliability, and economies of scale that strengthen USDA's cybersecurity and mission support capabilities.

In 2024, ENS awarded limited sole-source contracts to AT&T and KITS/Granite, migrating over 144,000 GSA Networkx inventory items to new contracts and disconnecting all Networkx services in the First Quarter of 2024. Discussions with Verizon are underway for a similar limited sole-source contract to complete the migration of 83,000 remaining inventory items, thereby finalizing the transition from GSA's legacy contract, enhancing USDA's Federal Information Technology Acquisition Reform Act (FITARA) score, and securing an additional \$8 million in Technology Modernization Fund (TMF) investment funding.

The Enterprise Network Applications team has collaborated with USDA Mission Areas to modernize voice technology, implementing Session Initiation Protocol (SIP), Voice over Internet Protocol (VoIP), and Teams for streamlined communication. Additionally, partnership with the Client Experience Center (CEC) Tier 1 have enhanced USDANet operational support, providing a more seamless customer experience.

Through these achievements, ENS demonstrates its commitment to optimizing USDA's network infrastructure, reducing environmental impact, increasing cost savings, and delivering exceptional service to support USDA's mission across the Department.