

## 2020 USDA EXPLANATORY NOTES – WORKING CAPITAL FUND

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## ***AGENCY-WIDE***

### **PURPOSE STATEMENT**

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

#### *Administration:*

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

#### *Communications:*

Creative Media and Broadcast Center (CMBC)

#### *Financial Management:*

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

#### *Information Technology:*

Digital Infrastructure Services Center (DISC)  
Client Experience Center (CEC)  
Enterprise Network Services (ENS)

#### *Correspondence Management:*

Office of the Executive Secretariat (OES)

Note: Administrative support costs are WCF-wide support charges paid to staff offices as reimbursement for services to or on behalf of the WCF; they are not billed directly to agencies but are recovered through activity center rates. Since these funds are accounted for under the WCF Treasury symbol, they are included here under the staff offices administering them.

The WCF is managed by the Office of the Chief Financial Officer. As of September 30, 2018, there were 2,894 permanent full-time employees, including 480 in Washington, D.C., and 2,414 in field offices.

**AVAILABLE FUNDS AND STAFF YEARS****Table WCF-1. Available Funds and Staff Years (thousands of dollars, staff years (SY))**

<b>Item</b>	<b>2017 Actual</b>	<b>SY</b>	<b>2018 Actual</b>	<b>SY</b>	<b>2019 Estimate</b>	<b>SY</b>	<b>2020 Budget</b>	<b>SY</b>
USDA Fee for Service:								
Administration.....	\$44,628	159	\$42,498	141	\$45,292	202	\$44,948	202
Communications.....	5,184	18	5,740	20	8,189	31	7,601	19
Financial Management.....	173,780	720	129,184	634	151,068	620	148,649	620
Information Technology.....	436,426	850	498,722	864	564,295	1,024	577,279	1,024
Correspondence Management.....	3,925	19	4,332	22	5,641	32	5,637	32
Intrafund Transfers a/.....	-51,973	-	-44,146	-	-43,841	-	-45,415	-
Subtotal.....	611,970	1,766	636,330	1,681	730,644	1,909	738,699	1,897
Purchase of Equipment.....	15,341	-	19,650	-	55,657	-	54,895	-
Purchase Card Rebate Proceeds.....	1,115	-	17,900	-	17,168	-	15,168	-
Unobligated Balances Transfers.....	714	-	30,289	-	20,704	-	-	-
Technology Modernization.....	-	-	1,357	-	2,643	-	7,043	-
Subtotal (USDA).....	629,140	1,766	705,526	1,681	826,816	1,909	815,805	1,897
Non-USDA Fee for Service:								
Administration.....	1,413	5	1,484	9	1,383	6	1,470	6
Communications.....	560	2	446	-	345	-	100	-
Financial Management.....	170,603	773	199,495	757	165,020	857	171,236	857
Information Technology.....	30,781	39	-	-	50,155	42	50,154	42
Subtotal (Non-USDA).....	203,357	819	201,425	766	216,903	905	222,960	905
Total, WCF.....	832,497	2,585	906,951	2,447	1,043,719	2,814	1,038,765	2,802

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

**PERMANENT POSITIONS BY GRADE AND STAFF YEARS**

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

Item	2017 Actual			2018 Actual			2019 Estimate			2020 Budget		
	D.C.	Field	Total	D.C.	Field	Total	D.C.	Field	Total	D.C.	Field	Total
SES .....	10	5	15	10	5	15	9	5	14	9	5	14
GS-15.....	37	54	91	41	59	100	38	56	94	38	56	94
GS-14.....	94	202	296	92	197	289	95	203	298	94	203	297
GS-13.....	116	629	745	110	596	706	115	626	741	115	626	741
GS-12.....	57	754	811	52	690	742	50	658	708	50	658	708
GS-11.....	44	408	452	41	382	423	38	353	391	38	353	391
GS-10.....	3	4	7	3	3	6	3	3	6	3	3	6
GS-9.....	24	109	133	22	99	121	24	111	135	24	111	135
GS-8.....	14	25	39	18	31	49	17	30	47	17	30	47
GS-7.....	26	304	330	22	262	284	19	220	239	19	220	239
GS-6.....	13	51	64	9	36	45	9	35	44	8	30	38
GS-5.....	35	58	93	20	34	54	17	27	44	17	27	44
GS-4.....	8	25	33	4	12	16	2	8	10	2	8	10
GS-3.....	1	-	1	1	0	1	1	-	1	1	0	1
GS-2.....	-	-	-	-	1	1	-	-	-	-	-	-
Other Graded .....	38	7	45	35	7	42	32	6	38	27	6	33
Ungraded .....	-	-	-	-	-	-	4	-	4	4	-	4
Total Permanent....	520	2,635	3,155	480	2,414	2,894	473	2,341	2,814	466	2,336	2,802
Unfilled, EOY.....	17	60	77	49	54	103	-	-	-	-	-	-
Total Perm. FT												
EOY .....	503	2,575	3,078	431	2,359	2,791	473	2,341	2,814	466	2,336	2,802
Staff Year Est.....	352	2,233	2,585	367	2,080	2,447	473	2,341	2,814	466	2,336	2,802

**LEAD-OFF TABULAR STATEMENT**

*Table WCF-3. Lead-Off Tabular Statement*

2019 Recurring Operations Estimate 1/ .....	\$947,547
Change in Estimate .....	+14,112
Recurring Operations Estimate, 2020.....	961,659
2019 Capital Availability .....	55,657
Change in Availability .....	-762
Capital Availability, 2020 .....	54,895
2019 Purchase Card Rebate Proceeds Availability 2/ .....	17,168
Change in Availability .....	-2,000
Purchase Card Rebate Proceeds Availability, 2020 .....	15,168
2019 Unobligated Balances Transfer Availability 3/ .....	20,704
Change in Availability .....	-20,704
Unobligated Balances Transfer Availability, 2020 .....	0
2019 Technology Modernization Availability 4/ .....	2,643
Change in Availability .....	+4,400
Technology Modernization Availability, 2020.....	7,043

**NOTES**

- 1/ Net of intrafund transfers. This amount includes both USDA and non-USDA fee for service activities.
- 2/ Under 7 U.S.C. 2235a, refunds or rebates received on an on-going basis from a credit card services provider under the Department of Agriculture's charge card programs may be deposited to and retained without fiscal year limitation in the Department's Working Capital Fund to fund management initiatives of general benefit to the Department of Agriculture bureaus and offices as determined by the Secretary of Agriculture or the Secretary's designee, subject to further limitations under general provisions of annual appropriations acts that funds be spent on capital investments.
- 3/ The Secretary has authority to transfer unobligated balances to the WCF for acquisition of plant and capital equipment for financial, administrative, and information technology services of general benefit to agencies of the Department of Agriculture. The amount for 2020 (unobligated 2019 funds) will not be known until the end of 2019.
- 4/ Funds available for investment under authority of the Modernizing Government Technology Act; the USDA Working Capital Fund is designated as the Department's information technology working capital under this authority.

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

Item	2017 Actual	SY	2018 Actual	SY	2019 Estimate	SY	Inc. or Dec.	Chg Key	SY	2020 Budget	SY
USDA											
Recurring Oper.											
Admin. ....	\$44,628	159	\$42,498	141	\$45,292	202	-\$344		-	\$44,948	202
Comm.....	5,184	18	5,740	20	8,189	31	-588		-	7,601	31
Fin. Mgt.....	173,780	720	129,184	634	151,068	620	-2,419		-	148,649	620
Info. Tech.....	436,426	850	498,722	827	564,295	1,024	+12,984		-	577,279	1,024
Corr. Mgt.....	3,925	19	4,332	22	5,641	32	-4		-	5,637	32
Intra. Adj.....	-51,973	-	-44,146	-	-43,841	-	-1,574		-	-45,415	-
Sub., Rec. Op.	611,970	1,766	636,330	1,644	730,644	1,909	+8,055	(1)	-	738,699	1,909
Cap. Equip.....	15,341	-	19,650	-	55,657	-	-762	(2)	-	54,895	-
Purch. Card .....	1,115	-	17,900	-	17,168	-	-2,000	(3)	-	15,168	-
Unob. Bal. ....	714	-	30,289	-	20,704	-	-20,704	(4)	-	-	-
Tech. Mod. ....	-	-	1,357	-	2,643	-	+4,400	(5)	-	7,043	-
Tot., Avail/Est.	629,140	1,766	705,526	1,644	826,816	1,909	-11,011		-	815,805	1,909
Non-USDA											
Recurring Oper.											
Admin. ....	1,413	5	1,484	9	1,383	6	+87		-	1,470	6
Comm.....	560	2	446	0	345	0	-245		-	100	0
Fin. Mgt.....	170,603	773	199,495	757	165,020	857	+6,216		-	171,236	857
Info. Tech.....	30,781	39	0	37	50,155	42	-1		-	50,154	42
Sub., Rec. Op.	203,357	819	201,425	803	216,903	905	+6,057	(1)	-	222,960	905
Total, WCF .....	832,497	2,585	906,951	2,447	1,043,719	2,814	-4,954		-	1,038,765	2,814

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

- (1) A net increase of \$14,112,000 and 0 staff years for recurring operations (\$947,547,000 and 2,814 staff years available in 2019).

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 2019 are estimates of costs only, and USDA and non-USDA agencies will be billed their share of actual costs. The staff years represent activity centers' best estimate of the most economical use of human resources to deliver expected demand for goods and services.

- (2) A decrease of \$762,000 for purchase of equipment availability (\$55,657,000 available in 2019).

The amount available in 2020 represents capital resources available to the WCF to support the purchase of capital assets defined as those assets with an acquisition cost of at least \$25,000 for equipment and at least \$100,000 for software, with a useful life of at least 24 months. Allocations are made to WCF-supported activities up to the limits of availability in support of the provision of services with amounts allocated to be repaid to the fund to preserve available capital.

- (3) A decrease of \$2,000,000 for purchase card rebate proceeds availability (\$17,168,000 available in 2019).

The amount available in 2020 represents the estimated proceeds to be deposited in the WCF under existing legislative authority, plus any residual unallocated amounts from prior years. Amounts are allocated up to the limits of availability for management initiatives of general benefit to the agencies of the Department, subject to further limitations that might be imposed by Congress limiting spending to capital items.

- (4) A decrease of \$20,704,000 for unobligated balances transfer availability (\$20,704,000 available in 2019).

No funds are included in the 2020 estimate. The estimate may change should Congress renew authority provided in general provisions of the FY 2020 annual appropriations to implement transfers of discretionary unobligated balances. Allocations would be made up to the amount available, consisting of amount transferred plus any residual unallocated amounts from prior years.

- (5) An increase of \$4,400,000 for technology modernization availability (\$2,643,000 available in 2019).

The amount available in 2020 represents the estimated proceeds available under provisions of the Modernizing Government Technology Act. The WCF is designated as the Department's information technology working capital fund under this authority. The funds available in 2020 will be used to continue to build out the farmers.gov website.

**GEOGRAPHIC BREAKDOWN OF OBLIGATIONS AND STAFF YEARS***Table WCF-5. Geographic Breakdown of Obligations and Staff Years (thousands of dollars, staff years (SY))*

State/Territory/Country	2017 Actual	SY	2018 Actual	SY	2019 Estimate	SY	2020 Budget	SY
Alabama.....	\$2,988	7	\$3,244	8	\$4,162	9	\$4,178	9
Alaska.....	799	2	876	2	925	2	928	2
Arizona.....	1,996	5	2,190	5	2,312	5	2,321	5
Arkansas.....	3,993	9	4,381	9	4,625	10	4,642	10
California.....	3,993	9	4,381	9	4,625	10	4,642	10
Colorado.....	88,821	161	95,746	140	85,889	254	68,677	250
Connecticut.....	799	2	876	2	925	2	928	2
Delaware.....	1,597	4	1,752	4	1,850	4	1,857	4
District of Columbia.....	157,706	370	144,001	367	213,308	419	201,691	420
Florida.....	3,115	8	3,717	7	4,965	9	4,829	9
Georgia.....	3,993	9	4,381	9	4,625	10	4,642	10
Guam.....	399	1	438	1	462	1	464	1
Hawaii.....	799	2	876	2	925	2	928	2
Idaho.....	3,993	9	4,381	9	3,237	7	3,249	7
Illinois.....	5,989	14	6,571	14	7,399	16	7,427	16
Indiana.....	4,791	11	5,257	11	5,549	12	5,570	12
Iowa.....	7,986	19	8,761	19	9,249	20	9,283	20
Kansas.....	5,989	14	6,571	14	7,399	16	7,427	16
Kentucky.....	4,392	10	4,819	10	5,087	11	5,106	11
Louisiana.....	238,503	1,142	219,148	1,063	231,095	1,108	232,301	1,108
Maine.....	1,198	3	1,314	3	1,539	4	1,653	4
Maryland.....	26,282	62	26,504	54	27,116	64	54,276	67
Massachusetts.....	799	2	876	2	925	2	928	2
Michigan.....	3,594	8	3,943	8	3,700	8	3,713	8
Minnesota.....	6,389	15	7,009	15	6,937	15	6,963	15
Mississippi.....	3,594	8	3,943	8	3,700	8	3,713	8
Missouri.....	201,070	408	208,048	382	227,100	473	241,781	473
Montana.....	3,993	9	4,381	9	3,700	8	3,713	8
Nebraska.....	5,989	14	6,571	14	6,474	14	6,498	14
Nevada.....	1,198	3	1,314	3	1,387	3	1,393	3
New Hampshire.....	399	1	438	1	462	1	464	1
New Jersey.....	399	1	438	1	925	2	928	2
New Mexico.....	1,597	4	1,752	4	1,994	5	2,104	5
New York.....	2,396	6	2,628	6	3,237	7	3,249	7
North Carolina.....	5,590	13	6,133	13	7,399	16	7,427	16
North Dakota.....	2,795	7	3,066	7	4,625	10	4,642	10
Ohio.....	5,191	12	5,695	12	6,474	14	6,498	14
Oklahoma.....	3,993	9	4,381	9	4,625	10	4,642	10
Oregon.....	3,594	8	3,943	8	3,237	7	3,249	7
Pennsylvania.....	3,194	8	3,504	7	3,700	8	3,713	8
Puerto Rico.....	1,198	3	1,314	3	1,387	3	1,393	3
South Carolina.....	2,396	6	2,628	6	3,237	7	3,249	7
South Dakota.....	4,392	10	4,819	10	5,087	11	5,106	11
Tennessee.....	4,791	11	5,257	11	6,012	13	6,034	13
Texas.....	27,432	107	29,485	102	35,136	125	35,911	125
Utah.....	4,392	10	4,819	10	5,087	11	5,106	11
Vermont.....	1,198	3	1,314	3	1,387	3	1,393	3
Virginia.....	1,996	5	2,190	5	2,775	6	2,785	6
Washington.....	2,396	6	2,628	6	3,237	7	3,249	7
West Virginia.....	1,996	5	2,190	5	1,850	4	1,857	4
Wisconsin.....	4,392	10	4,819	10	6,012	13	6,034	13
Wyoming.....	1,996	-	2,190	5	2,312	5	2,321	5
Total, Available.....	884,470	2,585	881,901	2,447	991,388	2,814	1,007,075	2,814

**CLASSIFICATION BY OBJECTS**

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

Item No.	Item	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
	Personnel Compensation:				
	Washington D.C. ....	\$36,492	\$36,770	\$29,467	\$26,123
	Personnel Compensation, Field .....	208,841	188,416	224,854	233,074
11	Total personnel compensation .....	245,333	225,186	254,321	259,197
12	Personal benefits .....	81,731	75,907	86,194	87,778
13.0	Benefits for former personnel .....	58	23	86	87
	Total, personnel comp. and benefits .....	327,122	301,116	340,601	347,062
	Other Objects:				
21.0	Travel and transportation of persons.....	5,039	4,120	4,773	4,677
22.0	Transportation of things.....	869	738	746	734
23.1	Rental payments to GSA.....	7,076	8,586	8,326	8,419
23.2	Rental payments to others.....	7,171	1,326	26,069	21,018
23.3	Communications, utilities, and misc. charges .....	101,333	106,989	145,017	167,116
24.0	Printing and reproduction .....	389	297	464	390
25.1	Advisory and assistance services .....	668	-	36	-
25.2	Other services from non-Federal sources.....	258,950	259,567	280,129	270,392
25.3	Other goods and services from Federal sources .....	54,888	60,066	54,866	55,003
25.4	Operation and maintenance of facilities.....	2,800	2,977	3,019	3,020
25.7	Operation and maintenance of equipment.....	87,110	111,941	111,736	113,770
26.0	Supplies and materials .....	4,599	6,098	3,806	3,670
31.0	Equipment.....	26,456	18,080	11,800	11,804
	Total, Other Objects .....	557,348	580,785	650,787	660,013
	Total, new obligations.....	884,470	881,901	991,388	1,007,075
	DHS Building Security Payments (included in 25.3).....	\$2,131	\$2,187	\$2,013	\$2,020
	Position Data:				
	Average Salary (dollars), ES Position.....	\$167,000	\$167,000	\$170,000	\$170,000
	Average Salary (dollars), GS Position .....	\$79,000	\$67,000	\$72,000	\$72,000
	Average Grade, GS Position .....	12.2	11.4	11.6	11.6

1/ Totals include all intrafund transfers.

## **STATUS OF PROGRAMS**

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

### **Administration**

#### ***Current Activities***

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

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

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

Integrated Procurement Systems provides modern, integrated procurement automation tools to the USDA acquisition community through the Integrated Acquisition System (IAS). IAS serves as the enterprise-wide administrative procurement system for the Department and continues to prove its value on a daily basis. The Credit Card Service Center has responsibilities to plan, develop, and implement its charge card program under SmartPay2 and to provide consolidated, department-wide governance in this program to help further USDA's mission.

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

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

#### ***Selected Examples of Recent Progress***

As a Federal Asset Sales Center, MMSC conducted a total of 21 sales in 2018 that rendered proceeds of \$1.2 million. Additionally, the Furniture Program sold and transferred 1,219 units of furniture to USDA customer agencies. This program saved agencies an estimated \$0.4 million over the cost of new furniture.

MMSC recycled over 29 tons of recyclable electronics in 2018 that have no reuse or re-sale value through the UNICOR, Federal Prison Industries, Inc. recycling program managed by the Department of Justice and the Environmental Protection Agency. Agencies are encouraged under the Federal Electronics Challenge to: purchase greener electronic products; reduce impacts of electronic products during use; and manage obsolete electronics in an environmentally safe way. Additionally, 282 tons of scrap metal were sold for revenues of \$21,382.

Under MMSC, the Central Excess Property Operation (CEPO) Monitor Program tested, adjusted, and cleaned used equipment received from agencies as excess, then made them available for transfer at no cost to USDA agencies (agencies outside the Washington, DC area pay shipping costs). CEPO transferred 1,124 monitors to USDA agencies resulting in a cost savings of over \$224,800.

The Central Receiving (CR) function under MMSC receives, inspects and delivers property and supplies to USDA administrative and staff offices in the Headquarters, and George Washington Carver Center (GWCC) facilities. CR received and delivered a total of 10,483 pieces of property and supplies. All property was received and delivered within the allotted time and without damage or discrepancy, ensuring the Headquarters and GWCC Executive and Staff offices had essential materials and supplies to complete their missions. The CR operation also provided daily screening of the floors at the Headquarter Facility removing all abundant personal property to insure safe passage ways for the department's employees and visitors. All abandoned property is shipped to CEPO for disposal.

Through marketing of MMSC Services, CEPO signed a new customer for FY 2018, the U.S. National Park Service National Capital Region.

MMSC's Consolidated Forms and Publications Distribution Center (CFPDC) processed 22,186 customer orders with 51,172 line-items totaling 5,140,319 units. CFPDC also supported the Food Safety Inspection Service with Desktop Supplies service in the amount of \$2.8 million.

CEPO continued to work closely with the OSEC Outreach Program to provide information technology to universities through the 1890 and 1990 School Programs. In addition, CEPO supports small townships throughout the United States via the Stevenson Wilder Act and the USDA Farm Bill. In 2018, CEPO transferred 700 units of excess furniture to various townships and to the University of Maryland Eastern Shore.

MRMD, Copier and Duplicating Services (CDS), advanced the copier program by implementing an enterprise solution that's designed to host full document scan to email. Any employee with PIV (LincPass) credentials can access any Multi-Function Printer (MFP), at any USDA office (regardless of his/her agency) in any USDA building, and perform document scan to email and optional secure print functions. This is made possible because all the MFP's that are hosted on the USDA Client Experience Center (CEC) and the agencies that are under the CEC network share the same solution, which will eventually include all of USDA as CEC consolidation activities continue.

In FY 2018, MRMD's CDS and Central Mail Unit (CMU), Transportation Operations provided exceptional printing and delivery service by coordinating, organizing and ensuring the delivery of more than 60 items of USDA's budget explanatory notes and Forest Service's Budget Justification to Capitol Hill and various locations throughout the National Capital Region (NCR). The printing of the notes required CDS to coordinate with the Office of Budget and Program Analysis and the Forest Service over a two-week period, including late nights and weekends. As the printing was completed, Transportation Operations coordinated the delivery of the notes and justifications to Capitol Hill and various other locations throughout the NCR.

The Integrated Acquisition System (IAS) business line successfully processed 197,461 transactions in FY 2018, accounting for approximately \$2.6 billion in obligations (as of September 30, 2018). During this period, IAS also awarded a new security services contract that was 27 percent less than the estimated cost. In addition, IAS completed its annual security control testing for FY 2018 in preparation for the renewal of the IAS Authority to Operate for another three years. The IAS Information Assurance Management/Security team automated and digitized a variety of security-related processes and forms and completed security-related routine checks to achieve recertification, enabling authorized operations through FY 2019.

The IAS Customer Care team provided classroom training to more than 400 IAS users at USDA sites in California, Texas, Oklahoma, Minnesota, Colorado, New Mexico, and Washington, DC, enhancing users' knowledge of IAS system processes and functionality. The IAS classroom training was expanded to include four new geographical areas: College Station, TX, Lexington, KY, Athens, GA and Dover, NH. The IAS team also conducted the annual IAS User Survey to gather insight on user needs, experiences, and perceptions. Eighty-nine percent of the respondents indicated that IAS was effective in enabling them to accomplish their work.

The IAS Technical Operations (TO) team achieved 100 percent compliance with Federal regulations and expanded functionality to support the Federal Procurement Data System - Next Generation (FPDS-NG) and USDA Spending for the DATA Act. The IAS TO team made significant configuration changes and handling of open contracts to support the new Farm Production and Conservation (FPAC) mission area, supported multiple agencies implementation of electronic contract file document storage that supports the paperless contracting initiative and implemented various enhancements requested by agencies to support business needs. In addition, the IAS Registration Module functionality was improved to make the account management process more self-service oriented and enhanced the capture and reporting of Procurement Action Lead Time used to analyze contracting

performance and identify procurement deficiencies and implemented automated de-obligation functionality to support agency unliquidated obligation (ULO) compliance and reduce the administrative burden. Additionally, the team created a useful interactive FPDS-NG Dashboard within IAS that reports on all obligations providing the full spend picture and key metrics.

The IAS Program team completed an analysis of hosting alternatives. This effort resulted in negotiating a new IAS hosting agreement with the National Information Technology Center (NITC) that is targeted to reduce future hosting costs by approximately 34 percent compared to FY 2017 costs. The IAS program also completed FY 2018 A-123 Internal Controls testing for the USDA procurement management business processes and General Computer Controls in preparation for the FY 2018 Office of Contracting and Procurement (OCP) Certification Statement. Additionally, for eight consecutive years the IAS program has consistently received a green status and a score of 5.0, which is the highest rating on the Office of Management and Budget (OMB) IT Dashboard.

The Charge Card Service Center (CCSC) worked with both federal and contractor personnel to begin the procurement acquisition strategy for the next generation of the General Services Administration's (GSA) SmartPay3 contract. Contract awards were made to Citi Bank for the Fleet Business Line and US Bank for the Purchase and Travel Business Lines, which resulted in the successful award of a 13-year contract under the new GSA SmartPay 3 Master Contract. Also, in FY 2018, the CCSC – Purchase Card program effectively supported 10,123 open cards with a volume of 967,903 transactions and a total spend of \$400.8 million (as of September 30, 2018). The number of open cards supported by the Purchase Card program was reduced by 2,416 from FY 2017. The CCSC - Fleet Card program effectively supported 40,884 open cards with a volume of 1,173,177 transactions and a total spend of \$97.2 million (as of September 30, 2018) in FY 2018. In addition, the CCSC successfully completed the Purchase and Fleet Card programs Business Process Controls testing as required, closed 100 percent of the open Purchase Card Corrective Action Plans and completed activities for the FY 2018 Annual Purchase Card Refresher Training requirement.

Procurement Operations Division (POD) executed over \$687 million in new obligations on 3,324 actions in FY 2018 in support of their customer base to include construction, information technology solutions, civil rights support services, human resources support, and financial systems support. This was an increase of approximately 10 percent in obligated dollars from the previous fiscal year.

In support of the Secretary and the FPAC mission area, POD partnered with U.S. Digital Services and contracted for the development of farmers.gov, a new interactive one-stop innovative site that includes a portal for secure business transactions from farmers as well as a discovery tool that walks farmers through the USDA disaster assistance programs that may be available to them. This site links directly with other existing FPAC applications, reducing the burden on the farmers and ranchers and directly supporting the USDA mission.

POD provided an increased effort in contract administration tasks. In FY 2018, POD closed out over 2,100 prior year contracts, which resulted in approximately \$37 million in prior year funds being returned to customers.

POD was tasked to lead USDA in Category Management. As part of the required Federal level reporting, USDA continues to be on track to meet the Office of Management and Budget goal of a 10 percent reduction in unmanaged spend and a 20 percent increase in Spend Under Management. POD collaborates with OCIO to continue its work in finding opportunities for Enterprise level contracts; consolidating requirements and allowing for additional negotiate volume discounts.

POD exceeded five of the established Departmental socioeconomic goals to include Small Disadvantaged, Veteran Owned Small, Serviced Disabled Veteran-Owned, Woman-Owned Small, and Historically Underutilized Business Zone (HUBZone) in FY 2018.

POD updated over 20 percent of its internal Acquisition Operating Procedures during FY 2018. These procedures govern over 50 contracting professionals, and results from those revisions included elimination of outdated processes, streamlining forms to enhance the customer and user experience, and clarification on documentation for POD customers. This improvement directly impacts POD employees providing services as well as customers of POD looking for guidance.

HRESM designed and deployed OneUSDA, which supports flexible service delivery capabilities and is aligned with the needs of a geographically dispersed workforce. The integrated technology suite is intuitive, user-friendly and provides seamless access to all HR applications and services.

HRESM lifted the strategic pause deployed in FY 2017, and under the collective USDA HR Leadership, initiated plans to focus on the delivery of USDA HR enterprise solutions that support a seamless and automated process that enables self-service where possible, so employees, managers, and HR spend more time on high value work.

HRESM completed the transition of all agencies to WebTA as the automated time and attendance solution supported by OneUSDA as its Enterprise solution. This effort reduced the number of time and attendance solutions utilized across USDA from three to two systems (WebTA and Paycheck 8) providing standardization of time and leave processing across USDA.

HRESM reviewed the license costs for WebTA upon completion of the aforementioned transition and reduced the overall license cost for USDA agencies by more than fifty percent. This was accomplished by eliminating unnecessary functionality and closely realigning the number of purchased licenses with the number of actual license users. USDA agencies will recognize the reduction in cost in their FY 2019 contract agreements.

HRESM initiated transition to a new Enterprise Wide recruitment and onboarding solution, USAStaffing, for use across USDA. The transition will result in a cost savings in the outlying years and offer consolidation of functionality that required procurement of multiple systems in prior years. USDA will benefit from increased functionality to at no additional cost to the agency, maximizing the opportunity for standardization in the hiring process across USDA.

HRESM resources were deeply involved with the Chief Executive Officer (CXO) Dashboard and its underlying support. Specifically, OHRM initiated the Data Lake Project that has seen become the catalyst for the CXO dashboard project that transitioned to OCIO mid calendar year 2018 once the focus was broadened beyond just HR data. HRESM provided data, project support, and coordinated meetings between the dashboard team and National Finance Center (NFC) to establish a defined process for updating information from NFC's system of record (mainframe) to support the data available via the dashboards.

## **Communications**

### ***Current Activities***

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

CMBC Core Services team provides USDA enterprise wide benefits with maintenance and support of [www.USDA.gov](http://www.USDA.gov) web portal and a variety of USDA websites, social media tools, and platform accounts, such as USDA Facebook, USDA YouTube, USDA Twitter, USDA Instagram, etc.

### ***Selected Examples of Recent Progress***

CMBC provided services and production of content including video and radio, graphic design and webcasting in support of USDA programs including: Secretary's Back to Our Roots tours, opioid abuse assistance projects, soil conservation, food safety, 2017 Ag Census, Forest Service training, invasive pests and disease, and hurricane and fire disaster responses.

CMBC's Enterprise Web Application Platform and Services eWAPS business line continued growth. Thirty-six USDA websites migrated to the eWAPS platform, including USDA.GOV, Farmers.gov, OCIO's main website, and many FNS sites. CMBC reduced the overall USDA cost for web hosting through shared service efficiencies and replaced a legacy content management system, allowing its retirement.

**FINANCIAL MANAGEMENT****CURRENT ACTIVITIES**

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

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

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

Payroll is processed for over 650,000 Federal employees on a bi-weekly basis. Additionally, NFC provides back-end processing and reconciliation for OPM government programs including temporary continuation of health care coverage, balancing Federal employees' election of health benefits with insurance carriers, and providing back-end processing of insurance elections allowed under the Health Care Reform Act. NFC is an OPM-designated Human Resources Shared Services Provider and continues to support Federal initiatives by fully participating with OPM in executing its shared services role providing human resources, payroll, and data center services to Federal agencies.

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

FMS is responsible for providing accounting services, administrative payments processing and disbursement certification, standard financial systems, Intragovernmental Payment and Collection (IPAC) Suspense Clearing, Property Suspense Clearing and Inventories, Fund Balance with Treasury (Net), and Treasury reporting. FMS maintains the Department-wide master data file for vendor payments and issues Internal Revenue Service Form 1099 to government contractors. FMS continued to provide support to the agencies for the operation of FMMI. FMS also manages the administrative and financial management systems for USDA.

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

FMS also administers several other financial management systems to support USDA agencies and organizations, including: travel, personal property, real property, telephones, utilities, miscellaneous income (1099 reporting), Automated Cash Reconciliation Worksheet System (ACRWS), Corporate Property Automated Information System (Real Property) (CPAIS), and the Online Tracking and Reconciliation System for intergovernmental financial transactions. FMS supports the processing of USDA data through other organization-owned systems, which include domestic travel, purchase card transactions, and procurement activity using the Integrated Acquisition System (IAS).

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

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

Financial Management Support Services (FMSS) provides financial management administration, fiscal reporting and budget execution services to WCF activity centers and staff offices. It provides a combination of timely, reliable, and relevant funds execution, financial analysis, financial advice, status of funds reporting, budget formulation and forecasting as well as being responsive to ad hoc requests that allows its customers to make sound fiscal decisions in managing and maximizing their own resources.

### ***Selected Examples of Recent Progress***

The FY 2018 Statement on Standards for Attestation Engagements No. 18 (SSAE 18), which focused on the NFC internal controls that are likely to impact customers' controls over financial reporting, was conducted by was conducted by KPMG LLP through a contract with the USDA Office of Inspector General. NFC received an unmodified opinion indicating that the description fairly presented NFC's payroll/personnel and application hosting systems and the controls were suitably designed and operating effectively to provide reasonable assurance that the control objectives included in the description were achieved. An unmodified opinion allows a competitive advantage against similar service organizations who have not received a SSAE 18 report, the ability to meet contractual requirements with customers, and increased customer satisfaction due to a sense of security over sensitive information. In addition to SSAE 18, as a result of our refinement of our Investment Management Programs, NFC received a "green" rating in two of our major investment programs for the first time from USDA.

Throughout FY 2018, NFC has been engaged in a major redesign of its EmpowHR 9.0 application and underlying database. The redesign will include the new version of PeopleSoft Human Capital Management (PS HCM) 9.2 and also transition the database to an Oracle Data Base Management System (DBMS) to improve performance. Implementation of PS HCM 9.2 will provide PS Fluid, new customer interfaces and customizable/personal dashboards and improved self-service functionality. Included with this conversion will be the ability to make future upgrades to the system using PeopleSoft's Update Manager which allows maintenance personnel to 'selectively adopt' which new functionality is incorporated with each release. Implementations will be staggered by environment with the Department of Justice being the first agency scheduled for completion in August 2019. The remaining agencies will be completed by February 2020.

NFC support of the Secretary's realignment for USDA mission areas has been ongoing during FY 2018. In order to eliminate administrative redundancies, functional areas were consolidated at the mission level. To support this effort, NFC fast-tracked a project to change code within the Payroll/Personnel System, EmpowHR and WebTA 4.2 applications. All phases of the project were successfully completed in FY 2018 and the system was made available to the FPAC Business Center by Calendar Year 2018, Pay Period 19 for the Farm Business Center (FBC) to begin staging personnel actions associated with the movement of USDA employees from the Natural Resources Conservation Service (NRCS), Farm Service Agency (FSA) and the Risk Management Agency to FBC. Effective October 14, 2018, employees were fully transitioned and paid by NFC utilizing FBC accounting.

NFC successfully migrated National Agricultural Statistics Service (NASS) from WebTA 3.8 into WebTA 4.2. With this implementation, all USDA agencies with the exception of Forest Service are utilizing the USDA specific version of WebTA 4.2 hosted by NFC. NFC continues to work with the Kronos vendor on enhancements and functionality to the USDA 4.2 version. NFC also continues to work with Kronos on their next generation product for time and attendance (WebTA 5.0).

NFC successfully completed the second phase of integrating Department of Justice into EmpowHR. This phase increased the number of DOJ agencies/employee utilizing EmpowHR and thus reducing the EmpowHR base rate. This phase incorporated Marshall Services, U.S. Attorney Office and the Office of Inspector General (OIG) and successfully set the stage for the Phase III migration planned for FY 2019.

Throughout FY 2018, NFC worked on major implementation initiatives to expand customers into new product lines. For example, work was performed on the Department of Justice Phase III (Executive Office of Immigration Review and the U.S. Trustee Program) implementation into EmpowHR for core functionality and Manager Self Service. Internal Revenue Service integration into Paycheck8 made progress in conjunction with the vendor completed customer specific requirements. The Internal Revenue Service (IRS) will integrate into Paycheck8 in the later part of FY 2019.

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

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

In FY 2018, Insight had over 2,744 users that submitted over 205,890 reports. Through Insight, customers created over 905,890 reports and dashboards that effectively provide key business intelligence supporting strategic decision making. In addition, Insight was enhanced to include the WebTA3.8 data for NFC hosted customers.

NFC accomplished the following in FY 2018 with regard to payroll, debt management, and customer support services:

- Issued 704,484 Form W-2s for Calendar Year (CY) 2018 before the January 31 deadline;
- Complied with the Affordable Care Act and issued 660,074 Form 1095-C for CY 2018 before the January 31 deadline;
- Processed 185,177 manual payments in 506 daily payment schedules totaling \$198.9 million;
- Processed 32,169,653 biweekly salary payments in 975 payment schedules totaling \$77.4 billion in gross salary payments for the year;
- Processed 20,178 debt collections totaling over \$34 million;
- Generated over 76,165 automated bills;
- Submitted 4,800 delinquent debt claims to Treasury Offset Program and Cross Servicing totaling over \$6 million; and
- The NFC Contact Center completed call resolutions for 118,710 telephone inquiries

In continued support of the President's Management Agenda (PMA), National Finance Center (NFC) began the execution of its New Pay Implementation plan. New Pay is part of an initiative lead by the Unified Shared Services Management (USSM) as part of the PMA to leverage government buying power with respect to payroll shared services. NFC's plan consists of a phased approach where USDA OCFO (which includes NFC) will implement into New Pay in CY 2019. This will allow NFC to gain first-hand knowledge and experience with the new system before implementing our customers. Three early adopter customer agencies will implement in CY 2020 to allow NFC opportunity to hone its implementation process and ensure the successful implementation of the remaining customer agencies that are scheduled to implement in CY 2021/2022. NFC is committed to continuing its involvement in the USSM to help ensure it meets its mission of improving the way the government serves the American public

OPM issued new regulations on the granting and recording of weather and safety leave for Federal employees. The Administrative Leave Act of 2016 created four new categories of statutorily authorized paid leave— administrative leave, investigative leave, notice leave, and weather and safety leave—and established parameters for their use by Federal agencies. These regulations provide a framework for agency compliance with the new statutory requirements regarding weather and safety leave. OPM will issue separate final regulations to address administrative leave, investigative leave, and notice leave at a later date. In 2018 Pay Period 18, NFC updated the Transaction Descriptors for Weather and Safety Leave and Paid Holiday Time Off in the Paycheck8 and WebTA applications.

NFC is 100 percent compliant as the Central Accounting and Reporting System (CARS) reporter as of August 1, 2018. The CARS financial management modernization initiative mandated by Treasury’s Bureau of Fiscal Service to transform current government-wide accounting into real-time processes was completed. NFC modified its systems to report using a new 24-position component Treasury Account Symbol (TAS) format and a new field called the BETC (Business Event Type Code). All payments and collections are required to be classified (reported to Treasury) when received or initiated using the new component TAS and BETC.

NFC processed 571,766,894 Nature of Actions with a 99.56 percent success rate. The project was completed in Pay Period 01, 2018.

In its role as an OPM-designated Human Resources Shared Services Provider, NFC continued to support Federal initiatives by fully participating with OPM in executing its shared services role providing human resources, payroll, and data center services to Federal agencies. For example, NFC partnered with OPM to support the extension of Federal Employees Health Benefits (FEHB) to the Tribal and Urban Indian organizations as set forth in the Patient Protection and Affordable Care Act of 2010. Tribal Insurance Processing System (TIPS) is a web-based system of records maintained by NFC that processes FEHB enrollment data, processes monthly billing for each tribe, and processes automated monthly collection through pre-authorized debits. Currently, NFC has over 26,156 enrollees in the Tribal FEHB program. In FY 2018, NFC continued to support the functionality in TIPS to further enhance health insurance enrollment, reporting, and billing processes by strengthening edits and improving reconciliation. FY 2018 highlights included establishing 7 new Tribes and 23 new Personnel Office Identifiers (POI) in the TIPS system, collecting over \$300 million in FEHB premiums in TIPS, and processing 12,134 SF2809 enrollments. The Government Insurance Services Branch (GISB) call center for TIPS completed call resolutions for 1,624 telephone inquiries. NFC continued to support a Web Portal for agencies to enter FEHB enrollments for Temporary Continuation of Coverage enrollees and Direct Pay Annuitants. In FY 2018 more than 1,927 agency officials successfully certified their FEHB elections and FEHB change documents through the DPRW web portal, thus expediting FEHB enrollment processing. FY 2018 highlights included: annual billing for over 44,626 enrollees, processing approximately 5,518 SF 2809/SF 2810 enrollments and transfers in (DPRS) and 4,931 SF2809/SF2810 enrollments in the DPRS Web Portal, and collecting \$572.3 million in FEHB premiums. The GISB call center for DPRS completed call resolutions for 41,210 telephone inquiries. And, NFC, at the request of OPM, designed and implemented a Web-based system that receives electronic enrollment data from Agencies and FEHB carriers to facilitate reconciliation and reporting. In FY 2018, NFC continued to support the functionalities in the Centralized Enrollment Clearinghouse System (CLER) including: the prevention of duplicate data from entering in the system and significant reductions in costs for customer CPU charges. In FY 2018, more than 72 million records were loaded from the payroll offices and more than 16 million records were loaded from the carriers for the fiscal year. In addition, NFC processed over 7,114 enrollment reconciliations in CLER. The GISB call center for CLER completed call resolutions for 258 telephone inquiries.

The Acquisition Management Office (AMO) provided contract support for NFC initiatives. Significant progress was made in achieving socio-economic goals achieved through procurements made by AMO for NFC initiatives in FY 2018. USDA goals were exceeded on a number of metrics, including: 8(a) Concerns, Small Disadvantaged Businesses, Woman-Owned Businesses, Veteran Owned Businesses, HUBZone Small Business Concerns, and Service Disabled Veteran Small Businesses.

In FY 2018, NFC commenced the Network Tech Refresh requirement to replace the network infrastructure at the Primary Computing Facility (PCF) in Denver, CO, Back-up Computing Facility (BCF) in St. Louis, MO and implement all parts at the AWS in Bossier City, LA to maintain compatibility at the PCF and BCF. Ninety percent of the current NFC network infrastructure at the PCF, BCF and AWS was past end of life with no vendor hardware and software support, including security patches. NFC, working with OCIO and NITC, has developed a plan for the upgrade of the network which is scheduled for completion in May 2019. This will ensure all the network is updated with modern technology and solidifies the networks between the PCF and BCF.

In collaboration with OCIO, NFC began the Data Center Relocation project, which will relocate the NFC's data center to NITC in Kansas City. Members of NFC's Data Center Relocation project management team visited the Kansas City NITC site to discuss ongoing operations and maintenance costs once NFC has relocated the data center into the NITC site. The NFC staff then put together a white paper outline methods of migration to NITC, to include high level schedules and costs. NFC presented this paper to senior OCFO and OCIO leadership. Subsequent to that presentation, the NITC project staff visited NFC to discuss migration options, and new hosting offerings designed for NFC. The NITC staff then spent the next few weeks preparing a hosting and migration proposal based upon the new offerings discussed in the meeting at NFC.

NFC implemented a hosted, cloud based, state-of-the-art, customer contact center solution that will provide our customers with enhanced features that have not been available. It provides the ability to scale as needed, adding additional lines for agents on demand. By utilizing a hosted solution, our mission resources can focus on the customers and workforce while new technology enhancements and features are deployed seamlessly. One of the major enhancements is the ability for agents to service customers from any location. In an unexpected circumstance, such as a COOP event, agents will be able to login from any location and begin servicing customer calls, without the requirement to travel to the Alternate Work Site (AWS).

FMS began the design and development to migrate FPAC (Farm Production and Conservation) Business Center accounting into the USDA's Financial Management Modernization Initiative (FMMI) system. The FPAC's program financial accounting is not integrated with the rest of USDA in FMMI, creating reconciliation and other issues, additional costs to maintain a separate set of systems, and the inability to achieve a clean accounting audit. As a result, material weaknesses were identified during the 2016 audit cycle for the areas of accounting estimates and the maintenance of accounting records. This project will help resolve these issues and facilitate a clean audit opinion. The first phase, completed in FY 2018, automated 50 systems. This will be a multi-phased multi-year project that will ultimately move all financial management process from FPAC Accounting and Feeder Systems to FMMI. Simultaneously, FPAC will need to remediate their feeder systems to create auditable financial data to integrate with FMMI.

FMS has continued to enhance the eFG enterprise. The eFG enterprise was deployed to NRCS with significant additional functionality related to collection agreements, repayments, and Memorandums of Understanding (MOUs). NRCS has 2,500 new grant agreements and several hundred new users have been trained. The Interagency Agreements (IAA) requirements have been gathered and implementation is under way into the ezFedGrants enterprise and FMS began designing and implementing the Forest Service ezFedGrants pilot, Animal and Plant Health Inspection Service release 2 and National Institute of Food and Agriculture (NIFA) release 2. An assessment of ezFedGrants Pega was completed and enhancement design has begun. Further, work on the DATA Act D2 file to report grant data was completed. FMS is also coordinating with NRCS, the Foreign Agricultural Service, and FSA for additional grant programs.

FMS implemented the new Miscellaneous Income system, which is the new application for issuing IRS Forms 1099, Miscellaneous Income. This effort replaced obsolete technology and provided a robust, updated, and secure solution. This new system provides enhanced error detection and correction capabilities that will significantly reduce the number of corrected IRS 1099s required and returned documents received.

FMS partnered with the Department of Treasury to implement use of Treasury's Central Receivable System (CRS). This improved the billing practices of USDA receivables related to Travel Relocation Debt, and subsequent debt management of those receivables. The application was established within CRS in 2018, and the interface went into production in the first quarter of FY 2019. The interface is being developed so it can be used for additional types of USDA debts.

FMS implemented the new ACRWS. The new ACRWS is more efficient because the Governmentwide Accounting System Account Statement and the Financial Statements Data Warehouse (FSDW) files are automatically interfaced into the tool. This new system reduces the resources required to prepare the system for reconciliation and reduces documentation required to reconcile the account symbols. Several agencies were trained on the new application.

FMS continued migrating supporting administrative and financial systems to a commercial cloud service provider. In FY 2018 FMS successfully migrated ACRWS, FSDW, and Reporting of IPAC Transactions for Agriculture to the cloud. These efforts were completed on schedule and within budget. CPAIS is scheduled to migrate to the cloud in November 2019. FMS also completed the 2018 Disaster Recovery Drill in the new cloud environment. Improvements in performance continue to be realized, in addition to a reduction in risks and costs. Due to the age of the previous infrastructure, this migration also provided a technical refresh of the hardware, software, and network components that will enable FMS to improve the stability, security, and efficiency of the systems. As part of the cloud migration of the supporting administrative systems, FMS conducted in depth analysis of existing FMMI infrastructure and identified areas for consolidation of data or decommissioning of obsolete servers. As a result, 17 servers were decommissioned, which realized a savings in excess on \$350,000 per year.

FMS implemented move LINQs, a commercial Software as a Service (SaaS) travel relocation system for USDA. By implementing moveLINQs, FMS replaced legacy technology with a modern, web-based system and automated manual processes to makes employee relocations more efficient. Additional employee data (such as dependent and tax information for employee and spouse) is stored by moveLINQs, which provides the employee with more accurate tax-year information. All required documentation is stored within the system, which supports the Paper Reduction Act. In addition, relocation funds are obligated up front instead of at the time a voucher is submitted, which provides the Department with a better status of relocation expenditures. Finally, financial information at the expense level using the appropriate Budget Object Class is captured and recorded, which is used for various reports and data calls.

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

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

PFS transitioned 37 clients (federal agencies, boards and commissions) from Pegasys to a new Multi-tenant Shared Application environment. The project included the testing, migration, and performing of post implementation support for the financial data and reports of clients. In addition, a new data warehouse reporting environment was created in Pentaho to support the external clients' unique reporting requirements. This project was completed on time and within budget.

In order to comply with the financial reporting requirements of the U.S. Department of Treasury and the Office of Management and Budget, PFS worked with GSA to perform a major clean-up in an effort to capture both buyer and seller Treasury Accounting Symbol (TAS) on all federal transactions. This process required the correction of thousands of document and will contribute to improving financial reconciliations between federal entities.

In FY 2018, ICSS fully deployed the A-123 Compliance and Reporting Tool (ACRT) and the participating agencies and staff offices completed training and the full year's A-123 Appendix A assessment within the Department's required timeframe to produce timely and accurate results to contribute to the Annual Financial Report.

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

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

At the beginning of FY 2018, the Senior Assessment Team established ambitious target closure goals of 58 percent and 53 percent for Corrective Action Plans (CAPs) and Plans of Action and Milestones (POA&Ms), respectively. ICSS assisted agencies and staff offices in working toward the Department’s Corrective Action Plan (CAP) target closure goal of 58 percent. However, the actual closure rate was 12 percent shy of this target. The POA&M closure rate in FY 2018, on the other hand, exceeded the established composite goal set by the agencies by 29 percent.

During FY 2017 and FY 2018, ICSS made an internal effort to assist agencies in not only achieving the POA&M closure goals they established at the beginning of the fiscal year, but also help them to ensure that the steps they performed to close open POA&Ms were effectively completed. This heightened emphasis on quality mitigation efforts had a widespread positive effect in several areas for most of the agencies performing OMB Circular A-123 testing for General Computing Controls in FY 2018 when to compare to FY 2017.

In FY 2017, an average of 191 days was spent completing this process for POA&Ms created and closed. In 2018, the time spent for the same processes (POA&Ms created and closed) dropped to 104 days, a decrease of more than 45 percent.

In FY 2018, customer agencies reduced mitigation costs associated with successfully completing POA&Ms. In FY 2017, the average mitigation cost per closed POA&M was \$47,985. In FY 2018, this cost fell to \$8,659, a reduction of 82 percent.

ICSS performs spot testing of POA&M closures annually to ensure compliance with the Departmental POA&M closure policy and procedures. In addition, the spot testing effort assesses the quality of the GCC POA&M closure procedures performed by USDA agencies and staff offices, and identifies areas requiring improvement in order to promote consistent and reliable testing results and documentation across all agencies. In FY 2018, the ICSS performed semi-annual spot testing of POA&Ms that closed as a result of the annual assessment of General Computer Controls (GCC), for in-scope financial management systems and related support systems.

The results of training surveys indicated that 75.9 percent of participants agreed or strongly agreed that the trainings were effective and accomplished intended objectives. That measure is a 3.1 percent increase from FY 2017’s rate of 72.8 percent. Assisting agencies and staff offices in identifying internal control deficiencies, and providing guidance to successfully remediate them are ICD’s two critical mission objectives. To address these objectives, ICD provided training during the assessment year, and conducted quarterly meetings to assist agencies and staff offices in accomplishing more sustainable improvements.

FMSS provided a combination of timely, reliable, and relevant funds execution, financial analysis, financial advice, fiscal reporting, budget formulation and forecasting for Departmental Administration, OPPE (Office of Partnerships and Public Engagement, Office of the Chief Information Officer (OCIO), Office of the Chief Financial Officer (OCFO), Office of Homeland Security (OHS), Office of the Secretary (OSEC) and Office of the Executive Secretariat (OES) to make sound fiscal decisions in support of the Department’s strategic goals. In FY 2018, FMSS executed over \$300 million in budget authority across appropriated, shared services programs, program reimbursements, working capital funds, administrative support costs, Farm Bill, and no-year accounts.

## **Information Technology**

### ***Current Activities***

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

- Digital Infrastructure Services Center (DISC), which includes: National Information Technology Center (Kansas City, MO and St Louis, MO); Enterprise Network Services (Fort Collins, CO)
- Client Technology Services (Washington, DC and field operations nationwide)

The Data Center Hosting Services/National Information Technology Center (DCHS/NITC) specializes in enterprise information technology solutions. The USDA Enterprise Data Centers managed by DCHS/NITC are located in the following locations: Kansas City, Missouri and St. Louis, Missouri. DCHS/NITC services are operated seven days a week, twenty-four hours a day, every day of the year under three categories of service.

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

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

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

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

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

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

### ***Selected Examples of Recent Progress***

As part of Center of Excellence's (COE) Data Center Optimization Initiative (DCOI), we were able to close 21 Federal data centers in FY 2018, exceeding the goal by 3. This has translated to \$9.6 million in cost savings. We also completed a 3-year Forest Service data center migration project resulting in 2 data center closures and \$6.1 million in cost savings. To date, DCOI has yielded \$25.82 million in cost savings and avoidance from reduced footprint, more efficient power utilization, decommissioning of obsolete equipment, and repurposing of labor. The savings exceed USDA OMB target goal by \$2.2 million. Also, USDA improved the Federal Information Technology Acquisition Reform Act score under DCOI from a "D" to a "B."

The DISC-NITC reduced its FY 2019 service rates by \$10.8M (or 7.89 percent) through operational efficiencies, automation, and cost reductions. We are also executing a data center closure plan for George Washington Carver Center (GWCC) to realize \$8.8M in cost avoidance/savings over 5 years with a target completion date of Dec 2018.

On March 8, 2018, DISC-NITC opened the remodeled Pod 1A in the Kansas City Enterprise Data Center (KC EDC) with the Deputy CIO and local customers; the project culminated in a multimillion-dollar modernization of Pod 1A in the KC EDC using state of the art technologies. We project this to exceed our OMB Power Usage Efficiency (PUE) target of 1.5, and to achieve savings of greater than \$400,000 in energy costs. This project included the addition of 4,500 square feet of modern usable data center space that holds 113 racks.

The DISC-NITC introduced several new and enhanced offerings in FY 2018. These include: enhancements: Self-provisioning through Enterprise Resource Management System (ERMS) for Windows/Linux and SQL Server, Self-service and mobile access for the NITC Customer Portal and True Sight Monitoring and Performance Dashboards for Platform as a Service (PaaS) customers, and new offerings such as: Oracle Exadata, Solid-State Drive (SSD) Flash Storage and RedHat OpenShift Container as a Service.

In FY 2018, the DISC-NITC met monthly operational SLAs 100 percent of the time for enterprise data center facility uptime and monthly SLAs 100 percent of the time for customer ticket resolution.

The DISC-EAS stood up Cloud Platform Services (CPS) with Cloud Broker, Digital Service Center (DSC), and a Commercial Cloud Tech Team; USDA grew its DSC-managed Software As A Service (SaaS) portfolio to 44 apps and more than \$30 million in sales.

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

The DISC Cloud Brokering Office now manages 13 Agencies and \$3.7 million in total Agency Obligations. There are three Agencies that have already achieved their ATOs and six that have achieved their Authority to Test (ATT) authorizations.

For FY 2018, the DISC-NITC has cost savings and avoidances totaling \$3 million through various migration projects, procurement efforts, and reassignments of equipment.

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

The DISC has achieved Department of Defense (DoD) Impact Level 4 Provisional ATO and has also implemented National Institute of Standards & Technology (NIST) 800-53 Rev 4 to enhance security controls for Federal Information Security Modernization Act (FISMA) Moderate compliance.

The DISC developed a plan that allowed the AgLearn platform to migrate from its legacy Commercial Off The Shelf application to an Amazon Web Services GovCloud environment to provide an end-user experience that exceeds current requirements and will provide a platform for innovation over the long-term. This included custom functionality unique to USDA such as the SF-182 approval form and Individual Development Plans, external integrations with content partners, and a responsive Section 508-compliant platform that allows for non-PC access to AgLearn. Based on the Totara open-source platform launched in September of 2018, the NextGen Ag-Learn is robust, secure, and can accommodate its current 140,000 end users, 30 unique agencies, and over 2,000 administrators.

In FY 2018, CEC was challenged with consolidating End User support across USDA. Within 60 days of being charged with the new program, CEC had kicked-off the first mission area. Planning the program in parallel to running the first few projects provided many opportunities to learn along the way. Currently three mission areas are in progress for consolidation. Consolidation consists not only of the technical support for end-users, but also involves contract management (hardware, software, and support services) and human capital aspects. While aggressive, CEC is pushing forward to complete the program within three years.

CEC's Product Catalog Team worked with the Office of Contracting and Procurement's Procurement Operations Division (OCP-POD) to re-compete the three hardware catalogs (laptops, desktops, and tablet computers), encompassing requirements and input from across USDA. The catalogs standardize endpoint equipment for improved security compliance and simplification of support. The new catalogs were published in the 4<sup>th</sup> quarter of FY 2018, with availability to customers in the 1<sup>st</sup> quarter of FY 2019. The schedule ensures no lapse in availability, so current catalogs were available to customers through the end of FY 2018 to support end-of-year ordering.

CEC was heavily involved with other OCIO organizations in the development of a single Customer Relationship Management application. The new OCIO capability provides consistency in business processing and supports a customer-friendly interface. The ease of interaction for both OCIO and customer resources will enhance the OCIO customer experience, while also providing the OCIO leadership team a single snapshot of OCIO business status. The new application goes live on October 1 in support of FY 2019 business. In addition, CEC took steps to mature our business processing team. Streamlining the steps required and providing consistent customer interface will improve the collaborative nature of the work with the customers in future years. Also, as a part of this initiative, CEC is working with OCIO peers in collaborating to consolidate best practices with regards to an automated Spend Plan and Budget Formulation process.

The CEC successfully managed and executed more than \$312.4 million with an execution rate exceeding 99 percent. This included the management of 410 current year agreements for 45 customers, seven distinct programs and five business lines, creating more than 381 direct entry obligations, and overseeing 561 obligations in addition to tracking, recording, and monitoring all funds received.

CEC maintained their commitment to getting all staff and current customers migrated to Windows 10 by November 2018. In addition, CEC staff helped migrate a portion of the NFC staff to Windows 10 and worked with Foreign Agriculture Service to assist them with their efforts to move to Windows 10. To date CEC has migrated 30,459 workstations to Windows 10.

CEC's QuickTip team produced, evaluated, and reviewed over 120 QuickTip articles in FY 2018. QuickTips are instructions for our customers on our supported hardware, software, security, and general topics. CEC maintains a library on the Customer SharePoint site for these instructions and within our Knowledge Management Library to assist customers with self-service resolutions. CEC also maintains electronic Knowledge Management and Problem Management libraries of more than 600 articles based on the Information Technology Infrastructure Library framework. Knowledge Management aims to gather, analyze, store, and share knowledge and information with our customers and within the CEC organization, while Problem Management strives to reduce the number of major service disruptions through incident analysis. The Knowledge team has also modified or updated over 500 articles and retired 410 articles in FY 2018, while the Problem Management team resolved 37 major service disruptions.

On September 20, 2017, Hurricane Maria devastated the U.S. Virgin Islands and Puerto Rico. CEC-supported USDA offices on these islands were severely impacted. They suffered physical damage, power outages, and telecommunications outages for long periods of time. After the storm, CEC personnel provided both onsite and remote support to the islands and their offices during their recovery. CEC purchased and deployed computers, smartphones, satellite phones, cellular broadband modems, laptops, printers, scanners, and other equipment to the islands' offices and to USDA recovery teams sent to the islands. The work was performed with urgency and priority due to the nature of the emergency and need for the USDA offices to recover quickly to service the public. CEC continued providing recovery support to the offices and recovery teams for several months until all offices were reopened and fully operational.

In FY 2018, CEC worked closely with OCIO-ISC to co-lead implementation of Phase 2 of the Department of Homeland Security's Continuous Diagnostic and Mitigation (CDM) Program. CDM Phase 2 manages "who is on the network" through control of identities, privileged accounts & access, credentials & authentication, and security-related behavior. As a part of this phase of CDM, CEC implemented three new cybersecurity shared services or capabilities that will be available in FY 2019 including, Enterprise Identity Governance & Administration, Privileged Access Management, and Active Directory integration and PIV enablement for Non-Windows Workstations.

CEC implemented a shared service for authentication, security, and management of APIs as an additional capability of e-Authentication. The API security service enables agencies to better manage and secure their APIs and enables greater collaboration between systems, business units, and customers.

Since August of 2016, CEC has planned/coordinated a multi-year initiative with the Aerial Photography Field Office (APFO) in Salt Lake City, UT. In March 2018, APFO leadership was given a mandate to accelerate the 5-year plan, approved in 2016, to be completed by the end of the current location's lease in December 2018. CEC was able to assist customer to accelerate the migration of the infrastructure to KC Enterprise Data Center to be completed in FY 2018.

CEC procured and deployed new email gateway appliances that allow USDA to meet Binding Operation Directive (BOD) 18-01 email security requirements. This allows all agencies to monitor and analyze their email system compliance with the BOD.

CEC initiated significant information technology upgrades to the Secretary's primary Continuity of Operations (COOP) site. The preparedness and capability of the site's information technology support was identified by evaluators as one of three "strengths" during the 2018 National Level Exercise. CEC resources were also designated as the OCIO COOP/DR representative to USDA, assuming additional coordination and planning tasks.

Through the Government Community Cloud migration effort, CEC is implementing Mobile Office productivity tools (OneDrive; SharePoint; OneNote; MS office; Outlook) on the USDA Mobile Device Management solutions, deploying the solution to OSEC and selective OCIO VIPs. This allows them to collaborate, share calendars and access USDA data through iPhone/iPad device anywhere/anytime.

CEC defined processes to prepare for and implement customer migrations from a legacy cloud environment to the new Government Cloud Community (GCC). As of October 1, 2018, CEC will have migrated over 52,000 users, including the Office of the Secretary (OSEC). The SharePoint Migration to GCC is 83 percent completed, while the Exchange Migration to GCC is 40 percent completed. The Skype for Business Migration to GCC is 39 percent completed. The project is on schedule to be completed by December 2018.

CEC built-up and migrated customers to the new Contact Center platform to host all CEC managed Contact Center customers. This effort included integration of existing automated customer apps and deployment of new omni-channel communication features such as: courtesy call back and web/email integrations.

CEC provided a full suite of contact center services and automated call routing, in less than 48 hours, for the Secretary of Agriculture program labeled "Tell Sonny" (1-800-Tell-Sonny). Efforts included identifying a Toll-Free number and all performing all associated programming and deployment of services to support the Secretary's initiative.

CEC deployed replacement file and print servers to over 650 locations to replace previously deployed legacy virtual servers that proved to be inefficient. Total efforts included image development, schedule management, and overall server build processes.

The CEC SharePoint team created a new eDiscovery servicing site in a limited timeframe that was implemented on October 1, 2018, resulting in cost savings for the program and an improved customer service delivery.

CEC proposed a Session Initiated Protocol (SIP) solution to start physically routing VOIP across the USDA network, which allowed CEC to recognize a cost savings by reducing the dependency on the number of physical Public Switch Telephone Network (PSTN) connections at each Service Center Agency (SCA) location. CEC has completed a procurement for the first iteration of the centralized SIP deployment utilizing centrally managed SIP hubs in Kansas City and St. Louis, Missouri Data Centers. With the assistance of Verizon Business, CEC was able to determine that approximately 70 percent of the SCA offices could take advantage of full SIP functionality by placing all local and long-distance voice traffic onto the USDA network.

CEC has worked to expand wireless coverage throughout FPAC/RD offices across the U.S. The expanded solution provides USDA offices with more reliable and consistent wireless connections to the USDA network. It also allows USDA users the freedom to move from wired to wireless connections. Users can seamlessly move from their desk to a conference room and maintain network connectivity.

CEC continues to support customers by managing the demands of incidents, change requests, and access management requests. An incident is an unplanned interruption to or a reduction in quality of an IT service and includes service requests for information or advice. A change request is a common standard change or a request for the addition, modification, or removal of services. Access Management is the process of granting our customers' authorized users the right to use a service, while preventing access to non-authorized users.

## **Correspondence Management**

### ***Current Activities***

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

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

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

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

### ***Selected Examples of Recent Progress***

The implementation of process improvements throughout the year that resulted in reducing USDA's turnaround time for Secretarial correspondence from an average of 45 days to under 30 days in the first quarter of FY 2018. OES has maintained the under 30 days throughout FY 2018. In addition, OES reviewed, analyzed and developed specifications for and procured a new correspondence system that leverages USDA's investment in Microsoft Office products that will be ready for use at the beginning of FY 2019.

In FY 2018, OES processed 15,032 pieces of individual correspondence and other Secretarial documents, and 651,000 pieces of campaign correspondence addressed to the Secretary. Of the controlled correspondence, OES managed responses to 7,101 documents, including 4,023 signed directly by the Secretary or Deputy Secretary. In addition, OES received and processed approximately 151 pieces of signed Secretarial correspondence (i.e., mail, e-mails, couriered, fax, Congressional reports) pertaining to the Farm Bill. OES made additional progress in reducing its records backlog, resulting in the classification and final disposition of approximately 10,000 Secretarial records that were transferred in FY 2017.

As part of its direct service to USDA agencies, in FY 2018 OES received over one million pieces of correspondence and managed the clearance and signing agency-initiated correspondence and other documents, along with decision memoranda, Memorandums of Understanding for the Secretary's signature, legislative reports, and GAO reports. In addition, OES drafted correspondence responses (letters, Memorandums of Understanding, reports, USDA Secretarial Proclamations, electronic employee messages, congratulatory/condolence letters, certificates for retirement, etc.) and other special writing projects in support of the Office of the Secretary/Deputy Secretary. OES worked one-on-one with USDA Mission Areas/agencies to prepare 11 Federal Register dockets (on various USDA topics) signed by the Secretary and sent to the Federal Register Office.

Departmental Records Management activities resulted in clearing the backlog of overdue boxes for destruction at the Federal Records Center resulting in a cost avoidance to USDA over \$75,000. Department Records continues its work with agencies and mission areas to identify records due for disposal and assisting them in cost avoidance strategies for USDA.

Due to a moratorium on the creation of departmental directives, the staff now has a backlog of 60 directives in FY 2018. Staff's goals for FY 2019 include a reduction of the backlog by thirty percent in FY 2019.

Compliance with the Plain Language Act in FY 2018 resulted in USDA receiving an 'A' average on the Plain Writing report card. USDA was one of three departments in the Federal Government that received an 'A'.