

## 2026 USDA EXPLANATORY NOTES - RURAL DEVELOPMENT SALARIES AND EXPENSES

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**PREFACE**

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

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

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

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

**AGENCY-WIDE****AVAILABLE FUNDS AND FTEs****Table RD-1. Available Funds and FTEs (thousands of dollars, FTEs)**

Item	2023 Actual	FTEs	2024 Actual	FTEs	2025 Estimated	FTEs	2026 Estimated	FTEs
Salaries and Expenses:								
Discretionary Appropriations.....	\$351,157	1,682	\$351,087	1,442	\$351,087	1,300	\$265,008	1,128
Mandatory Appropriations .....	2,829	3	2,829	-	-	-	-	-
Offsetting Collections .....	494,061	2,932	490,948	2,969	495,935	3,330	481,524	2,034
Total Discretionary Appropriations.....	351,157	1,682	351,087	1,442	351,087	1,300	265,008	1,128
Total Mandatory Appropriations .....	2,829	3	2,829	0	0	0	0	0
Total Supplemental Appropriations .....	-	-	-	-	-	-	-	-
Total Offsetting Collections .....	494,061	2,932	490,948	2,969	495,935	3,330	481,524	2,034
Total Adjusted Appropriation .....	848,047	4,617	844,864	4,411	847,022	4,630	746,532	3,162
Balance Available, SOY.....	68,125	-	86,646	-	56,282	-	20,068	-
Balances Interchanges .....	25,517	-	6,000	-	-	-	-	-
Rescinded Balances .....	-5,763	-	-	-	-	-	-	-
Recoveries, Other.....	-	-	1,193	-	-	-	-412	-
Total Available .....	935,926	4,617	938,703	4,411	903,304	4,630	766,188	3,162
Lapsing Balances.....	-711	-	-1,006	-	-	-	-	-
Balance Available, EOY.....	-86,646	-	-56,282	-	-20,068	-	-16,606	-
Other USDA:								
Agricultural Marketing Service.....	0	-	100	-	100	-	100	-
Client Experience Center .....	-	-	14	-	14	-	14	-
Commodity Credit Corporation .....	408	-	-	-	-	-	-	-
Farm Service Agency.....	3,665	-	3,281	-	3,281	-	3,281	-
FEMA Disaster Finance Center.....	521	-	93	-	93	-	93	-
Forest Service.....	-	-	8	-	8	-	8	-
FPAC BC .....	5,882	-	6,494	-	6,494	-	6,494	-
Homeland Security Office.....	-	-	0	-	0	-	0	-
National Institute of Foods .....	-	-	64	-	64	-	64	-
Natural Resources Conservation .....	-	-	1,162	-	1,162	-	1,162	-
Office of Budget & Program Analysis ....	750	-	-	-	-	-	-	-
Office of Chief Financial Officer.....	8,848	-	16,366	-	16,366	-	16,366	-
Office of Chief Information Officer .....	-	-	2	-	2	-	2	-
Office of Executive Secretariat .....	70	-	-	-	-	-	-	-
Office of Policy Planning Engagement ...	-	-	4	-	4	-	4	-
Office of Secretary .....	265	-	1,441	-	1,441	-	1,441	-
USDA Departmental Administration.....	7	-	166	-	166	-	166	-

2026 USDA EXPLANATORY NOTES - RURAL DEVELOPMENT SALARIES AND EXPENSES

Item	2023 Actual	FTEs	2024 Actual	FTEs	2025 Estimated	FTEs	2026 Estimated	FTEs
Salaries and Expenses:								
Total, Other USDA.....	20,417	-	29,193	-	29,193	-	29,193	-
Total, Agriculture Available .....	956,343	4,617	967,896	4,411	932,497	4,630	795,381	3,162
Other Federal Funds:								
Dept. of Health and Human Services....	-	-	50	-	50	-	50	-
Executive Office of the President .....	-	-	500	-	500	-	500	-
Board of Governors of the Federal Reserve.....	-	-	20	-	20	-	20	-
Customs and Border Protection .....	1,133	-	446	-	446	-	446	-
Dept. of the Navy .....	2	-	-	-	-	-	-	-
Total, Other Federal .....	1,135	-	1,016	-	1,016	-	1,016	-
Total Available, RD .....	957,478	4,617	968,912	4,411	933,513	4,630	796,397	3,162

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

**PERMANENT POSITIONS BY GRADE AND FTEs**

**Table RD-2. Permanent Positions by Grade and FTEs**

Item	2023 Actual			2024 Estimated			2025 Estimated			2026 Estimated		
	HQ	Field	Total	HQ	Field	Total	HQ	Field	Total	HQ	Field	Total
SES .....	14	8	22	16	9	25	12	9	21	8	5	13
SL .....	1	1	2	-	2	2	-	2	2	-	2	2
GS-15 .....	15	78	93	20	74	94	22	77	99	16	43	59
GS-14 .....	25	243	268	19	272	291	16	280	296	11	182	193
GS-13 .....	72	933	1,005	52	980	1,032	47	971	1,018	34	705	739
GS-12 .....	131	290	1,303	161	393	1,409	191	379	1,398	111	1,009	1,020
GS-11 .....	4	552	556	3	566	569	3	555	558	2	373	375
GS-10 .....	1	-	1	1	-	1	-	-	-	-	-	-
GS-9 .....	10	558	568	8	595	603	9	632	641	6	401	407
GS-8 .....	3	14	17	3	15	18	1	13	14	1	9	10
GS-7 .....	14	471	485	10	449	459	9	484	493	8	252	260
GS-6 .....	7	67	74	7	48	55	7	53	60	6	27	33
GS-5 .....	1	48	49	1	79	80	1	99	100	-	45	45
GS-4 .....	-	7	7	-	9	9	-	14	14	-	6	6
GS-3 .....	-	-	-	-	1	1	-	-	-	-	-	-
GS-2 .....	-	-	-	-	-	-	-	-	-	-	-	-
GS-1 .....	-	-	-	-	-	-	-	-	-	-	-	-
Other Graded .....	-	-	-	-	-	-	-	-	-	-	-	-
Ungraded .....	-	-	-	-	-	-	-	-	-	-	-	-
Total Permanent...	180	4,270	4,450	156	4,492	4,648	146	4,568	4,714	103	3,059	3,162
Unfilled, EOY .....	-	-	-	-	-	-	-	-	-	-	-	-
Total Perm. FT EOY	180	4,270	4,450	156	4,492	4,648	146	4,568	4,714	103	3,059	3,162
FTE .....	187	4,430	4,617	150	4,306	4,456	148	4,566	4,714	100	3,101	3,201

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

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

**VEHICLE FLEET****Motor Vehicle Fleet**

The passenger motor vehicles of Rural Development (RD) are used almost exclusively by RD State and field office staff to provide program delivery to essential facilities, such as services for water and sewer systems, housing, emergency service facilities, and electric and telephone services. In the course of their daily work, these personnel often need to travel to rural communities, individual farms, commercial firms, and State offices that are only accessible by vehicle. Number of vehicles by type include vehicles owned by the agency and leased from commercial sources or GSA. Annual Operating Costs exclude acquisition costs and gains from sale of vehicles as shown in FAST.

**Replacement Criteria**

RD replaces vehicles in accordance with Title 41, CFR §102-34.270, Table of Minimum Replacement Standards. RD replaces and disposes of vehicles using data on utilization, age, condition, and funding availability. The average age of RD's vehicle fleet is five years. Vehicle replacements will be determined and approved on a case-by-case basis for 2026 by the Enterprise Operations Division Director and the Fleet Manager.

**Reductions to Fleet**

Reductions to Fleet RD ended in 2023, with 589 vehicles (leased and owned), which is a reduction of 12 vehicles from 2022. The projected number of vehicles for 2025 will remain at the optimal fleet size. RD current fleet inventory is 564 vehicles, which is a reduction of 25 vehicles from 2023 levels. Fleet additions are determined and approved on a case-by-case basis by the Deputy Chief Operating Officer and Chief Enterprise Officer of the Enterprise Office. For 2026, RD is expecting to maintain its current level of vehicles with for vehicles meeting minimum replacement standards.

**Table RD-3. Size, Composition, and Annual Costs of Motor Vehicle Fleet**

Item	Sedans and Station Wagons	Vans	SUVs	Light Trucks 4X2	Light Trucks 4X4	Medium Duty Vehicles	Buses	Heavy Duty Vehicles	Total Vehicles	Annual Operating Costs
<b>2018 End of Year Operating Inventory</b>	<b>526</b>	<b>53</b>	<b>200</b>		<b>4</b>	<b>2</b>	-	-	<b>785</b>	<b>\$3,200,000</b>
<b>2023 End of Year Operating Inventory</b>	<b>333</b>	<b>36</b>	<b>191</b>		<b>18</b>	<b>11</b>	-	-	<b>589</b>	<b>3,319,683</b>
2024 Actual Acquisitions .....	16	2	59		7	7	-	-	91	
2024 Actual Disposals .....	67	6	22		-	-	-	-	95	
<b>2024 End of Year Operating Inventory</b>	<b>282</b>	<b>32</b>	<b>228</b>		<b>25</b>	<b>18</b>	-	-	<b>585</b>	<b>3,406,330</b>
2025 Planned Acquisitions.....	29	-	17		-	-	-	-	46	
2025 Planned Disposals .....	50	-	17		-	-	-	-	67	
<b>2025 End of Year Operating Inventory</b>	<b>261</b>	<b>32</b>	<b>228</b>		<b>25</b>	<b>18</b>	-	-	<b>564</b>	<b>4,151,822</b>
2026 Planned Acquisitions.....	10	2	28		2	2	-	-	44	
2026 Planned Disposals .....	16	-	28		-	-	-	-	44	
<b>2026 End of Year Operating Inventory</b>	<b>192</b>	<b>32</b>	<b>282</b>		<b>38</b>	<b>20</b>	-	-	<b>564</b>	<b>4,987,270</b>

**Table RD-4. Statement of Proposed Acquisition of Passenger Motor Vehicles**

Fiscal Year	Net Active Fleet, SOY	Disposals	Replacements	Additions	Total Acquisitions	Net Active Fleet, EOY
2023	601	92		80	80	589
2024	589	95		91	91	585
2025	585	67		46	46	564
2026	564	44		44	44	564

**SHARED FUNDING PROJECTS****Table RD-5. Shared Funding Projects (thousands of dollars)**

Item	2023 Actual	2024 Actual	2025 Estimated	2026 Estimated
<b>Working Capital Fund:</b>				
Administrative Services:				
AskUSDA.....	\$1,023	\$1,552	\$1,471	\$1,471
General Council Legal Compliance.....	-	-	80	991
Material Management Service .....	142	156	95	97
Mail and Reproduction Services .....	865	723	802	800
Integrated Procurement Systems.....	173	184	152	152
Procurement Operations Services .....	32	19	25	29
Human Resources Enterprise Management Systems.....	84	421	718	627
Subtotal .....	2,319	3,055	3,343	4,167
Communications:				
Creative Media & Broadcast Center .....	632	659	659	683
Finance and Management:				
National Finance Center .....	1,369	1,453	1,369	1,395
Financial share services .....	2,898	3,133	3,359	3,368
Internal Control Support Services .....	290	300	361	361
Personnel and Document Security Program .....	221	254	284	284
Subtotal .....	4,778	5,140	5,373	5,408
Information Technology:				
Client Experience Center .....	29,220	27,115	25,737	27,673
Department Administration Information Technology Office..	1,865	1,667	361	377
Enterprise Cybersecurity Service .....	1,396	2,971	3,183	3,183
Enterprise Data and Analytics Service.....	1,215	1,439	1,448	1,478
Digital Infrastructure Services Center .....	39,545	41,578	40,898	40,657
Enterprise Network Services .....	2,115	3,148	5,325	4,948
Subtotal .....	75,356	77,918	76,952	78,316
Correspondence Management Services:				
Office of the Executive Secretariat .....	318	333	370	531
Total, Working Capital Fund .....	83,403	87,105	86,697	89,105
<b>Department-Wide Shared Cost Programs:</b>				
Agency Partnership Outreach .....	334	326	346	346
Diversity, Equity, Inclusion and Accessibility .....	91	116	26	-
Employee Experience.....	156	165	129	129
Intertribal Technical Assistance Network .....	162	159	-	-
Medical Services .....	148	95	71	71
National Capital Region Interpreting Services.....	47	38	24	24
Office of Customer Experience.....	146	133	139	139
Physical Security.....	206	209	267	267
Security Detail.....	228	237	366	366
Security Operations Program .....	316	331	341	341
Talent Group.....	164	147	153	153
TARGET Center.....	75	72	73	73
Total, Department-Wide Reimbursable Programs .....	2,073	2,028	1,935	1,909
<b>E-Gov:</b>				
Budget Formulation and Execution Line of Business .....	10	11	11	11
Disaster Assistance Improvement Plan.....	27	27	27	27
E-Rulemaking.....	149	104	139	126
Financial Management Line of Business.....	4	4	4	4
Geospatial Line of Business.....	38	38	38	38
Benefits.gov.....	66	45	-	-
Grants.gov .....	60	66	79	97
Human Resources Line of Business.....	13	13	13	13
Integrated Acquisition Environment.....	1,301	1,118	1,089	1,112
Total, E-Gov .....	1,668	1,426	1,400	1,428
Agency Total.....	87,144	90,559	90,032	92,442

*In alignment with the current Administration's priorities, the 2025 amounts reflect expenses incurred prior to January 20, 2025.*

**ADVERTISING EXPENDITURES****Table RD-6 Advertising Expenditures (thousands of dollars)**

<b>Item</b>	<b>2024 Actual Number of Contracts</b>	<b>2024 Actual Dollars Obligated</b>	<b>2025 Est. Number of Contracts</b>	<b>2025 Est. Dollars Obligated</b>	<b>2026 Est. Number of Contracts</b>	<b>2026 Est. Dollars Obligated</b>
Total Contracts for Advertising Services .....	1	\$20	-	-	-	-
Contracts for Advertising Services to Socially and Economically Disadvantaged Small Businesses .....	1	20	-	-	-	-
Contracts for Advertising Services to Women-Owned and Minority-Owned Small Businesses.....	1	20	-	-	-	-



**ACCOUNT 1: SALARIES AND EXPENSES****APPROPRIATIONS LANGUAGE**

The appropriations language follows (new language underscored):

**Salaries and Expenses (Including Transfers of Funds)**

For necessary expenses for carrying out the administration and implementation of Rural Development programs, including activities with institutions concerning the development and operation of agricultural cooperatives; and for cooperative agreements; \$265,008,000: *Provided*, That of the amount made available under this heading, no less than \$75,000,000, to remain available until expended, shall be used for information technology expenses: *Provided further*, That notwithstanding any other provision of law, funds appropriated under this heading may be used for advertising and promotional activities that support Rural Development programs: *Provided further*, That in addition to any other funds appropriated for purposes authorized by section 502(i) of the Housing Act of 1949 (42 U.S.C. 1472(i)), any amounts collected under such section, as amended by this Act, will immediately be credited to this account and will remain available until expended for such purposes.

**LEAD-OFF TABULAR STATEMENT*****Table RD-7. Lead-Off Tabular Statement (In dollars)***

<b>Item</b>	<b>Amount</b>
Enacted, 2025 .....	\$351,087,000
Change in Appropriation .....	-86,079,000
Budget Estimate, 2026.....	<u>265,008,000</u>

Item	2023		2024		2025		2026		Inc. or Dec.	FTE Inc. or Dec.	Chg Key
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs			
Discretionary Approp:											
Salaries and Expenses (Direct Appropriation).....	\$211,087	1,682	\$274,587	1,442	\$274,587	1,300	\$190,008	1,128	-\$84,579	-172	(1)
IT Cost .....	135,000	-	75,000	-	75,000	-	75,000	-	-	-	-
Rural Partners Network (RPN) .....	5,000	-	1,500	-	1,500	-	-	-	-1,500	-	(1)
Interchange.....	70	-	-	-	-	-	-	-	-	-	-
Subtotal .....	351,157	1,682	351,087	1,442	351,087	1,300	265,008	1,128	-86,079	-172	
Mandatory Approp:											
Biobased Market Program (Farm Bill) .....	2,829	3	2,829	-	-	-	-	-	-	-	-
Subtotal .....	2,829	3	2,829	-	-	-	-	-	-	-	-
Offsetting Collections:											
Salaries and Expenses (RHIF, IRP, RET) .....	449,992	2,885	449,992	2,885	449,992	3,330	445,524	2,034	-4,468	-1,296	(1)
Local Agriculture Marketing Program (LAMP) .....	-	-	-	2	-	-	-	-	-	-	-
Broadband Reconnect Admin. Cost .....	9,357	-	6,786	12	1,361	-	-	-	-1,361	-	-
Broadband RED and Regular Reconnect TA.....	6,652	47	8,963	57	9,435	-	8,000	-	-1,435	-	-
BIL Broadband TA .....	550	-	17,575	13	26,212	-	20,000	-	-6,212	-	-
BIL Broadband Admin.....	8,030	-	-	-	-	-	-	-	-	-	-
IT carryover .....	4,638	-	-	-	-	-	-	-	-	-	-
Division N Technical Assistance .....	13,050	-	-	-	-	-	-	-	-	-	-
Other programs.....	1,792	-	7,632	-	8,935	-	8,000	-	-935	-	-
Subtotal .....	494,061	2,932	490,948	2,969	495,935	3,330	481,524	2,034	-14,411	-1,296	
Total Adjusted Approp .....	848,047	4,617	844,864	4,411	847,022	4,630	746,532	3,162	-100,490	-1,468	
Add back:											
Transfers In and Out, Rescissions.....	-497,131	-	-493,948	-	-495,935	-	-481,524	-	+14,411	-	-
Sequestration .....	171	-	171	-	-	-	-	-	-	-	-
Total Appropriation .....	351,087	4,617	351,087	4,411	351,087	4,630	265,008	3,162	-86,079	-1,468	
Transfers In:											
Appropriations Interchange .....	70	-	-	-	-	-	-	-	-	-	-
BioBased Market (FarmBill) .....	3,000	-	3,000	-	-	-	-	-	-	-	-
Broadband/Reconnect Admin .....	9,357	-	6,786	-	1,361	-	-	-	-1,361	-	-
Broadband/Reconnect TA .....	6,652	-	8,963	-	9,435	-	8,000	-	-1,435	-	-
BIL Broadband TA .....	550	-	17,575	-	26,212	-	20,000	-	-6,212	-	-
BIL Broadband Admin.....	8,030	-	-	-	-	-	-	-	-	-	-
Carryover for IT purposes .....	4,638	-	-	-	-	-	-	-	-	-	-
Division N Technical Assistance .....	13,050	-	-	-	-	-	-	-	-	-	-
Other Programs.....	1,792	-	7,632	-	8,935	-	8,000	-	-935	-	-
Rural Electrification and Telecommunications Loans .....	33,270	-	33,270	-	33,270	-	33,270	-	-	-	-
Rural Housing Insurance Program.....	412,254	-	412,254	-	412,254	-	412,254	-	-	-	-
Intermediate Relending Program .....	4,468	-	4,468	-	4,468	-	-	-	-4,468	-	-
Total Transfers In .....	497,131	-	493,948	-	495,935	-	481,524	-	-14,411	-	-
Transfers Out:											

## 2026 USDA EXPLANATORY NOTES - RURAL DEVELOPMENT SALARIES AND EXPENSES

Item	2023 Actual	FTEs	2024 Actual	FTEs	2025 Estimated	FTEs	2026 Estimated	FTEs	Inc. or Dec.	FTE Inc. or Dec.	Chg Key
Rural Economic Development Grants (12X3108) .....	-	-	-	-	-	-	-194	-	-194	-	-
Distance Learning, Telemedicine and Broadband (12X1232) ..	-	-	-	-	-	-	-218	-	-218	-	-
Total Transfers Out .....	-	-	-	-	-	-	-412	-	-412	-	-
Sequestration .....	-171	-	-171	-	-	-	-	-	-	-	-
Balances Interchange.....	25,517	-	6,000	-	-	-	-	-	-	-	-
Recoveries, Other .....	-	-	1,193	-	-	-	-	-	-	-	-
Rescinded Balances .....	-5,763	-	-	-	-	-	-	-	-	-	-
Bal. Available, SOY .....	68,125	-	86,646	-	56,282	-	20,068	-	-36,214	-	-
Total Available .....	935,926	4,617	938,703	4,411	903,304	4,630	766,188	3,162	-137,116	-1,468	-
Lapsing Balances.....	-711	-	-1,006	-	-	-	-	-	-	-	-
Bal. Available, EOY .....	-86,646	-	-56,282	-	-20,068	-	-16,606	-	+3,462	-	-

**Table RD-9. Project Statement on Basis of Obligations (thousands of dollars, FTEs)**

Item	2023 Actual	FTEs	2024 Actual	FTEs	2025 Estimated	FTEs	2026 Estimated	FTEs	Inc. or Dec.	FTE Inc. or Dec.
Discretionary Obligations:										
Salaries and Expenses (Direct Appropriation).....	\$210,644	1,682	\$248,399	1,442	\$243,270	1,300	\$265,008	1,128	+\$21,738	-172
IT Cost .....	108,632	-	114,697	-	106,317	-	-	-	-106,317	-
Rural Partners Network (RPN) .....	4,473	-	2,045	-	*	-	-	-	*	-
Goodfellow .....	1,888	-	84	-	-	-	-	-	-	-
Interchange.....	20,340	-	20,038	-	-	-	-	-	-	-
Subtotal Disc Obligations.....	345,977	1,682	385,263	1,442	349,587	1,300	265,008	1,128	-84,579	-172
Mandatory Obligations:										
Biobased Market Proqram (Farm Bill).....	2,566	3	2,590	-	-	-	-	-	-	-
Subtotal Mand Obligations .....	2,566	3	2,590	-	-	-	-	-	-	-
Offsetting Collections:										
Salaries and Expenses (RHIF, IRP, RET) .....	449,992	2,885	449,992	2,885	449,992	3,330	445,524	2,034	-4,468	-1,296
Local Agriculture Marketing Program (LAMP) .....	753	-	1,040	2	1,773	-	991	-	-782	-
American Rescue Plan - LAMP COVID .....	380	-	4	-	-	-	-	-	-	-
America Rescue Plan .....	18,378	-	-	-	-	-	-	-	-	-
Interchange.....	-	-	-	-	5,314	-	-	-	-5,314	-
Broadband Reconnect Admin. Cost .....	9,355	-	6,750	12	1,144	-	-	-	-1,144	-
Broadband Reconnect TA .....	3,403	-	-	-	8,895	-	8,000	-	-895	-
RED Broadband Reconnect TA.....	3,247	47	8,896	57	346	-	-	-	-346	-
BIL Broadband TA .....	550	-	17,575	13	26,212	-	20,000	-	-6,212	-
BIL Broadband Admin.....	8,030	-	-	-	-	-	-	-	-	-
IT expenses.....	4,638	-	-	-	18,945	-	-	-	-18,945	-
Division N Technical Assistance .....	443	-	2,237	-	2,104	-	1,172	-	-932	-
Reimbursables .....	-	-	-	-	14,859	-	8,000	-	-6,859	-
Other Programs.....	857	-	7,068	-	2,565	-	887	-	-1,678	-
Subtotal Offsetting Collections.....	500,026	2,932	493,562	2,969	532,149	3,330	484,574	2,034	-47,575	-1,296
Total Obligations .....	848,569	4,617	881,415	4,411	883,236	4,630	749,582	3,162	-132,154	-1,468

2026 USDA EXPLANATORY NOTES - RURAL DEVELOPMENT SALARIES AND EXPENSES

Item	2023 Actual	FTEs	2024 Actual	FTEs	2025 Estimated	FTEs	2026 Estimated	FTEs	Inc. or Dec.	FTE Inc. or Dec.
Add back:										
Lapsing Balances.....	711	-	1,006	-	-	-	-	-	-	-
Balances Available, EOY:										
IT Cost .....	26,368	-	18,942	-	-	-	-	-	-	-
Rural Partners Network (RPN).....	527	-	-	-	-	-	-	-	-	-
LAMP.....	3,806	-	2,764	-	991	-	-	-	-991	-
Goodfellow .....	6,055	-	-	-	-	-	-	-	-	-
Interchange.....	25,332	-	5,314	-	-	-	-	-	-	-
Division N Admin TA.....	12,607	-	10,370	-	8,265	-	7,093	-	-1,172	-
Reimbursables .....	-	-	7,855	-	-	-	-	-	-	-
Other programs.....	11,951	-	11,037	-	10,812	-	9,513	-	-1,299	-
Total Bal. Available, EOY.....	86,646	-	56,282	-	20,068	-	16,606	-	-3,462	-
Total Available .....	935,926	4,617	938,703	4,411	903,304	4,630	766,188	3,162	-137,116	-1,468
Less:										
Total Transfers In.....	-497,131	-	-493,948	-	-495,935	-	-481,524	-	+14,411	-
Sequestration .....	171	-	171	-	-	-	-	-	-	-
Balances Interchange.....	-25,517	-	-6,000	-	-	-	-	-	-	-
Recoveries, Other .....	-	-	-1,193	-	-	-	-	-	-	-
Rescinded Balances .....	5,763	-	-	-	-	-	-	-	-	-
Bal. Available, SOY .....	-68,125	-	-86,646	-	-56,282	-	-20,068	-	+36,214	-

\*Obligations cannot be determined at this time.

**JUSTIFICATION OF CHANGES****Salaries and Expenses**

When rural people thrive, America thrives. RD helps power people with modern infrastructure; and supports opportunities for people to build brighter futures in rural America. RD supports the people of rural America – whether they are moving to a new town, transitioning jobs, taking care of their homes, and loved ones, or experiencing other life events – because rural communities are a place everyone should feel comfortable calling home.

A key priority for RD is to fully fund Rental Assistance to ensure rural Americans continue to have access to safe, sanitary, and low-cost housing opportunities. RD will also continue its focus on key program areas such as Water and Waste Environmental programs, Electric and Telecommunication programs, and Community Facilities programs because these programs support building infrastructure in rural areas.

First, the 2026 Budget request reduces the staff levels from 4,630 to 3,162 in 2026. This budget supports the implementation on the following Executive Orders: “Restoring Common Sense to Federal Office Space Management”, “Restoring Common Sense to Federal Procurement,” “Stopping Waste, Fraud, and Abuse by Eliminating Information Silos.” It supports the Presidential Action “implementing The President’s “Department of Government Efficiency: Workforce Optimization Initiative.” At this level RD will continue supporting the origination and servicing of the requested loans and grants.

Second, in the 2026 Budget RD will continue efforts to modernize its automated loan and accounting systems. A modernized RD will process loans and grants for rural America faster, grow modern infrastructure, promote a healthy environment and affordable housing, and create equitable access to quality healthcare, jobs, and capital, but modernization requires that RD continue to invest in IT development, modernization, and enhancement efforts. RD programs may not have the technical capabilities needed to deliver appropriate products and services to their customers if IT systems do not align with business needs. This could lead to declining customer experience and overall diminished capacity to deliver its mission. RD has IT modernization projects that would move the agency to a more bank-like environment.

These IT projects would allow applicants to apply for services online, eliminating the paper application process, and would allow borrowers to access their loan information directly, and could streamline funding requests and reduce manual processes. This effort will be driven by the funding available in the NEF.

RD will accomplish its mission by focusing efforts on:

- Loan Origination and Underwriting: The budget request includes critical staff that can originate loans and ensure the proper underwriting of program funds for guaranteed programs.
- Servicing: An essential function of RD is to service the loans and grants that it obligates. After a borrower receives the loans and grants, servicing begins. Servicing actions for direct loans include managing payments and escrow accounts, processing foreclosures, and overall evaluation of portfolio performance. Staff service loans and grants by monitoring lending activity for guaranteed loans to ensure that borrowers follow regulations and by auditing lending records to ensure fair practices to rural borrowers. As of the end of 2024, RD’s portfolio was almost \$235 billion, with more than 1.1 million guaranteed and direct loans. Because RD’s portfolio increases by five percent each year, by 2026, the portfolio is estimated to be more than \$270 billion in outstanding debt, excluding IRA funding.
- Risk Management and Mitigation: RD’s Risk Office provides a formal framework that allows RD’s Senior Leadership to assess mission area risks that may negatively affect RD across its functional areas. These mission area risk assessments are data

driven and help inform RD's budget process, internal control assessments, strategic planning, IT investments, and other key decision-making processes.

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

- (1) A decrease of \$90,547,000 in salaries and expenses and a decrease of 1,468 FTEs (\$351,087,000 and 4,630 FTEs in 2025).

RD's 2026 Budget request reflects a realignment of its core operations and program delivery mechanisms to ensure that RD funding is delivered in the most cost-effective way to rural communities, with a focus on achieving greater efficiency and eliminating potentially duplicative spending while supporting investments in infrastructure. Included in this request are \$42 million in one-time expenses that will be needed to relocate the staff in RD to commensurate with organizational realignments. The budget represents approximately an 11 percent reduction from the full year continuing resolution level in 2025.

To implement this reduction RD will critically and comprehensively examine the size and scope of existing operations to ensure the agency's commitment to serving rural America is balanced against efficiencies that will streamline services provided. RD will cut operational costs wherever possible, including staff, the field office structure and program delivery mechanisms. Some RD loan and grant origination activities will be terminated. This operational shift will substantially drive down staffing requirements in the associated programs.

RD has an outstanding loan portfolio that exceeds \$235 billion and has over 1.1 million outstanding loans and loan guarantees, making it one of the largest "banks" in the country. The RD Mission Area priority is to maintain the portfolio quality and protect the American public's interests in the loans outstanding. Meeting that responsibility requires constant vigilance in servicing and overseeing those loans.

The funding changes requested are as follows:

- a) A decrease of \$170,835,000 for pay and benefit costs related to reducing by 1,468 FTEs.

In pursuit of streamlining workforce efforts, facilities, and other government efficiencies, the Rural Development mission area has reduced staff from 4,630 to 3,162 and will continue to support the Return to Office posture. The agency will be able to meet the core functions of the organization which are origination, servicing of the portfolio and support activities related to the fiduciary responsibility and stewardship of government funding. The agency will continue focusing on gaining efficiencies so that we can continue servicing rural communities and providing the funding requested in the budget. Consolidation of functions will be essential so that duplication can be eliminated to the extent possible. Also, the agency will relocate its workforce closer to its constituents for a better customer service. The budget will support 3,162 FTEs salaries and benefits without pay cost increase.

- b) A decrease of \$1,500,000 for pay Rural Partner's Network (\$1,500,000 available in 2025).

This program is not requested in the budget because it is duplicative of Rural Developments normal outreach activities.

- c) An increase of \$31,422,164 for transportation of persons and things.

As part of the efficiencies the Mission area is expecting to gain, RD is increasing cost for transportation in anticipation of relocating offices across the country to locate functions closer to the rural communities we served. With two Headquarters, one in the District of Columbia and one in St. Louis, MO, up to 447 field offices and 47 state offices, the agency will need this increase to improve program delivering and increase efficiencies.

- d) An increase of \$10,722,680 for GSA/non-GSA tenant improvements.

The 2026 Budget includes an increase to accommodate the relocation of offices across the country to serve rural communities better. Closing and relocating offices will incur a cost to ensure the facilities are in order to support the Federal force. Some of the costs incurred will be:

- Closing an office will require restoring the space to rentable conditions, painting, eliminating office cubicles, furniture, and cleaning are the most common.
- Consolidating functions will require securing new space that accommodates the workforce and adjusting the space to the needs of the Federal government (IT connectivity, cabling, furniture, equipment).

e) An increase of \$35,264,409 for IT improvement.

The 2026 Budget includes an increase in IT to support the final implementation of the RD General Ledger system into the USDA Department-wide accounting system, Financial Management Modernization Initiative (FMMI). Transferring to the FMMI platform will interface RD general ledger and accounting data with all USDA agency data allowing for streamlined reporting and staffing support. IT improvements will enhance RD capacity for providing funding and fulfilling Congressional reporting requirements faster. RD has aging IT systems that need to be transferred to a new platform that can be served with a modern system. This unifies the accounting and reporting of RD processes with the USDA system providing more transparency for management decisions.

f) An increase of \$4,377,746 for general support contracts.

The budget will continue to support “must pay” contracts essential for program delivery. Many of the functions that RD must accomplish are performed by contractors because of staffing limitations and because of the specialized skills needed for some activities, including Credit Reform modeling.

The following contracts increases are considered in this request:

- In 2026 RD will need to support a \$1 million contract that will help the agencies to fully implement Build America, Buy America Act (BABAA), a must have for the administration and Congress. BABAA was enacted as part of the Infrastructure Investment and Jobs Act (P.L. 117-58) on November 15, 2021, and became effective on May 14, 2022. The BABAA requirements are very broad and could affect many USDA programs and recipients. USDA’s goal is to meet the requirements of BABAA without significant harm to USDA program delivery, relationships with constituents, and deployment of critical infrastructure and service in USDA service areas. In specific situations, the USDA may waive the requirement for use of BABAA. The legislation allows for a waiver of the BABAA requirements under certain circumstances.

USDA requires assistance in gathering data to help inform and coordinate a Department directive as well as individual Agency decision-making on the implementation of the BABAA requirements, at the program, project, or product levels. Specifically, contract support is needed to perform market research on product availability, analyze requests for waivers, assist with informational site visits, and as a result prepare a process evaluation and workforce plan for USDA to for several awards. RD has been the main agency using these contract services and the Department requested RD to cover contract costs. If contract funding is unavailable, RD awarding will slow down significantly as staffing levels cannot absorb the extra steps to support the vast number of applicants.

- Multi-family Housing inspection (\$900,000). This contract inspects Section 515 units to ensure the project owners comply with regulations and maintain their

properties safe, sanitary and hazard free. This contract is essential as some of these buildings are above 30 years old and require maintenance to continue being feasible for housing rural residents.

- Environmental reviews National Environmental Policy Act (NEPA) (\$1,424,000) is a critical framework that ensures environmental factors are considered in federal decision-making processes. Under NEPA, we are required to assess the environmental effects of their proposed actions prior to making decisions. This involves a thorough review to determine if a project will significantly impact on the environment, and it includes procedures such as Environmental Impact Statements (EIS) and Environmental Assessments (EA). RD is prioritizing improvements and streamlining program-wide environmental review processes. These efforts are pivotal in streamlining National Environmental Policy Act (NEPA) requirements, specifically addressing Categorical Exclusions (CEs), and implementing efficient management tools like the Centralized Environmental Review Tracker (CERT), thereby ensuring expedited project approvals while upholding environmental stewardship. Current review processes are cumbersome and lengthy, causing the awarding to be delayed. With a robust contract that supports this effort, RD can improve its award processes and increase its capacity for finalizing the project; these enhancements will expedite project approvals, ensuring timely delivery of RD's programs and maximizing their benefits to rural communities. The proposed budget increase for Environmental Review training and support is justified by the significant improvements in efficiency, accuracy, and compliance it will bring. These enhancements will expedite project approvals, ensuring timely delivery of RD's programs and maximizing their benefits to rural communities.
- Servicing Office (SO) (\$700,000) contracts that support the continuations of a customer service contract to augment the services provided by the Federal employees servicing the Single-Family Housing loans, responsible for collecting payments, and large communication center to contact borrowers on several servicing issues, such as late payments.
- Innovation Center (IO) (\$454,000) these contracts support the continuations of a customer service contract to augment the services provided by the Federal employees servicing the Single-Family Housing loans, responsible for collecting payments and large communication center to contact borrowers on several servicing issues, such as late payments.

The Innovation Center continues to be the flagship of information analytics at USDA.

The center brings together a group of selected functions that are critical to creating an environment in which rural communities can prosper, functions include:

- Policy and trend analysis
- Data analysis and program outcomes measurements
- Strategic planning
- Capacity building at the community level
- Partnership development: interagency, interdepartmental, intergovernmental

These activities will drive synergy across the three business lines within the RD mission area; utility infrastructure development, housing and community facilities, and business and cooperative programs, so as to ensure communities are well-equipped with a set of tools to address challenges and seize new opportunities in rural America. The budget includes additional in its support.

Data Analytics and Evaluations for cloud-based server for advanced data and geospatial enablement; a cooperative agreement research partnership to support Evidence and Evaluation priorities; underwriting and servicing platform with enhanced credit risk assessment capabilities for RD commercial portfolio; and data sharing platform to facilitate



data exchange sure support research collaboration. The increase also supports Customer Experience by expanding listening session, increasing capacity building to capitalize on the gains accomplished in 2024 and 2025 and establishing a CX innovation Challenge program. The funding will support evaluation of what interventions and approaches are best suited to engage, empower, and train USDA employees to uphold customer-centric mindsets and reinforce behaviors that contribute towards positive customer and employee experiences.

- Customer Experience (\$600,000) Rural Development received High Impact Service Provider (HISP) status in 2022. The HISP status is given by OMB and is a key focus area of the President's Management Agenda. HISPs are identified due to the scale and impact of their public-facing services. In order for RD to implement its HISP action plan RD needs to be able to integrate opportunities for customer feedback through RD website, program applications and direct surveys. CX work needs to be supported by robust survey platform (Medallia) and content/data management system (EDAPT).

Within the budget funding RD will continue to support Evidence and Evaluations.

- **Enable Open Data and Transparency:** Rural Data Gateway maintenance and expansion. Rural Development (RD) in February 2023 launched the Rural Data Gateway, a web site with embedded dashboards that makes more than a decade of Rural Development's recent investment history instantly accessible to the public online. The Rural Data Gateway utilizes the Department's Open Data Platform to integrate over 20 new integrated Rural Investment Dashboards and Tableau visualizations. The Gateway opens a new chapter in USDA communications and transparency with RD investment partners, program stakeholders, and the rural communities RD serves. Future expansion of the Gateway will include geospatial capabilities, findings from evaluations and other evidence building activities
- **Enable Data Skilled Workforce:** In order for RD continue to build its use of evidence and data driven management and program implementation, the mission area needs to continue the investment in workforce training focused on data skill capacity and the core competencies of data literacy. Visualization is RD's primary tool for disseminating data analysis and maximizing decision making from a transparent source. RD's primary tool for data visualization is Tableau. The Innovation Center within RD has developed a robust training curriculum for all levels of Tableau users. This enhances the capability of RD staff to both build visualizations to convey data insights and utilize the data insights in decision making and program implementation.

Workforce training development and delivery needs to be an area RD continues to invest in.

#### **GEOGRAPHIC BREAKDOWN OF OBLIGATIONS AND FTEs**

***Table RD-10. Geographic Breakdown of Obligations and FTEs for Discretionary (thousands of dollars, FTEs)***

State/Territory/Country	2023		2024		2025		2026	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
Alabama .....	6,618	80	10,093	79	14,487	85	11,485	56
Alaska .....	3,477	29	7,340	28	7,085	37	5,468	21
Arizona .....	4,884	53	7,095	50	9,106	52	7,143	33
Arkansas .....	6,847	67	8,080	64	12,286	73	9,365	46
California .....	11,897	112	16,272	108	20,709	118	16,866	79
Colorado .....	4,305	60	9,115	61	12,003	69	8,680	39
Connecticut .....	190	14	1,766	16	2,831	17	2,039	10
Delaware .....	3,795	37	5,401	35	7,268	42	5,273	24

State/Territory/Country	2023		2024		2025		2026	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
District of Columbia .....	443,699	180	284,735	170	101,094	147	109,076	110
Florida.....	7,302	121	16,695	120	22,767	132	18,612	90
Georgia .....	7,722	130	15,326	115	20,319	117	17,727	87
Hawaii.....	4,356	32	5,832	29	5,296	27	4,244	16
Idaho .....	4,107	47	5,851	43	8,360	49	5,713	26
Illinois.....	6,928	249	30,612	240	39,794	228	35,148	172
Indiana .....	7,222	72	8,643	67	12,018	70	10,134	50
Iowa .....	7,547	92	11,566	88	15,710	91	12,697	61
Kansas .....	4,066	55	7,312	53	9,580	55	7,213	33
Kentucky .....	7,644	96	10,956	94	16,105	95	14,252	73
Louisiana .....	5,902	75	9,830	75	13,861	81	12,276	62
Maine.....	4,455	49	6,440	48	9,211	54	6,929	33
Maryland .....	202	174	28,963	171	31,711	173	27,591	124
Massachusetts .....	4,617	45	6,467	43	8,384	48	6,937	33
Michigan.....	9,378	109	13,920	102	18,557	107	16,098	79
Minnesota.....	6,666	80	9,766	75	13,288	77	10,501	50
Mississippi .....	8,279	89	10,866	85	17,055	102	12,176	59
Missouri.....	123,339	653	89,801	598	110,363	623	91,473	425
Montana .....	4,675	48	6,259	46	8,190	47	6,577	31
Nebraska .....	4,215	44	5,113	39	7,608	45	6,422	33
Nevada.....	2,984	33	4,784	34	6,826	40	4,926	23
New Hampshire .....	265	15	2,363	17	3,405	20	2,526	12
New Jersey .....	3,035	37	5,444	37	6,723	38	5,872	28
New Mexico.....	3,835	44	7,560	48	9,368	53	8,610	42
New York.....	6,973	81	10,144	85	16,029	96	13,695	71
North Carolina .....	10,071	130	16,357	122	22,260	129	20,403	103
North Dakota.....	4,026	35	4,193	31	5,141	29	3,855	17
Ohio .....	6,511	84	10,038	81	14,333	84	11,028	53
Oklahoma .....	5,263	63	8,176	59	11,755	69	8,519	40
Oregon.....	4,755	51	7,220	52	9,417	54	7,622	36
Pennsylvania .....	8,342	95	12,781	93	17,839	104	15,580	78
Puerto Rico .....	5,390	55	6,503	57	9,783	58	10,020	54
Rhode Island .....	47	4	490	5	1,381	9	891	5
South Carolina.....	6,413	83	10,012	78	14,604	86	10,873	52
South Dakota .....	3,859	54	6,900	51	9,888	58	7,956	39
Tennessee .....	8,499	111	13,975	109	19,267	112	17,139	86
Texas.....	12,479	199	26,775	204	35,582	205	30,093	146
Utah .....	3,106	34	4,530	35	6,481	38	4,989	24
Vermont .....	3,793	22	3,586	20	3,729	20	2,633	10
Virgin Islands .....	509	4	510	4	691	4	605	3
Virginia .....	7,306	202	32,396	199	36,234	199	28,127	120
Washington.....	5,733	69	9,251	66	11,483	65	8,870	40
West Virginia.....	5,284	60	7,696	60	11,211	66	8,655	42
Wisconsin .....	5,445	86	11,110	84	15,868	93	11,963	57
Wyoming .....	2,310	22	2,995	22	4,426	26	3,337	16
Western Pacific .....	1,042	12	1,588	14	2,088	12	1,688	8
Obligations .....	841,604	4,578	877,492	4,409	880,858	4,628	748,590	3,160
Lapsing Balances.....	448	-	632	-	-	-	-	-
Bal. Available, EOY .....	82,708	-	54,034	-	-	-	-	-
Total, Available .....	924,760	4,578	932,158	4,409	880,858	4,628	748,590	3,160

**Table RD-11. Geographic Breakdown of Obligations and FTEs for Mandatory (thousands of dollars, FTEs)**

State/Territory/Country	2023		2024		2025		2026	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
California .....	-	-	178	1	193	1	193	1

District of Columbia .....	6,967	3	3,555	-	1,992	-	799	-
Hawaii.....	-	-	2	-	-	-	-	-
Illinois.....	-	-	1	-	-	-	-	-
Maine.....	-	-	1	-	-	-	-	-
Maryland .....	-	-	1	-	-	-	-	-
Mississippi .....	-	-	1	-	-	-	-	-
New Mexico.....	-	-	2	-	-	-	-	-
Oregon.....	-	-	1	-	-	-	-	-
South Carolina.....	-	-	1	-	-	-	-	-
Wisconsin .....	-	-	179	1	193	1	-	-
Wyoming .....	-	-	1	-	-	-	-	-
Obligations.....	6,967	3	3,923	2	2,378	2	992	1
Lapsing Balances.....	263	-	371	-	-	-	-	-
Bal. Available, EOY .....	3,806	-	2,251	-	-	-	-	-
Total, Available .....	11,036	3	6,545	2	2,378	2	992	1

**CLASSIFICATION BY OBJECTS****Table RD-12. Classification by Objects Discretionary Funding (thousands of dollars)**

Item No.	Item	2023 Actual	2024 Actual	2025 Estimated	2026 Estimated
<b>Personnel Compensation:</b>					
	Washington D.C.....	\$21,669	\$22,781	\$14,161	\$10,313
	Personnel Compensation, Field .....	400,815	416,154	428,633	308,809
11	Total personnel compensation .....	422,484	438,935	442,794	319,122
12	Personal benefits .....	170,508	172,054	197,681	143,090
13.0	Benefits for former personnel .....	174	84		
	Total, personnel comp. and benefits .....	593,166	611,072	640,476	462,212
<b>Other Objects:</b>					
21.0	Travel and transportation of persons .....	10,221	12,435	6,023	8,186
22.0	Transportation of things.....	177	488	210	28,141
23.1	Rental payments to GSA.....	16,186	16,633	17,731	17,731
23.2	Rental payments to others .....	15,293	14,908	17,090	17,090
	Communications, utilities, and misc.				
23.3	charges.....	3,571	1,607	5,676	4,142
24.0	Printing and reproduction.....	846	809	134	90
25	Other contractual services .....	-		19	2
25.1	Advisory and assistance services .....	52,086	80,124	54,148	46,742
25.2	Other services from non-Federal sources ..	45,417	48,903	38,680	47,661
	Other goods and services from Federal				
25.3	sources .....	8,559	7,946	75,575	75,749
25.4	Operation and maintenance of facilities ....	39	-	-	-
25.7	Operation and maintenance of equipment .	71,853	75,557	23,625	23,710
26.0	Supplies and materials .....	880	1,455	197	132
31.0	Equipment .....	4,777	3,818	85	91
32.0	Land and structures .....	2,155	1,485	840	11,563
33.0	Investments and loans .....	1	0	0	0
42.0	Insurance Claims and Indemnities .....	1,264	254	350	5,350
43.0	Interest and Dividends .....	2	-	-	-
44.0	Refunds.....	15,111	-	-	-
	Total, Other Objects .....	248,438	266,419	240,383	286,379
99.9	Total, new obligations .....	841,604	877,492	880,859	748,591
<b>DHS Building Security Payments</b>					
	(included in 25.3) .....	\$2,730	\$2,585	\$2,585	\$2,585
<b>Information Technology Investments:</b>					
Commercial Loan, Grant, and Guarantees (CLGG)					
Related Mission Area PPA #1					
11	Internal Labor .....	\$1,920	\$2,250	\$2,250	\$2,848
	External Labor (Contractors) .....	-	44,344	36,685	17,407
25.2	Outside Services (Consulting).....	13,864	-	-	-

2026 USDA EXPLANATORY NOTES - RURAL DEVELOPMENT SALARIES AND EXPENSES

Item No.	Item	2023 Actual	2024 Actual	2025 Estimated	2026 Estimated
	Related Mission Area PPA #2				
11	Internal Labor .....	443	-	-	-
25.2	Outside Services (Consulting).....	4,803	-	-	-
	Total Major Investment 1.....	21,030	46,594	38,935	20,255
	Residential Loan, Grant, and Guaranteed (RLGG)				
11	Internal Labor .....	1,252	-	-	-
	External Labor (Contractors) .....	-	17,648	7,075	3,975
25.2	Outside Services (Consulting).....	13,864	-	-	-
	Total Major Investment 2.....	15,116	17,648	7,075	3,975
	Enterprise Content Management (ECM)				
11	Internal Labor .....	501	-	-	-
	External Labor (Contractors) .....	-	1,087	1,087	1,087
25.2	Outside Services (Consulting).....	4,211	-	-	-
	Total Major Investment 3.....	4,712	1,087	1,087	1,087
	Mission Area Non-Major Investment Totals ..	8,320	15,743	12,933	8,648
	Mission Area Standard Investment Totals ....	12,659	28,202	23,603	25,314
25.3	Mission Area WCF Transfers .....	75,356	73,837	76,428	69,837
	Total Non-Major Investment.....	96,335	117,782	112,964	103,799
	Total IT Investments.....	137,193	183,111	160,061	129,116
	<b>Cybersecurity</b>				
	Identify .....	\$909	\$1,080	\$724	\$724
	Protect .....	4,008	7,566	5,074	5,074
	Respond .....	291	284	191	191
	Recover .....	647	625	419	419
	Total Cybersecurity .....	5,855	9,555	6,408	6,408
	<b>Position Data:</b>				
	Average Salary (dollars), ES Position.....	\$194,993	\$202,472	\$213,628	\$214,222
	Average Salary (dollars), GS Position .....	\$93,316	\$97,529	\$98,803	\$100,338
	Average Grade, GS Position .....	11.0	11.2	11.1	11.3

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

**Table RD-13. Classification by Objects Mandatory Funding (thousands of dollars)**

Item No.	Item	2023 Actual	2024 Actual	2025 Estimated	2026 Estimated
<b>Personnel Compensation:</b>					
	Washington D.C.....	\$1,638	\$457	\$265	\$132
11	Total personnel compensation.....	1,638	457	265	132
12	Personal benefits .....	433	144	120	60
	Total, personnel comp. and benefits .....	2,071	602	385	192
<b>Other Objects:</b>					
21.0	Travel and transportation of persons .....	104	27	2	2
22.0	Transportation of things.....	-	2	-	-
23.3	Communications, utilities, and misc. charges.....	14	-	499	316
25	Other contractual services.....	-	-	0	-
25.1	Advisory and assistance services .....	3,067	1,111	1,309	480
25.2	Other services from non-Federal sources .....	1,710	2,182	-	-
25.3	Other goods and services from Federal sources ....	-	-	183	-
	Total, Other Objects .....	4,896	3,321	1,993	799
99.9	Total, new obligations .....	6,967	3,923	2,378	991

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

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**ACCOUNT 2: RURAL DEVELOPMENT DISASTER ASSISTANCE FUND****PROJECT STATEMENTS****Table RD-14. Project Statement Disaster Assistance Fund Account (thousands of dollars)**

Item	2023 Actual	2024 Actual	2025 Estimated	2026 Estimated	Inc. or Dec.
Supplemental Approp:					
Disaster Assistance Fund -					
American Relief Act .....	-	-	\$362,000	-	-\$362,000
Total Adjusted Approp .....	-	-	362,000	-	-362,000
Add back:					
Transfers In and Out,					
Rescissions .....	-	-	500	-	-500
Total Appropriation .....	-	-	362,500	-	-362,500
Transfers Out:					
RD Salaries and Expense					
(12X0403) .....	-	-	-500	-	+500
Total Transfers Out .....	-	-	-500	-	+500
Balances Interchange .....	-	-\$7,000	-	-	-
Bal. Available, SOY .....	\$7,105	7,105	105	\$362,105	+362,000
Total Available .....	7,105	105	362,105	362,105	-
Bal. Available, EOY .....	-7,105	-105	-362,105	-362,105	-
Total Obligations .....	-	-	-	-	-

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**AGENCY-WIDE PERFORMANCE****Introduction**

USDA's Rural Development (RD) serves a leading role in facilitating rural prosperity and economic development by financing investments in rural utilities, housing, and business investments. Building and modernizing rural America's infrastructure is critical to create jobs and increase our country's productivity of vital goods and services. Additionally, communities that do not invest in critical infrastructure upgrades risk losing their ability to provide clean, safe, and reliable water; electric, broadband, health, other community services; and business growth. Continued investment will be required to close infrastructure gaps and connect rural residents and businesses to nationwide and global commerce. RD is comprised of three agencies: (1) Rural Business-Cooperative Service (RBCS) provides assistance for the development of business and industry, including small businesses, and renewable energy and energy improvement projects; (2) Rural Housing Service (RHS) provides assistance for home ownership, multi-family housing, and essential community facilities such sectors as healthcare, education, and public safety; and (3) Rural Utilities Service (RUS) provides financing to build or improve rural water and waste disposal, rural electric and telecommunications infrastructure (including broadband access).

RD's Innovation Center (IC) spearheads RD's efforts in Strategic Planning, Performance, Evidence and Evaluation. OBPA leads the Department in performance management including, evaluation, evidence, and chairs the Performance, Evaluation, Evidence, Risk Committee (PEER). The IC is a member of the PEER and works directly with OBPA, senior leadership, and actively engages with both internal and external stakeholders.

**Alignment to USDA Strategic Plan**

RD activities contribute to the success of USDA's overall mission to provide leadership on food, agriculture, natural resources, rural development, nutrition, and related issues using sound public policy, the best available science, and effective management, to the benefit of all Americans. USDA is currently developing the 2026-2030 Strategic Plan and will report alignment in the 2027 Explanatory Notes.

**SUMMARY OF PERFORMANCE**

USDA is currently developing the 2026-2030 Strategic Plan, including new KPIs. A more detailed report of the performance plan can be found at <https://www.usda.gov/our-agency/about-usda/performance>.