



2018

**SUMMARY OF PERFORMANCE AND
FINANCIAL INFORMATION**



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About USDA

President Abraham Lincoln founded the U.S. Department of Agriculture (USDA) in 1862 with the goal of providing effective leadership to the Nation on food, agriculture, natural resources, and related issues. Since 1862, the dedicated public servants at USDA help millions of Americans every day. As Americans, you are part of the USDA story that has had a tradition of excellence in public service for more than 150 years.

We would like you to learn more about USDA and the Agencies and Offices that touch every American, every day. More information about the Department, our history, and our leaders can be found at www.usda.gov.

USDA Program Performance

USDA PERFORMANCE AND RESULTS FOR FY 2018

The U.S. Department of Agriculture's (USDA) mission is to provide leadership on food, agriculture, natural resources, rural development, nutrition, and related issues based on sound public policy, the best available science, and efficient management.

For purposes of the Summary of Performance and Financial Information (SPFI), a performance summary is provided using the Department's key performance indicators as a mechanism to gauge progress in achieving its mission. In fiscal year (FY) 2018, USDA had 35 key performance measures.

The following tables and discussion provide a high-level description of the Department's key focus areas that are being tracked and managed through USDA's performance management process. The tables provide historical and FY 2018 results of key performance indicators.

Performance information and a detailed discussion of the Department's FY 2018 performance results, assessment methodologies, metrics, external reviews, and documentation of performance data will be presented in the FY 2018 USDA Annual Performance Report.

The report is planned to be released with the President's 2020 budget in February and will be available on the [USDA Performance Improvement and Accountability](#) Web site.

The data used by the Department to measure performance is collected using standardized methodology. This methodology has been vetted by Federally employed scientists and policymakers, and, ultimately, the leadership and Under Secretaries of each respective mission area. All attest to the completeness, reliability, and quality of the data.

STRATEGIC GOAL 1: ENSURE USDA PROGRAMS ARE DELIVERED EFFICIENTLY, EFFECTIVELY, WITH INTEGRITY, AND A FOCUS ON CUSTOMER SERVICE

The Department will modernize and consolidate information technology (IT) infrastructure and services, as well as strengthen management and oversight of procurement, property, and finances to ensure our resources are deployed as effectively and efficiently as possible. We will create a safe and modern space within which employees can work and feel empowered to find innovative solutions to serve our customers' needs and will promote accountability and professional development. USDA will leverage the strength and talent of our employees and reduce regulatory and administrative burdens to allow agencies to focus on our customers. Improved customer service and employee engagement will create a more effective and accessible USDA for all our stakeholders.

EXHIBIT 1: Strategic Goal 1 Performance Measures

Performance Measures	FY 2017 Baseline Data	FY 2018 Target	FY 2018 Results
Reduce the number of data centers across the Department	39	20	17
Maintain ranking of the Top 10 Best Places to Work in the Federal Government for large agencies by the Partnership for Public Service	7	Top 10	16 ¹
Reduce the Department's overall real property footprint through effective disposal and consolidation efforts (Million Square Feet)	31.9	31.6	32.4 ²
Reduce the Department's total number of light-duty fleet vehicles (Thousand)	29.4	28.8	27.7

¹ Although USDA did not meet its FY18 target, the Department will continue to include employee engagement in the performance plans for all members of the Senior Executive Service which require them to consider employee feedback, including from the employee survey, and respond to the results. Additionally, USDA has redefined and structured standardized timeframes around actions to deal with poor performers.

² USDA decreased its real property footprint by 0.6% in 2018. This is partly due to some projected real property disposals that did not occur in 2018. Also, USDA has not yet issued more stringent policy to enforce the USDA utilization standard for new office assignments.

STRATEGIC GOAL 2: MAXIMIZE THE ABILITY OF AMERICAN AGRICULTURAL PRODUCERS TO PROSPER BY FEEDING AND CLOTHING THE WORLD

A strong and prosperous agricultural sector is essential to the well-being of the U.S. economy. America's farmers and ranchers ensure a reliable food supply, support job growth, and promote economic development. To maintain a competitive agricultural sector, USDA will support farmers and ranchers' ability to start and maintain profitable businesses as well as offer financial support to producers affected by natural disasters. Furthermore, USDA's research agencies will continue to introduce high-performance plants, animals, and integrated management options that increase the efficiency of farming practices. Lastly, USDA will also provide tools to producers so they are well-positioned to secure a share of a growing market for agricultural products.

EXHIBIT 2: Strategic Goal 2 Performance Measures

Performance Measures	FY 2017 Baseline Data	FY 2018 Target	FY 2018 Result
The annual normalized value of risk protection provided to agricultural producers through the Federal Crop Insurance program (\$ Billion)	\$74.6	\$64.0	\$76.8
Average number of days to process direct loans (Farm Service Agency)	31	31	30
New markets established or expanded through technical assistance	100	104	104
Percent of high-risk plant pests for which early detection surveys are conducted	92%	93%	96%
Number of National Animal Health Laboratory Network participating labs able to electronically message animal disease testing results to USDA	31	35	43
Number of hours it takes to mobilize resources once it is determined that a Federal emergency response is needed to manage an agricultural outbreak	24	24	24

STRATEGIC GOAL 3: PROMOTE AMERICAN AGRICULTURAL PRODUCTS AND EXPORTS

Expanding international marketing opportunities for U.S. farmers and exporters is critical to business and income growth across rural America. It is essential for USDA to continue its efforts to promote American agricultural products and exports through promotional activities, development of international standards, removal of trade barriers by monitoring and enforcing existing trade agreements, and negotiation of new trade agreements that benefit the U.S. agricultural economy. USDA will also partner with developing countries to move them along the agricultural market continuum from developing economies to developed economies with promising demand potential. Ultimately, this work will build the foundations for future markets and create long-term international relationships that advance U.S. agriculture's exports.

EXHIBIT 3: Strategic Goal 3 Performance Measures

Performance Measures	FY 2017 Baseline Data	FY 2018 Target	FY 2018 Result
Value of agricultural exports resulting from participation in foreign food and agricultural trade shows (\$ Billion)	\$1.52 ³	\$1.70	\$2.04
Value of trade preserved through resolution of foreign market access issues such as U.S. export detention, restrictive Secure Payment System (SPS) and Technical Barriers to Trade (TBT) issues, and trade regulations (\$ Billion)	\$3.6 ⁴	\$4.0	\$12.75
Percentage of Food for Progress projects that increase a project participant's value of sales by 9% or higher	33%	35%	36%

³ Baseline Data FY 2015.

⁴ Baseline Data FY 2015.

STRATEGIC GOAL 4: FACILITATE RURAL PROSPERITY AND ECONOMIC DEVELOPMENT

USDA promotes rural prosperity and economic development by financing investments in rural utilities, housing, and businesses. When rural Americans share the same level of infrastructure services as the country's urban areas, rural communities can make even greater economic contributions with healthy businesses and families. Just as economic and social science research informs decision makers regarding current trends in rural America and gaps in existing markets, USDA may then provide benefits to rural American businesses and citizens. USDA will leverage funds, stimulate private-public partnerships, and engage in collaboration to build rural infrastructure including the following: broadband, community facilities, safe and affordable housing, and health services and facilities. The Department will also provide capacity building to help underserved communities become thriving communities.

EXHIBIT 4: Strategic Goal 4 Performance Measures

Performance Measures	FY 2017 Baseline Data	FY 2018 Target	FY 2018 Result
Health Facilities: Percent of customers who are provided access to new and/or improved essential community facilities	5.0%	6.8%	9.4%
Safety Facilities: Percent of customers who are provided access to new and/or improved essential community facilities	3.7% ⁵	4.5%	5.5%
Number of borrowers' subscribers receiving new and/or improved electric facilities (Million)	4.6 ⁶	5.1	5.7
Number of borrowers' subscribers receiving new and/or improved telecommunication services (Million, Noncumulative)	0.158	0.175	0.045 ⁷
Amount of targeted Rural Development (RD) investments that leverage private sector funding (\$ Billion)	\$7.0	\$7.5	\$6.0 ⁸

⁵ Baseline Data FY 2014.

⁶ Baseline Data FY 2014.

⁷ A significant amount of alternative grant funding is available through the Federal Communications Commission (FCC) Connect America Fund II Auction (which occurred between July 24, 2018, and August 21, 2018) and the \$600 million in funding from the FY 2018 Omnibus for the Rural Utilities Service (RUS) Broadband Pilot Program (GP 779). The availability of these two sources of grants has negatively impacted the demand for this program's loan funds.

⁸ Obligation level for the fiscal year was lower than estimated.

STRATEGIC GOAL 5: STRENGTHEN THE STEWARDSHIP OF PRIVATE LANDS THROUGH TECHNOLOGY AND RESEARCH

The world population is expected to reach 9.6 billion by 2050. Feeding this population will require adoption of new science and technologies and the implementation of science-based conservation plans to sustainably increase agricultural production. To ensure U.S. private working lands and public agricultural landscapes are conserved, the Department will provide technical and financial assistance using the latest technology and research available. New and improved practices result from fundamental and applied research to understand the complex interactions between human systems and the environment and transferring the resulting knowledge into the hands of producers and land managers through information, tools, and decision support.

EXHIBIT 5: Strategic Goal 5 Performance Measures

Performance Measures	FY 2017 Baseline Data	FY 2018 Target	FY 2018 Result
Soil carbon retained on cropland to improve yields and sequester carbon (Thousand Tons)	140	140	191
Cropland with conservation applied to improve soil quality (Million Acres)—Environmental Quality Incentive Program (EQIP)	3.0	3.0	3.1
Cropland with conservation applied to improve soil quality (Million Acres)—Conservation Technical Assistance (CTA)	5.9	5.9	6.0
Tons of sediment prevented from leaving cropland and entering waterbodies (Million Tons)	4.6	4.6	5.3
Working land protected by conservation easements (Thousand Acres)	107	101	163
Acreage enrolled in Conservation Reserve Program (CRP) riparian and grass buffers (Cumulative, Million Acres)	1.6	1.6	1.5 ⁹
CRP restored wetland acreage (Million Acres)	1.9	1.9	2.3

⁹ Range for met is +/- .05 million acres.

STRATEGIC GOAL 6: FOSTER PRODUCTIVE AND SUSTAINABLE USE OF OUR NATIONAL FOREST SYSTEM LANDS

The Nation's forests and grasslands are a fundamental part of the American landscape and are a legacy that the USDA Forest Service holds in trust for present and future generations. Forests provide clean air and water, forest and rangeland products, mineral and energy resources, jobs, quality habitat for fish and wildlife, recreational opportunities, and memorable experiences. The Forest Service plays a critical role in making America's forests and grasslands resilient to threats and disturbances while mitigating wildfire risk. The Department also manages the National Forests and grasslands to ensure that they are healthy and sustainable—while also allowing rural communities to access and benefit from economic opportunities that our Nation's forests offer. This work is complemented by USDA's research in forestry, ecology, and economics to ensure that world-class science guides effective policies and management practices.

EXHIBIT 6: Strategic Goal 6 Performance Measures

Performance Measures	FY 2017 Baseline Data	FY 2018 Target	FY 2018 Result
Percent of customers satisfied with recreation facilities, services, and settings on National Forests	95%	95%	95%
Timber volume sold (Billion Board feet)	2.9	3.4	3.2 ¹⁰
Percent of National Forest Systems (NFS) watersheds in a functioning condition	53%	53%	53%
Annual acreage of NFS lands where final treatment effectively mitigates wildfire risk (million acres, annually)	0.74	1.10	1.04 ¹¹
Annual acreage treated to reduce or maintain fuel conditions on NFS and non-federal lands (million acres, annually)	2.77	3.0	3.4

¹⁰ Range for met is +/- 10 percent variance from the data point.

¹¹ Range for met is +/- 10 percent variance from the data point.

STRATEGIC GOAL 7: PROVIDE ALL AMERICANS ACCESS TO A SAFE, NUTRITIOUS, AND SECURE FOOD SUPPLY

USDA has critical roles in preventing foodborne illness and protecting public health while also ensuring Americans have access to food, a healthful diet, and nutrition education in a manner that supports American agriculture and inspires public confidence. The Department will take a number of actions to achieve this goal. First, to ensure the food supply is safe, the Department will continue to prevent contamination and limit foodborne illness by expanding its modernization of food inspection systems, and USDA's research, education, and extension programs will continue to provide information, tools, and technologies about the causes of foodborne illness and its prevention. Second, USDA will continue to develop partnerships that support best practices in implementing effective programs to ensure that eligible populations have access to programs that support their food needs. This work includes research on the nutritional quality of Americans' food and diets, as well as the continuing of the discovery of the drivers of poor diets and nutritional choices. Lastly, USDA will collaborate with partners and stakeholders on strategies to reduce foodborne illness and childhood obesity and to improve diets. USDA ensures agriculture production incorporates the best available science into its modernization efforts to produce food that is safer, more nutritious, and secure.

EXHIBIT 7: Strategic Goal 7 Performance Measures

Performance Measures	FY 2017 Baseline Data	FY 2018 Target	FY 2018 Result
Percentage of establishments that meet pathogen reduction performance standards	75%	78%	81%
Percentage of establishments whose noncompliance rate decreases 120 days after receiving early warning alert	70%	71.4%	73.7%
Percentage of American households with consistent, dependable access to food	87.3% ¹²	87.7%	Deferred ¹³
Annual percentage of eligible children participating in the National School Lunch Program (NSLP)	58%	59%	57.8% ¹⁴
Percentage of Supplemental Nutrition Assistance Program (SNAP) Employment and Training participants engaged in education and skills-based training	33% ¹⁵	35%	Deferred ¹⁶

¹² Baseline Data FY 2015.

¹³ FY 2018 actual data will not be available until September 2019.

¹⁴ Range for met is 10 percent.

¹⁵ Baseline Data FY 2016.

¹⁶ FY18 Actual Data will not be available until the 4th quarter of FY19.

Financial Information

The following table presents a snapshot of USDA's results of operations and financial position. This information is based on the same underlying data as the financial statements presented in the [Agency Financial Report \(AFR\)](#).

EXHIBIT 8: A Snapshot of USDA's Results of Operations and Financial Position (In Millions)

	FY 2018
Gross Costs	\$142,208
Less: Earned Revenue	7,747
Net Cost of Operations	\$134,461
Assets:	
Fund Balance with Treasury	\$132,350
Direct Loan and Loan Guarantees, Net	101,947
Other	4,477
Total Assets	\$238,774
Liabilities:	
Debt	\$119,423
Other	41,693
Total Liabilities	\$161,116
Net Position (Assets Minus Liabilities)	\$77,658
Total Budgetary Resources	\$250,340
Outlays, Net	\$140,418

Significant Management Challenges

The Reports Consolidation Act of 2000 requires the U.S. Department of Agriculture's (USDA) Office of Inspector General (OIG) to report annually on the most serious management challenges USDA and its agencies face.

Based on OIG's review of the challenges cited in fiscal year (FY) 2017, it concluded that these challenge areas continue to be critical for the Department. No challenges have been removed or added to this year's report. A detailed description of the challenges and assessment of the Department's progress in addressing these challenges may be found in the FY 2018 AFR.

- Management Needs to Improve Oversight and Accountability for its Programs.
- Information Technology Security Needs Continuous Improvement.
- USDA Needs to Strengthen Program Performance and Performance Measures.
- USDA Needs to Strengthen Controls over Improper Payments and Financial Management.
- USDA Needs to Improve Outreach Efforts.
- Food Safety Inspections Need Improved Controls.
- Food and Nutrition Service (FNS) Needs to Strengthen Supplemental Nutrition Assistance Program (SNAP) Management Controls.