

Exhibit 300 FY2008

FY2008 Exhibit 300

PART I: SUMMARY INFORMATION AND JUSTIFICATION

In Part I, complete Sections A, B, C, and D for all capital assets (IT and non-IT). Complete Sections E and F for IT capital assets.

Section A: Overview (All Capital Assets)

The following series of questions are to be completed for all investments.

I. A. 1. Date of Submission:

2006-09-11

I. A. 2. Agency:

005

I. A. 3. Bureau:

55

I. A. 4. Name of this Capital Asset:

(short text - 250 characters)

Program Funds Control System

I. A. 5. Unique ID: (For IT investments only, see section 53. For all other, use agency ID system.)

005-55-01-01-01-1060-00-402-127

I. A. 6. What kind of investment will this be in FY2008?

(Please NOTE: Investments moving to O&M ONLY in FY2008, with Planning/Acquisition activities prior to FY2008 should not select O&M. These investments should indicate their current status.)

Operations and Maintenance

I. A. 7. What was the first budget year this investment was submitted to OMB?

FY2001 or earlier

I. A. 8. Provide a brief summary and justification for this investment, including a brief description of how this, closes in part or in whole, an identified agency performance gap:

(long text - 2500 characters)

The Program Fund Control System (PFCS) is designed to consolidate and reengineer the funding controls for loan programs at these two agencies. PFCS is a collaborative investment between the Farm Service Agency (FSA) and Rural Development, and is characterized by full participation from business specialists and IT specialists from both Agencies. Though not formal partners, with PFCS supporting both direct and guaranteed loan programs, commercial lenders and cooperative marketing operators are also indirect participants in the investment. Funding is also jointly provided by both Agencies. The investment is managed by RD with full support from FSA. PFCS supports multiple lines of business including financial vehicles (credit and insurance, federal financial assistance (grants and subsidies by providing precise funding controls to assist in proper distribution and recording of these components of the financial programs)), controls and oversight (assists with program monitoring and program evaluation by recording funds data accurately and making current and accurate funds usage information available to program managers whenever requested), and financial management (reporting and information, and accounting by providing multiple years of funds data, ad hoc and fixed format reporting capabilities, and compliance with federal financial accounting standards and requirements). As such, PFCS is designed to provide tools that support the budgetary and programmatic control of loan-related funds. In addition, PFCS is designed to reduce the processing time required for approving these loans and thus improve program delivery to USDA customers.

I. A. 9. Did the Agency's Executive/Investment Committee approve this request?

yes

I. A. 9. a. If "yes", what was the date of this approval?

I. A. 10. Did the Project Manager review this Exhibit?

yes

I. A. 11. Contact information of Project Manager?

I. A. 12. Has the agency developed and/or promoted cost effective, energy-efficient and environmentally sustainable techniques or practices for this project.

no

I. A. 12. a. Will this investment include electronic assets (including computers)?

no

I. A. 12. b. Is this investment for new construction or major retrofit of a Federal building or facility? (answer applicable to non-IT assets only)

no

I. A. 12. b. 1. If "yes", is an ESPC or UESC being used to help fund this investment?

I. A. 12. b. 2. If "yes", will this investment meet sustainable design principles?

I. A. 12. b. 3. If "yes", is it designed to be 30% more energy efficient than relevant code?

I. A. 13. Does this investment support one of the PMA initiatives?

yes

I. A. 13. a. If "yes", check all that apply:

Financial Performance
Expanded E-Government

I. A. 13. b. Briefly describe how this asset directly supports the identified initiative(s).

(medium text - 500 characters)

Advances Financial Performance by providing more accurate and timely data to support operating, budget, and policy decisions.
Alignment with Expansion E-Government demonstrated with eforms integrated with Business Gateway: web interface
complying with DR3430-0001: users utilizing AgLearn for security awareness training:

I. A. 14. Does this investment support a program assessed using the Program Assessment Rating Tool (PART)?

(For more information about the PART, visit www.whitehouse.gov/omb/part.)

yes

I. A. 14. a. If "yes", does this investment address a weakness found during the PART review?

yes

I. A. 14. b. If "yes", what is the name of the PARTed Program?

(short text - 250 characters)

Agricultural Credit Insurance Fund - Guaranteed Loans, Community Facilities Prgm., SFH Direct, SFH Guaranteed, RBS
Business and Industry Guaranteed Loan Prgm., Rural Electric Utility Loans and Guarantee, Rural Water and Wastewater
Grants and Loans,

I. A. 14. c. If "yes", what PART rating did it receive?

Effective

I. A. 15. Is this investment for information technology? (see section 53 for definition)

yes

I. A. 16. What is the level of the IT Project (per CIO Council's PM Guidance)?

Level 1 - Projects with low-to-moderate complexity and risk. Example: Bureau-level project such as a stand-alone information system that has low- to-moderate complexity and risk. Level 2 - Projects with high complexity and/or risk which are critical to the mission of the organization. Examples: Projects that are part of a portfolio of projects/systems that impact each other and/or impact mission activities. Department-wide projects that impact cross-organizational missions, such as an agency-wide system integration that includes large scale Enterprise Resource Planning (e.g., the DoD Business Mgmt Modernization Program). Level 3 - Projects that have high complexity, and/or risk, and have government-wide impact. Examples: Government-wide initiative (E-GOV, President's Management Agenda). High interest projects with Congress, GAO, OMB, or the general public. Cross-cutting initiative (Homeland Security).

Level 2

I. A. 17. What project management qualifications does the Project Manager have? (per OMB's PM Guidance):

(1) - The project manager assigned for this investment has been validated as qualified in accordance with OMB PM Guidance.; (2) - The project manager assigned for this investment is in the process of being validated as qualified in accordance with OMB PM Guidance.; (3) - The project manager assigned for this investment is not validated as qualified in accordance with OMB PM Guidance.; (4) - The qualifications for the project manager named have not been evaluated.; (5) - No project manager is currently assigned for this investment.; (6) - N/A -- This is not an IT investment.

(1) Project manager has been validated as qualified for this investment

I. A. 18. Is this investment identified as "high risk" on the Q4 - FY 2006 agency high risk report (per OMB's "high risk" memo)?

no

I. A. 19. Is this a financial management system?

yes

I. A. 19. a. If "yes", does this investment address a FFMIA compliance area?

yes

I. A. 19. a. 1. If "yes" which compliance area?

(short text - 250 characters)

Core Financial Management

I. A. 19. a. 2. If "no", what does it address?

(medium text - 500 characters)

I. A. 19. b. If "yes", please identify the system name(s) and system acronym(s) as reported in the most recent financial systems inventory update required by Circular A-11 section 52

(long text - 2500 characters)

Program Funds Control System (PFCS)

I. A. 20. What is the percentage breakout for the total FY2008 funding request for the following? (This should total 100%)

I. A. 20. a. Hardware

0

I. A. 20. b. Software

0

I. A. 20. c. Services

100

I. A. 20. d. Other

I. A. 21. If this project produces information dissemination products for the public, are these products published to the Internet in conformance with OMB Memorandum 05-04 and included in your agency inventory, schedules and priorities?

n/a

I. A. 22. Contact information of individual responsible for privacy related questions:

I. A. 22. a. Name

(short text - 250 characters)

Brenda Dinges

I. A. 22. b. Phone Number

I. A. 22. c. Title

(short text - 250 characters)

RD Information Systems Security Staff Program Manager

I. A. 22. d. Email

(short text - 250 characters)

brenda.dinges@stl.usda.gov

I. A. 23. Are the records produced by this investment appropriately scheduled with the National Archives and Records Administration's approval?

yes

Section B: Summary of Funding

I. B. 1. Provide the total estimated life-cycle cost for this investment by completing the following table.

All amounts represent budget authority in millions, and are rounded to three decimal places. Federal personnel costs should be included only in the row designated "Government FTE Cost," and should be excluded from the amounts shown for "Planning," "Full Acquisition," and "Operation/Maintenance." The total estimated annual cost of the investment is the sum of costs for "Planning," "Full Acquisition," and "Operation/Maintenance." For Federal buildings and facilities, life-cycle costs should include long term energy, environmental, decommissioning, and/or restoration costs. The costs associated with the entire life-cycle of the investment should be included in this report.

Note: For the cross-agency investments, this table should include all funding (both managing and partner agencies). Government FTE Costs should not be included as part of the TOTAL represented.

	PY-1 Spending Prior to 2006	PY 2006	CY 2007	BY 2008					
Planning	0	0	0	0					
Acquisition	20.335	0	0	0					
Subtotal Planning & Acquisition	20.335	0	0	0					
Operations & Maintenance	4.530	1.95	2.978	3.256					
TOTAL	24.865	1.95	2.978	3.256					
Government FTE Costs	2.786	1.137	0.925	0.947					
Number of FTE represented by cost	19.5	12	9	9					

I. B. 2. Will this project require the agency to hire additional FTE's?

no

I. B. 2. a. If "yes", How many and in what year?

(medium text - 500 characters)

I. B. 3. If the summary of spending has changed from the FY2007 President's budget request, briefly explain those changes.

No Changes.

(Character Limitations: Contract or Task Order Number - 250 Characters; Type of Contract/Task Order - 250 Characters; Name of CO - 250 Characters; CO Contact Information - 250 Characters)

System has moved into the Operations and Maintenance Phase and EVM is not required.

yes

RD ensures web-enabled systems including PFCS are fully Sect. 508 compliant. All Sec. 508 requirements have been incorporated into our web-design & development standards. PFCS has been and will continually be reviewed to ensure Sec. 508 technical standards, as outlined in 36 CFR Part 1194 Subpart B, are satisfied. Sec. 508 requirements are defined in the current PFCS contract.

yes

2006-04-26

I. C. 4. b. If "no", will an acquisition plan be developed?

(medium text - 500 characters)

Agencies must use Table 1 below for reporting performance goals and measures for all non-IT investments and for existing IT investments that were initiated prior to FY 2005. The table can be extended to include measures for years beyond FY 2006.

(Character Limitations: Strategic Goal(s) Supported - 250 Characters; Performance Measure - 250 Characters; Actual/baseline (from Previous Year) - 250 Characters; Planned Performance Metric (Target) - 250 Characters; Performance Metric Results (Actual) - 250 Characters; Measurement Indicator - 250 Characters; Baseline - 250 Characters; Planned Improvement to the Baseline - 250 Characters; Actual Results - 250 Characters)

Fiscal Year	Strategic Goal(s) Supported	Performance Measure	Actual/baseline (from Previous Year)	Planned Performance Metric (Target)	Performance Metric Results (Actual)
2004	USDA Strategic Goal 1: Enhance Economic Opportunities for Agricultural	Implement initial phase of PFCs to position FSA & RD to be able to Reduce	Baseline 2001, processing time for direct loans 44 days;	FSA & RD obligating increasing number of direct & guaranteed loans	Number of RD direct and guaranteed loans obligated in FY2004

	Producers; Objective 1.4: Provide Risk Management & Fin. Tools to Farmers & Ranchers	FLP & RD Loan and Grant processing time in future years.	processing time for guaranteed loans 17 days.	during FY2004. Number of loans obligated increases each month during FY 2004.	exceeded FY2003 level of obligations activity by 2.8%.
2005	USDA Strategic Goal 2: Support Increased Economic Opportunities & Improved Quality of Life in Rural America; Objective 2.1, Expand Economic Opportunities Through USDA Financing of Business	Number of loans made to support rural business increases by 5%; confirm total dollar amount increases by 2-4%	Baseline 2002, number of loans made for rural business & total dollar amount of loans.	RD increasing number of loans supporting rural business during 2005.	Number of RD loans supporting rural business increased by 3% and the total dollar amount increased by 8% during FY2004.
2004	USDA Strategic Goal 2: Support Increased Economic Opportunities & Improved Quality of Life in Rural America; Objective 2.2, Improve Quality of Life Through USDA Financing of Quality Housing	By end of FY 2004, confirm trend showing monthly & quarterly increase in number of rural households receiving financial assistance to buy a home.	Baseline 2001, 44,000 households received financial assistance	Use existing reports to assess the changes in numbers of households receiving financial assistance on a monthly, quarterly & annual basis.	70,000 RD direct and guaranteed loans were established to provide financial assistance to Rural households in FY2004, an increase of 2.8% over FY2003 level.

I. D. 2. Table 2

Fiscal Year	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Planned Improvement to the Baseline	Actual Results
2005	Mission and Business Results	Homeownership Promotion	Number of Households receiving USDA financial assistance to purchase homes	44,000 households received financial assistance as of FY 2001	Increase number of households receiving financial assistance to 50,000	46,000 Households received USDA financial assistance to purchase home.
2005	Customer Results	Homeownership Promotion	Loan Guarantee Approval Processing Time	2001, Guaranteed Loans take 17 days	Reduce Guaranteed Loan time to 14 days	Guaranteed Loan approval not reduced.
2006	Mission and Business Results	Community and Regional Development	Number of Households receiving USDA financial assistance to purchase homes	50,000 households received financial assistance as of FY 2005	50,000 households received financial assistance as of FY 2005	As of July 30, 2006, approximately 42,000 households received financial assistance.
2006	Mission and Business Results	Financial Management	Time required to make apportionments & allotments available for operational use after receipt of approved funds documentation	Takes an average of 7 business days for funds to be distributed by program and state	Reduce time an average of 1 business day for funds to be distributed by program and state	As of July 30, 2006, process has been reduced to 1 day.
2005	Processes and Activities	Financial Management	Financial Management	Category ?B? obligations processed off-line & recorded in manual records	Category ?B? obligations directly entered into PFCS & manual records eliminated	Manual records were deleted since Category B obligations are directly entered into PFCS.
2005	Technology	Data Storage	Data Storage	Prior year funds data cannot be retained in automated system files	Funds data for 15 or more prior years available for retrieval directly from PFCS	Prior year funds data from category B obligations available for retrieval from PFCS.
2006	Technology	Data Storage	Data Storage	Funds data for 15 or more prior years available for retrieval directly from PFCS	Maintain funds data for 15 prior years available for retrieval directly from PFCS	Funds data for prior years started with FY2004. The plan is to keep at least 15 years of history.
2006	Customer Results	Funds Control	Number of Households receiving USDA financial assistance to purchase homes	2005, Guaranteed Loans take 14 days	Maintain at 14 days	As of July 30, 2006 the guaranteed loan process has been maintained at 14 days.
2007	Mission and Business Results	Homeownership Promotion	Number of Households receiving USDA financial assistance to purchase homes	44,000 households received financial assistance as of FY 2006	Increase number of households receiving financial assistance to 60,000 by FY 2007	To be determined
2007	Mission and Business Results	Financial Management	Time required to make apportionments & allotments available for operational use after receipt of approved funds documentation	Takes an average of 6 business days for funds to be distributed by program and state	Reduce time an average of 1 business day for funds to be distributed by program and state	To be determined.
2007	Customer Results	Homeownership Promotion	Delivery Time, Direct Loans	Direct Loans take 44 days to be approved	Reduce Direct Loan approval & check issuance time to 34 days	To be determined
2006	Processes and Activities	Financial Management	Financial Management	Category ?B? obligations	Category ?B? obligations directly entered into	All manual records eliminated.

				processed off-line & recorded in manual records	PFCS & manual records eliminated	
2007	Processes and Activities	Financial Management	Financial Management	Category ?B? obligations processed off-line & recorded in manual records	Category ?B? obligations directly entered into PFCS & manual records 50 % eliminated	To be determined.
2007	Technology	Data Storage	Data Storage	In 2007, prior year funds data will be retained for all programs in automated system files.	Maintain funds data for 15 prior years available for retrieval directly from PFCS	To be determined.
2008	Mission and Business Results	Homeownership Promotion	Number of Households receiving USDA financial assistance to purchase homes.	60,000 households received financial assistance as of FY 2007	Increase number of households receiving financial assistance to 65,000 by FY 2008	To be determined.
2008	Mission and Business Results	Financial Management	Time required to make apportionments & allotments available for operational use after receipt of approved funds documentation.	Takes an average of 5 business days for funds to be distributed by program and state	Maintain an average of 5 business days for funds to be distributed by program and state.	To be determined.
2008	Customer Results	Funds Control	Delivery Time, Direct Loans	Direct Loans take 34 days to be approved	Maintain Direct Loan approval & check issuance time at 34 days.	To be determined.
2008	Processes and Activities	Financial Management	Financial Management	Category ?B? obligations processed off-line & recorded in manual records	Category ?B? obligations directly entered into PFCS & manual records eliminated	To be determined.
2008	Technology	Data Storage	Data Storage	In 2008, prior year funds data will be retained for all programs in automated system files.	Maintain funds data for all prior years for retrieval directly from PFCS.	To be determined.
2009	Mission and Business Results	Homeownership Promotion	Number of Households receiving USDA financial assistance to purchase homes.	65,000 households received financial assistance as of FY 2008.	Increase number of households receiving financial assistance to 68,000 by FY 2009.	To be determined.
2009	Mission and Business Results	Financial Management	Time required to make apportionments & allotments available for operational use after receipt of approved funds documentation.	Takes an average of 5 business days for funds to be distributed by program and state.	Maintain an average of 5 business days for funds to be distributed by program and state.	To be determined.
2009	Customer Results	Funds Control	Delivery Time, Direct Loans	Direct Loans take 34 days to be approved.	Maintain Direct Loan approval & check issuance time at 34 days.	To be determined.
2009	Processes and Activities	Financial Management	Financial Management	Category B obligations processed and data stored in PFCS.	Historical data on Category B obligations maintained in PFCS and financial reports on the obligations available from corporate data warehouse.	To be determined.
2009	Technology	Data Storage	Number of Rural Development and Farm Service Agency programs having data retained for prior year activity.	In 2009, data for the 2 prior years will be retained for all programs.	Maintain funds data for all prior years for retrieval directly from data warehouse files containing PFCS data.	To be determined.

Section F: Enterprise Architecture (EA)

In order to successfully address this area of the business case and capital asset plan you must ensure the investment is included in the agency's EA and Capital Planning and Investment Control (CPIC) process, and is mapped to and supports the FEA. You must also ensure the business case demonstrates the relationship between the investment and the business, performance, data, services, application, and technology layers of the agency's EA.

I. F. 1. Is this investment included in your agency's target enterprise architecture?

yes

I. F. 1. a. If "no", please explain why?
(long text - 2500 characters)

I. F. 2. Is this investment included in the agency's EA Transition Strategy?

no

I. F. 2. a. If "yes", provide the investment name as identified in the Transition Strategy provided in the agency's most recent annual EA Assessment.

(medium text - 500 characters)

Program Funds Control System (PFCS)

I. F. 2. b. If "no" please explain why?

(long text - 2500 characters)

USDA is developing a Transition Strategy for the calendar year 2007 annual OMB EA Assessment. This investment will be associated with USDA Loans and Financial Management initiatives.

I. F. 3. Identify the service components funded by this major IT investment (e.g., knowledge management, content management, customer relationship management, etc.). Provide this information in the format of the following table. For detailed guidance regarding components, please refer to <http://www.whitehouse.gov/omb/egov/>.

FEA SRM Component - Use existing SRM Components or identify as "NEW". A "NEW" component is one not already identified as a service component in the FEA SRM. FEA Service Component Reused - A reused component is one being funded by another investment, but being used by this investment. Rather than answer yes or no, identify the reused service component funded by the other investment and identify the other investment using the Unique Project Identifier (UPI) code from the OMB Ex 300 or Ex 53 submission. Internal or External Reuse? - 'Internal' reuse is within an agency. For example, one agency within a department is reusing a service component provided by another agency within the same department. 'External' reuse is one agency within a department reusing a service component provided by another agency in another department. A good example of this is an E-Gov initiative service being reused by multiple organizations across the federal government. Funding Percentage - Please provide the percentage of the BY requested funding amount used for each service component listed in the table. If external, provide the funding level transferred to another agency to pay for the service. (Character Limitations: Agency Component Name - 250 Characters; Agency Component Description - 500 Characters)

Agency Component Name	Agency Component Description	FEA SRM Service Type	FEA SRM Component	FEA Service Component Reused - Component Name	FEA Service Component Reused - UPI	Internal or External Reuse?	BY Funding Percentage
Business Analytical Services	Retrieval of funds availability and usage information when needed, selecting only those data elements necessary to support the specific task being performed by the user	Reporting	Ad Hoc	Ad Hoc	005-55-01-01-01-1060-00-402-127	No Reuse	0
Business Analytical Services	Retrieval of funding status and distribution information using pre-determined and/or pre-written reports to support external inquiries or reporting requirements	Reporting	Standardized / Canned	Standardized / Canned	005-55-01-01-01-1060-00-402-127	No Reuse	0
Support Services	Function that enables users to, at any point in the business day, obtain specific funds data or information necessary to respond to a customer (external or internal) request	Search	Query	Query	005-55-01-01-01-1060-00-402-127	No Reuse	0
Digital Asset Services	The complete set of capabilities to support financial funds reporting between the Agencies, within the Department, and to external oversight groups such as GAO and Congressional offices	Knowledge Management	Information Retrieval	Information Retrieval	005-55-01-01-01-1060-00-402-127	No Reuse	0

I. F. 4. To demonstrate how this major IT investment aligns with the FEA Technical Reference Model (TRM), please list the Service Areas, Categories, Standards, and Service Specifications supporting this IT investment.

FEA SRM Component - Service Components identified in the previous question should be entered in this column. Please enter multiple rows for FEA SRM Components supported by multiple TRM Service Specifications. Service Specification - In the Service Specification field, Agencies should provide information on the specified technical standard or vendor product mapped to the FEA TRM Service Standard, including model or version numbers, as appropriate. (Character Limitations: Service Specification (i.e., vendor and product name) - 250 characters)

FEA SRM Component	FEA TRM Service Area	FEA TRM Service Category	FEA TRM Service Standard	Service Specification (i.e., vendor and product name)
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Information Retrieval	Service Access and Delivery	Access Channels	Web Browser	
Information Retrieval	Service Access and Delivery	Access Channels	Web Browser	
Information Retrieval	Service Access and Delivery	Delivery Channels	Internet	
Information Retrieval	Service Access and Delivery	Delivery Channels	Internet	
Information Retrieval	Service Interface and Integration	Service Requirements	Hosting	

I. F. 5. Will the application leverage existing components and/or applications across the Government (i.e., FirstGov, Pay.Gov, etc)?

yes

I. F. 5. a. If "yes", please describe.

(long text - 2500 characters)

PFCS utilizes the AG Learn application for Security Awareness training of development staff, contractor support staff, and testing/certification staff. Department level web farm and infrastructure is leveraged for PFCS.

I. F. 6. Does this investment provide the public with access to a government automated information system?

no

I. F. 6. a. If "yes", does customer access require specific software (e.g., a specific web browser version)?

I. F. 6. a. 1. If "yes", provide the specific product name(s) and version number(s) of the required software and the date when the public will be able to access this investment by any software (i.e. to ensure equitable and timely access of government information and services).

(medium text - 500 characters)

PART III: FOR "OPERATION AND MAINTENANCE" INVESTMENTS ONLY (STEADY-STATE)

Part III should be completed only for investments which will be in "Operation and Maintenance" (Steady State) in FY 2008, i.e., selected the "Operations and Maintenance" choice in response to Question 6 in Part I, section A above.

Section A: Risk Management

You should have performed a risk assessment during the early planning and initial concept phase of this investment's life-cycle, developed a risk-adjusted life-cycle cost estimate and a plan to eliminate, mitigate or manage risk, and be actively managing risk throughout the investments life-cycle. Answer the following questions to describe how you are managing investment risks.

III. A. 1. Does the investment have a Risk Management Plan?

yes

III. A. 1. a. If "yes", what is the date of the plan?

2006-07-12

III. A. 1. b. Has the Risk Management Plan been significantly changed since last year's submission to OMB?

yes

III. A. 1. c. If "yes", describe any significant changes:

(medium text - 500 characters)

Privacy risks were re-assessed and new privacy related risk management strategies were developed.

III. A. 2. If there currently is no plan, will a plan be developed?

III. A. 2. a. If "yes", what is the planned completion date?

III. A. 2. b. If "no", what is the strategy for managing the risks?
(long text - 2500 characters)