

Message from the Secretary

The United States Department of Agriculture (USDA) appreciates this opportunity to share with all Americans, Congress and the Executive Branch information on the progress made on your behalf during the past year.

From enhancing economic opportunities for agricultural producers, to protecting the Nation's food supply, to improving nutrition and health, to protecting the Nation's natural resources and environment, USDA has a proud record of accomplishment in FY 2006. We are pleased to share the highlights of our efforts in this *FY 2006 Performance and Accountability Report*.

USDA and its more than 100,000 employees touch the lives of every American every day. The 143-year-old USDA is one of the most complex departments in the Federal Government, with more than 300 programs. Annually, we spend more than \$75 billion of our fellow Americans' money. In 2006, these resources helped:

- Aid U.S. agricultural producers battered by severe weather conditions;
- Expand economic opportunities and security for farmers, ranchers and rural communities by implementing the Farm Security and Rural Investment Act of 2002;
- Provide access to a healthy diet for needy households;
- Improve the health of low-income pregnant and postpartum women, infants and children;
- Enhance U.S. farm export opportunities by advancing America's commitment to free trade;
- Implement the President's Healthy Forests Initiative;
- Protect public safety, homes and resources during a severe fire season;
- Support the increased use of renewable fuels, such as ethanol and biodiesel, to provide new revenues to farmers while reducing our Nation's dependence on foreign fuel;
- Improve and expand conservation programs;
- Invest in infrastructure that can bring new economic opportunities and jobs to rural areas;
- Modernize the nutrition guidance we give the Nation to reflect the latest scientific information and combat our country's growing obesity epidemic;
- Further advance food safety and protect U.S. agriculture from both existing and emerging threats; and
- Leverage technology to ensure that the resources provided to us by Congress and the American people reach those who need them, with minimal expense and maximum impact.



The USDA Senior Management Control Council, co-chaired by the Deputy Secretary and the Chief Financial Officer, oversees and administers the Department's assessment of internal controls for our programs, financial systems and financial reporting relating to the Federal Managers' Financial Integrity Act (FMFIA) and the Federal Financial Management Improvement Act (FFMIA). I am proud to report that USDA fully implemented the requirements to assess and report on internal control for financial reporting this year — a significant accomplishment given the scope of our activities and the complexity of our operations. Our assessment identified four material weaknesses in our financial reporting controls for which we have created and begun executing corrective actions plans. As such, I provide qualified assurance that, except for the material weaknesses described in the Management Assurances section of this report, USDA management controls, financial systems and financial reporting controls meet the objectives of FMFIA and FFMIA. The financial and performance information presented herein is complete and accurate, and in accordance with Office of Management and Budget guidance and the Reports Consolidation Act of 2000.

USDA was first called “the people’s department” by President Abraham Lincoln. I believe we still live up to that title. I am proud of our employees and the positive impact their diverse efforts have had on American life during the past year. I also want to thank you for your interest in USDA and its work. I am pleased to share this information with all of our stakeholders, and I look forward to reporting even more progress in the year ahead.



Mike Johanns
Secretary of Agriculture
November 15, 2006

