

# Message from the Secretary

In fulfillment of our responsibilities to the President, Congress, and the people of the United States, I am pleased to share the 2008 Performance and Accountability Report of the U.S. Department of Agriculture (USDA).

Upon its creation in 1862, President Abraham Lincoln called USDA “the people’s department,” because it affects so many people’s lives in so many different ways, and earlier, President Thomas Jefferson, a farmer, noted that “cultivators of the earth are the most valuable citizens.” USDA works hard to keep these sentiments alive as it pursues its mission to provide leadership on food, agriculture, natural resources, and related issues based on sound public policy, the best available science, and efficient management.




In fiscal year (FY) 2008, to support this mission, USDA’s diverse workforce of more than 100,000 employees served as stewards of more than \$96.5 billion in taxpayer dollars to:

- Meet the needs of farmers and ranchers, promoting use of state-of-the-art agricultural research and technology and ensuring that the domestic agricultural sector continues to grow and remain competitive;
- Expand economic opportunities in international markets for farmers, ranchers, and rural communities—realizing a record \$114.06 billion in U.S. agricultural exports in FY 2008;
- Use the best available science and technology to protect the safety of the Nation’s food supply;
- Facilitate access to a healthy diet for needy Americans, providing \$34.0 billion in food stamp benefits;
- Prevent and fight devastating wildfires as well as restore fire-ravaged land;
- Introduce the Fight Hunger Initiative for individuals and organizations wishing to help USDA fight hunger in communities across America;
- Expand the availability of fruits and vegetables in School Lunch and nutrition programs;
- Modernize the nutrition guidance USDA provides the Nation to reflect the latest scientific information and combat our country’s obesity epidemic;
- Develop renewable energy and demonstrate how biofuels help keep gas prices down, reduce America’s dependence on oil, and reduce greenhouse gas emissions;
- Eradicate and control invasive pests and prevent pest infestations;
- Prevent introduction and fight animal diseases such as *avian influenza*;
- Implement mandatory country-of-origin labeling;
- Implement a national animal tracking system to help prevent disease spread;
- Continue to improve and expand soil, water, and other natural resource conservation programs;
- Work closely with the Federal Emergency Management Agency to assist in clean-up efforts following a devastating hurricane season; and
- Invest in infrastructure that will bring new economic opportunities and jobs to rural areas.

In response to the Government Accountability Office’s placement of USDA’s Food Safety and Inspection Service (FSIS) on its high-risk list in 2007, FSIS is working to reduce illness caused by contamination of the food supply by:

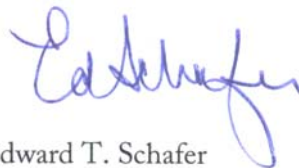
- Implementing the *Salmonella* Initiative Program to provide incentives for meat and poultry plants whose processes control foodborne pathogens;
- Enhancing FSIS’ ability to comprehensively evaluate food safety systems and take action as appropriate;

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- Building a quality public health infrastructure with data that are readily accessible to key decision-makers and front-line personnel; and
  - Conducting real-time surveillance of high-risk shipments of meat, poultry, and egg products coming into the United States as well as vulnerability assessments focused on imports with the Food and Drug Administration, and the Department of Homeland Security's U.S. Customs and Border Protection.

The Department's Senior Management Control Council continues to oversee USDA's assessment of internal control over its programs, operations, financial systems, and financial reporting. The Department's work is consistent with the provisions of the Federal Managers' Financial Integrity Act (FMFIA) and the Federal Financial Management Improvement Act (FFMIA). Through the work of the Council, valuable information on the state of our systems allows us to provide a reasonable assurance that the content of this report is based on sound, accurate data.

Nevertheless, continued improvement is needed to remediate existing material weaknesses and financial system noncompliances. To accomplish this goal, USDA management is continuing to monitor corrective action plan activities. Therefore, I provide qualified assurance that, except for the areas in need of improvement as described in the Management Assurances section of this report, USDA's internal control over operations, financial systems, and financial reporting meet the objectives of FMFIA and FFMIA. The financial and performance information presented herein is complete and accurate and is in accordance with the law and with Office of Management and Budget guidance.

Agriculture holds answers to some of the most pressing problems faced by our Nation and world—from meeting needs for renewable energy, and increasing crop yields to fight hunger, protecting the food supply to improving our environment and optimizing international trade. I hope that this report will provide you with an enhanced appreciation of USDA's role in this dynamic industry as well as a deeper understanding of agriculture's critically important role throughout America and around the world.



Edward T. Schafer  
Secretary  
November 17, 2008