



Management Initiatives

OVERVIEW OF MANAGEMENT INITIATIVES

USDA is working to strengthen its management through vigorous execution of the President's Management Agenda (PMA). Better management will result in more efficient program operations that offer improved customer service and more effective stewardship of taxpayer funds. USDA expects to:

- Ensure an efficient, high-performing, diverse workforce, aligned with mission priorities and working cooperatively with partners and the private sector;
- Enhance internal controls, data integrity, and financial management information and sustain unqualified audit opinion;
- Reduce spending and burden on citizens, partners and employees by simplifying access to the Department's information. This enhancement is added by implementing business processes and information technology to make services available electronically;
- Link budget decisions and program priorities more closely with program performance and consider the full cost of programs;
- Reduce improper payments by establishing targets and corrective actions plans;
- Efficiently and effectively manage real property;
- Transform IT enterprise infrastructure to be cost effective and ubiquitous across all agencies and geographic regions;
- Improve research and development investments by using objective criteria; and
- Support the essential work of faith-based and community organizations.

Detailed plans are available for each of the PMAs. Below is a brief summary of USDA's plans.

IMPROVE HUMAN CAPITAL MANAGEMENT

The President has identified as a priority using the strategic management of human capital to create a high-performing workforce that is more citizen-centered and results-oriented. USDA will manage its human capital according to its Strategic Human Capital Plan. The plan includes implementing initiatives both within the agencies and from a corporate perspective. It focuses on strategic workforce planning, optimizing organizational structures to address current and future challenges, and improving performance management to maximize employee performance.

The plan identifies USDA's human-capital challenges and implements an accountability system to monitor and address these challenges. Such challenges include meeting the demand for cutting-edge research talent, creating a workforce with a combination of skills not previously required and fully supporting the Department's mission with the same or fewer staff.

In managing its human capital and delivering its services to customers, USDA will continue to focus on ensuring civil rights and equal employment opportunity for everyone, regardless of race, color, national origin, gender, religion, age, sexual orientation, disability, political belief, marital or familial status, or any other factor. The Department is committed to continuous civil rights progress in the workplace, program delivery and processing complaints timely and efficiently.

USDA's plans include:

- Maintaining the links among Departmental and agency human capital and annual performance plans;
- Integrating the human capital impacts of such Presidential initiatives as competitive sourcing and eGovernment;

- Using workforce planning and hiring flexibilities to recruit, retain and reward employees while developing a high-performing and accountable workforce;
- Ensuring employment opportunities for all members of the workforce, while implementing programs targeted towards critical occupations with projected skill gaps and underrepresented groups; and
- Ensuring the timely resolution of program and employment civil rights complaints.

IMPROVE FINANCIAL MANAGEMENT

Effectively managing the use of taxpayer dollars is a fundamental Federal responsibility. USDA intends to ensure that all funds spent are accounted for properly to taxpayers, Congress and the Government Accountability Office. The Office of the Chief Financial Officer (OCFO) works to improve financial management, in partnership with the Chief Financial Officers of USDA agencies, as a core attribute of the Department's operating culture. Through efforts to improve financial management, USDA received its first unqualified opinion on its 2002 financial audit. It also received clean opinions in each subsequent audit. OCFO is working closely with USDA agencies to eliminate all material weaknesses.

OCFO will lead efforts to improve management information by helping USDA's agencies craft and access useful, timely information. This information includes monthly financial reports, on-line access to real-time information and program cost reporting. By enhancing the integrity of financial and administrative data, the Department will protect corporate assets and conserve scarce resources.

USDA's plans include:

- Maintain an unqualified opinion on the Department's financial statements;
- Eliminate all material weaknesses and inconsistencies in financial processes;
 - Comply with OMB Circular A-123, "Management's Responsibility for Internal Control" and remediate any internal control weaknesses;

- Evaluate opportunities to reduce expenses in Department-wide financial processes and solutions, public/private partnerships, and competitive sourcing;
- Modernize outdated core and feeder financial systems that are no longer on a supported architecture;
- Move the Department to a single core financial system from nine core financial systems, no longer supported by the vendor;
- Improve financial reporting processes and procedures;
- Provide transparency and accountability to administrative costs; and
- Increase the use of financial information in day-to-day decision making and budget formulation.

EXPAND ELECTRONIC GOVERNMENT

USDA launched a Department-wide effort in 2001 to improve the methods through which its agencies collectively executed its broad mission objectives. The Department's strategies, published in USDA's eGovernment Strategic Plan in 2002, focus on improving the delivery of its information and services and reducing costs. The plan calls for USDA to:

- Provide customers with single points of access to information and services;
- Simplify and unify business processes spanning multiple agencies;
- Establish information and service-delivery standards; and
- Consolidate redundant information technology services and systems through use of shared USDA or Government solutions.

USDA will implement numerous initiatives defined in the strategy. These initiatives include:

- Consolidating USDA's export-related assistance and market information with similar information from its partners in the Federal and private sector at www.export.gov. Exporters may identify potential trading partners; access multi-agency requirements for documenting, packaging, labeling and shipping products overseas; locate the services and financing

tools available from multiple agencies; and access a wide variety of market-research reports to identify international business opportunities;

- Expanding opportunities for citizens and businesses to participate in the Federal regulatory process by working with its Federal partners to create www.regulations.gov. This site allows citizens and businesses to easily locate, review and comment on regulations;
- Helping citizens determine their eligibility for USDA benefits by providing pre-eligibility surveys at www.govbenefits.gov. Citizens now can save time associated with traveling to an office to determine if they qualify for benefits by completing the online survey in advance;
- Reorganizing www.usda.gov to present the Department's information and services by topic rather than by organization. Customers may now find information created by multiple agencies in one location instead of having to visit multiple agency Web sites. Additionally, the site permits customers to customize the information presented when they log on. This feature gives visitors immediate access to the types of information they are most interested in retrieving; and
- Implementing a common electronic authentication service that enables citizens, businesses and employees to conduct their business with the Department privately and securely;

USDA will continue to refine and implement its strategies, emphasizing major cross-agency business functions, such as loans, grants and supply-chain management.

ESTABLISH BUDGET AND PERFORMANCE INTEGRATION

USDA continues to improve how it integrates performance information into its budget decisions. Beginning with the FY 2005 President's Budget, the Department integrated budget with performance throughout the budget formulation process. This integration includes the use of OMB's Program Assessment Rating Tools (PART). PART is used to assess and improve program performance so that the Federal

Government can achieve better results. USDA program analysts and budget staff are working closely with mission area and agency representatives to establish budget priorities based on USDA's strategic goals and desired outcomes. The Department continues to improve its performance information annually.

USDA's plans include:

- Continue using performance information during all stages of the budget formulation process;
- Systematically evaluating programs and integrating the results of those evaluations into the budget decision-making process, for example, relying upon PART assessments in budget formulation; and
- Aligning the budget with the Department's strategic plan to keep the focus on results and effective management.

IMPLEMENT COMPETITIVE SOURCING

USDA plans to implement competitive sourcing reasonably and rationally to achieve significant cost savings, improved performance and better align the agency's workforce to its mission. This initiative is aimed at improving organizations through efficient and effective competition between public and private sources. The Department will continue to simplify and improve the procedures for evaluating sources. It will also better publicize the activities subject to competition to maximize the benefits of this initiative.

ELIMINATE IMPROPER PAYMENTS

Based on recent audit estimates, Federal agencies make more than \$45.1 billion in improper payments annually. This initiative requires agencies to measure their improper payments annually, develop improvement targets and corrective action plans, and track the results annually to ensure that corrective actions are effective. USDA has identified 11 programs that are risk susceptible. The Department has prepared corrective-action plans for these programs to reduce and recover improper payments. The plans will reduce improper payments by approximately \$49 million while recovering approximately \$43 million in improperly made payments. Reductions in improper

payments will include reducing errors in direct benefit programs and in contracting/administrative payments.

USDA plans include:

- Assessing the risk of improper payments in all its programs annually;
- Working at the Department and agency levels to reduce the number of improper payments made; and
- Recovering, where possible, overpayments made to individuals and organizations.

IMPROVE REAL PROPERTY MANAGEMENT

Executive Order (E.O.) 13327, Federal Real Property Asset Management establishes the framework for improved use and management of real property owned, leased, or managed by the Federal Government. It is the policy of USDA to promote the efficient and economical use of the Department’s real property assets and to assure management accountability for implementing Federal real property management reforms. Based on this policy, USDA agencies shall recognize the importance of real property resources through increased management attention, the establishment of clear goals and objectives, improved policies and levels of accountability, and other appropriate action. As the foundation of the Department’s real property asset management program, the following strategic objectives will be used for real property management improvement:

USDA Real Property Asset Management Strategic Objectives
1. Department’s holdings support agency missions and strategic goals and objectives.
2. Maximize facility utilization and collocate agency operations when possible.
3. Accurately inventory and describe real property assets using the Corporate Property Automated Information System.
4. Use performance measures as part of the asset management decision process.
5. Employ life-cycle cost-benefit analysis in the real property decision-making process.
6. Provide appropriate levels of investment.
7. Dispose of unneeded assets.

USDA Real Property Asset Management Strategic Objectives
8. Use appropriate public and commercial benchmarks and best practices to improve asset management.
9. Advance customer satisfaction.
10. Provide for safe, secure, and healthy workplaces.

USDA’s plans include:

- Establishing the USDA Real Property Council to advise the Assistant Secretary for Administration and Senior Real Property Officer and provide internal agency coordination and guidance as well as disseminate information for implementing E.O. 13327 and the President’s Management Agenda within USDA;
- Establishing an asset management planning process for USDA agencies — asset management plan (AMP) and agencies’ building block plans — as well as monitoring and reporting on the Departments’ performance in implementing this policy. AMP includes policies and methodologies for maintaining property holdings in an amount and type according to agency budget and mission. Seeks to optimize the level of real property operating, maintenance and security costs;
- Establishing asset management performance measures;
- Maintaining a comprehensive inventory and profile of agency real property and provide timely and accurate information for inclusion in the government-wide real property inventory database;
- Establishing a 3-year rolling timeline that addresses opportunities and determines priorities as identified in agency building block plans and demonstrates implementation through compliance with the established timeline;
- Institutionalizing management of the Department’s real property assets consistent with the USDA Strategic Plan, the AMP, and performance measures and using these documents and indicators as the foundation to assist leadership in formulating and making real property management decisions; and

- Actively participating in such Government-wide management vehicles as the Federal Real Property Council (FRPC). FRPC provides a forum to address critical real estate and workplace issues challenging all Federal agencies.

ENHANCE RESEARCH AND DEVELOPMENT CRITERIA

This program initiative calls on Federal Government agencies to apply a framework using three criteria — relevance, quality and performance — to research. USDA's research and development agencies — the Agricultural Research Service; Cooperative State Research, Education and Extension Service; Economic Research Service; and Forest Service Research and Development — have moved forward aggressively to integrate this framework. The use of the criteria is an effective means to ensure that programs are addressing the right issues, meeting high-quality standards and accomplishing what they set out to do.

USDA's plans include:

- Continuing to apply objective criteria as projects are evaluated for funding;
- Closely coordinating among research agencies to ensure that common criteria and performance measures are used where possible; and
- Incorporating results into decision making.

SUPPORT FAITH-BASED AND COMMUNITY INITIATIVE

This initiative strives to support the essential work of faith-based and community organizations. The initiative accomplishes this goal by ensuring that these organizations are allowed to compete on equal footing for Federal dollars and educating them on grant opportunities. Agencies have already identified several barriers to participation in Federal programs and are working to eliminate them. They are increasing outreach and technical assistance to faith-based and community organizations. The agencies are also testing innovative ways to improve program services by engaging faith-based and community organizations in pilot projects.

USDA has a long history of working with faith-based and community organizations to help those in need. The Department is strengthening these partnerships and creating new ones to alleviate hunger and build strong communities by:

- Ensuring that faith-based and community organizations have equal access to USDA programs;
- Educating these organizations about any programs designed to enhance their capacity to serve their communities;
- Continuing to reduce barriers and encourage participation through improved coordination with State and local organizations;
- Seeking opportunities to meet the needs of communities through USDA programs; and
- Reporting on progress to ensure that USDA is producing real results for Americans in need.