

**Statement of**  
**The Hon. Charles R. Christopherson, Jr.**  
**Chief Financial Officer**  
**United States Department of Agriculture**

**Before the**  
**Subcommittee on Federal Financial Management,**  
**Government Information and International Security**  
**Committee on Homeland Security and Government Affairs**  
**September 14, 2006**

Chairman Coburn, Senator Carper and other members of the committee, I appreciate the opportunity to give testimony concerning conference attendance and expenditures at the Department of Agriculture. The United States Department of Agriculture is a diverse and complex organization with programs that touch the lives of all Americans every day. Our six strategic goals for 2005 -2010 are to:

1. Enhance International Competitiveness of American Agriculture;
2. Enhance the Competitiveness and Sustainability of Rural and Farm Economies;
3. Support Increased Economic Opportunities and Improved Quality of Life in Rural America;
4. Enhance Protection and Safety of the Nation's Agriculture and Food Supply;
5. Improve the Nation's Nutrition and Health; and

## 6. Protect and Enhance the Nation's Natural Resource Base and Environment.

In order to achieve these goals, the Department leverages the services of a vast number of entities. These entities include state and local governments, colleges and universities, school districts, community organizations, faith-based organizations, associations, other federal agencies, and international based organizations. Conferences are very important in the communication, training, and coordination needed to deliver the regulations and requirements of hundreds of programs. In addition, the Department's employees attend conferences to enhance their ability to perform their jobs. These conferences enable employees to stay current on new developments in their respective areas, expand their knowledge, and collaborate across boundaries with partners.

The Department of Agriculture has a formal travel policy that includes conferences. As the Chief Financial Officer of the Department the policy is under my administrative responsibility. Certain areas of the travel policy, including the approval for most conference expenses, have been delegated to the agencies for administration. The Department's policy and available funding in the individual agencies provide the checks and balances on sponsoring and attending conferences. Each agency has a Chief Financial Officer to maintain the fiscal management of their respective organizations. Conferences that employees attend require an approved training form from their supervisor prior to the payment of a conference fee. If the conference requires transportation and hotel, a travel voucher must also be approved. Conferences that are sponsored by the agencies have various administrative and purchasing approvals based

on their total expense. In late August, we provided data on conference attendance and costs for the time period of FY2001 to FY2005. Including information recently provided by the Forest Service, in 2005, the Department's expenditures for conference fees equaled approximately \$22 million. In 2005, the Department's total revenue was \$21 billion with total expenditures of \$112 billion. The cost of conferences is approximately .02% of total expenditures.

Ensuring an ample food supply, inspecting the safety of our food, exporting agricultural goods to foreign markets, providing food assistance to our citizens, conserving our natural resources, developing rural infrastructure, and providing agricultural research are very important responsibilities. Conferences at the USDA are mainly sponsored by its agencies for outreach or training of employees, states, colleges and universities, and communities. During 2005, the outreach and training conferences accounted for 72% of total attendance.

Two groups that I would like to highlight for this testimony are our mission areas responsible for Natural Resources and Environment and Research, Education, and Economics. The Natural Resources and Environment mission area includes the Forest Service and the Natural Resources Conservation Service (NRCS). The 2002 Farm Bill vastly increased funding for conservation by authorizing increased spending for several programs under prior Farm Bills and establishing the Conservation Security Program (CSP) and the Grassland Reserve Program (GRP). Last year, approximately 6,100 NRCS employees and 5,300 Forest Services employees were trained in regional locations

throughout the United States. While NRCS activities benefit all of the people in the nation, the primary customers are individuals that make natural resource and management decisions on non-federal lands. They include farmers, ranchers, and other members of the private sector; units of government; and non-profit organizations. NRCS partners with over 3,000 local conservation districts to assist in implementing its programs. Targeted conservation areas and management practices change often. These changes are due to various regional management requirements, new research, certain conservation practices, natural events, and legislative changes. In addition, NRCS has been impacted by a large amount of employee retirements in 2004 and 2005. To address the critical training needs NRCS held "regional training boot camps" in 2005. Conferences in this mission area help fill the need to coordinate with states and other outside groups, the coordination of environmental science knowledge, the specialized regional training, and the implementation of new programs.

Research, Education, and Economics (REE) is responsible for research and statistics covering the full breath of the Departments programs. Their research benefits the lives of Americans and provides competitive advantages to our products in the world market. REE success in agriculture research has produced stronger seeds, disease resistant trees, drought resistant plants, reductions in the use of insecticides and fertilizers, and higher milk production. Successes in research for the nations health include the addition of omega-3 fatty acids in baby formula, lactose-free dairy products, E-coli eliminating technology for meat, zero-calorie natural fat replacers in food, the mass production of penicillin, and DEET for insect repellent. Successes in research for consumer products

associated with agriculture include the starch-based product named “Super Slurper” found in disposable diapers, flame-retardant finishes for clothing, bacteria and fungi resistant finishes for socks, and wrinkle free cotton fabric.

Although this seems like an exhaustive list of research successes, this is only a small portion of the total list of REE’s accomplishments. REE does not act alone in its research; it is accomplished in partnership with universities and other institutions. Much of the travel in this Mission Area involves coordination and collaboration with other scientists, institutions and organizations. This enables the REE mission area to be far more efficient in carrying out its responsibilities of research, education and economic activities. Such collaboration through conferencing avoids excessive duplication and enhances efficiency and effectiveness. In addition, our scientists are widely recognized for their unique and high level of expertise and are in active demand by various groups and organizations to share their knowledge and expertise at conferences and meetings. We feel that having such highly qualified people enhances our stature as part of the greater scientific community and brings distinction and credit to the U.S. Department of Agriculture and our Nation.

About one-fourth of the conferences we attend are sponsored by non-USDA groups. The subject matter at these conferences is geared towards historically disadvantaged groups, state government, foreign marketing, and various other topics. Four percent of non-USDA sponsored conferences pertain to historically disadvantaged groups. These conference titles include Blacks in Government, Chinese American Annual Conference,

Hispanic Association of Colleges and Universities Annual Conference, and Federal Asian Pacific American Counsel Conference. An additional four percent are State sponsored conferences dealing with nutrition and research. The remaining conference subjects include nutrition, conservation, science, information technology, foreign marketing, and safety.

To help contain expenses and to continue to educate our greatest resource, the Department has developed and implemented an electronic education medium, AgLearn. This year the system has been used by 69,000 employees to complete 1,422 different courses. The system provides the ability to deliver required training modules to employees across the country through their desktop computer. Desktop computer training provides several benefits. They are (1) employees can complete training modules as their schedule allows, (2) employees receive a consistent message from their training regardless of when they participate, (3) costs are reduced by eliminating travel (time and expense), and (4) participation can be tracked for required training. In 2007, we will be adding customer feedback and satisfaction to better tune this methodology for training our employees. The Department understands the value and cost savings that AgLearn provides as its primary education source for USDA employees.

The Department uses conferences and other methods to support the communication, coordination, and educational, and research requirements of the mission areas. Our programs support the basic needs and competitive requirements of the nation. Due to the

diversity and breath of our programs, our conference attendance is located across the United States.

I regret that the requested information was delayed. The Department operates in a decentralized format on nine general ledger systems that transfer summary information into a consolidated data warehouse for final reporting. Like private companies in the 1980s, the Department is moving through the transformation to update technology to increase the productivity of our employees and provide better information to management. Our structure and information is mostly decentralized relying heavily on Departmental policies, manual processes, and human capital. The information you requested is held at a vast number of offices across the United States.

We believe that transparency into the Department's expenditures is important. We have set this as a goal in our strategic plan as well. Action items in the plan include "provide transparency and accountability to administrative costs; and increase the use of financial information in day-to-day decision making and budget formulation." Through our Financial Management Modernization Initiative we have addressed the need for electronic approvals and detailed centralized information for management. During this initiative we will include an evaluation of our policies and procedures concerning the approval of underwritten and attended conferences.

I appreciate this opportunity to testify before this committee and would welcome any questions.

**UNITED STATES DEPARTMENT OF AGRICULTURE  
CONFERENCE EXPENDITURES DATA  
FY 2001 - FY 2006 Through July**

<u>Agency</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006 Through July</u>
<b>Farm and Foreign Agricultural Services:</b>						
Farm Service Agency .....	\$218,980	\$285,620	\$389,174	\$398,765	\$463,032	\$429,127
Foreign Agricultural Service .....	3,003	181,286	123,645	137,381	130,966	95,426
Risk Management Agency .....	432,816	1,915,752	1,038,760	551,424	409,938	317,950
Total, FFAS .....	654,799	2,382,658	1,551,579	1,087,570	1,003,936	842,503
<b>Food, Nutrition and Consumer Services:</b>						
Food and Nutrition Service .....	5,380	13,183	266,291	163,692	490,681	535,454
<b>Food Safety:</b>						
Food Safety and Inspection Service .....	a/	a/	345,653	336,363	587,557	179,502
<b>Marketing and Regulatory Programs:</b>						
Agricultural Marketing Service .....	336,700	554,650	557,500	564,950	602,945	460,501
Animal and Plant Health Inspection Service .....	378,778	390,731	1,173,679	1,856,947	923,449	758,379
Grain Inspection, Packers and Stockyards Administration .....	124,241	135,732	159,165	200,187	238,195	546,549
Total, MRP .....	839,719	1,081,113	1,890,344	2,622,084	1,764,589	1,765,429
<b>Natural Resources and Environment:</b>						
Natural Resources Conservation Service .....	1,070,640	2,924,705	3,817,732	5,047,484	8,071,467	4,726,218
Forest Service .....	2,007,148	2,643,342	2,994,384	2,574,686	4,140,139	3,765,005
Total, NRE .....	3,077,788	5,568,047	6,812,116	7,622,170	12,211,606	8,491,223
<b>Research, Education and Economics:</b>						
Agricultural Research Service .....	761,433	309,548	1,398,168	1,784,238	920,234	968,746
Economic Research Service .....	402,427	411,888	541,997	477,955	374,678	329,484
National Agricultural Statistics Service .....	158,043	250,252	269,850	296,828	368,399	183,078
Cooperative State Research, Education and Extension Service .....	1,288,746	2,085,364	2,156,671	1,677,985	3,093,855	1,611,758
Total, REE .....	2,610,649	3,057,052	4,366,686	4,237,006	4,757,166	3,093,066
<b>Rural Development</b> .....	149,084	154,714	172,707	165,263	161,802	126,719

a/ Data not reported.



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<b>Departmental Activities:</b>						
Departmental Administration .....	13,991	9,497	44,042	47,912	20,084	0
Faith Based and Community Initiatives .....	a/	a/	330,613	122,919	351,060	0
Office of Budget and Program Analysis .....	3,835	4,525	250	1,500	4,161	4,944
Office of the Chief Economist .....	206,839	322,105	185,000	199,000	214,162	128,869
Office of the Chief Information Officer .....	98,577	243,564	117,645	125,919	191,545	51,975
Office of the Chief Financial Officer .....	a/	a/	a/	a/	4,745	8,193
Office of Civil Rights .....	a/	a/	a/	364,784	325,046	258,110
Office of Communications .....	9,410	9,860	12,960	11,970	13,100	17,984
Office of Inspector General .....	325,360	343,930	353,360	1,383,667	387,018	261,742
Office of the General Counsel .....	17,004	74,600	82,766	29,024	0	0
Total, Departmental Activities .....	675,016	1,008,081	1,126,636	2,286,695	1,510,921	731,817
<b>Total, USDA .....</b>	<b>8,012,435</b>	<b>13,264,848</b>	<b>16,532,012</b>	<b>18,520,843</b>	<b>22,488,258</b>	<b>15,765,713</b>

a/ Data not reported.