



DEPARTMENT OF AGRICULTURE  
OFFICE OF THE SECRETARY  
WASHINGTON, D.C. 20250

APR 11 1996

MEMORANDUM

TO: National, State and Local Food and Agriculture Councils

All USDA Service Center Employees

THROUGH: Jill Long Thompson, Under Secretary  
Rural Development *Jill Long Thompson*

James R. Lyons, Under Secretary  
Natural Resources and Environment *James R. Lyons*

Eugene Moos, Under Secretary  
Farm and Foreign Agricultural Services *Eugene Moos*

Karl N. Stauber, Under Secretary  
Research, Education and Economics *Karl N. Stauber*

Wardell C. Townsend, Jr., Assistant Secretary  
Administration *David R. Skeen for*

FROM: Richard E. Rominger  
Deputy Secretary *Rich*

SUBJECT: USDA Service Center Implementation

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USDA Service Center implementation is on track, with the partner agencies collocated and in the process of implementing one-stop service in over 2000 Service Centers across the country. USDA employees have risen to the challenge and are making quality one-stop service real for our customers.

The Department remains committed to our vision and making Service Centers a reality. USDA is "the people's department," in partnership with America to develop vibrant, sustainable rural communities. We must uphold and improve the quality of the service we provide, and do so at the least possible cost. Customers of farm, natural resource and rural development programs will be able to receive the service they need from any USDA Service Center. Our Mission Areas and Agencies will share information, resources and capabilities to ensure the customer is fully and effectively served.

Now we must rise to the challenges presented by the Federal Agricultural Improvement and Reform Act of 1996 (FAIR Act), the budget constraints of the current fiscal year and projected for FY 1997, and the restructuring of the Rural Development (formerly Rural Economic and Community Development) Mission Area. These changes require that we evaluate our business under these new circumstances and, if necessary, realign our Service Center field structure with that new business. We intend to announce by April 30 the process we will use to conduct this evaluation and determine any adjustments in Service Center implementation.

While we undertake this evaluation and make these adjustments, the implementation effort must continue to move forward and should be pursued vigorously.

Eliminating Institutional Barriers - A recent poll of State Leaders, conducted by the National Food and Agriculture Council (FAC) in concert with the partner agency regional leaders, revealed that most implementation problems being encountered in the field can be resolved by eliminating institutional barriers. Differences in management and budget authorities delegated to the field, disparities in personnel policies and procedures, confusion over how employees can be shared, joint ownership and support of shared equipment, all make it difficult to effectively share shrinking budgets and are hampering our ability to operate as a team. I am directing the National FAC and partner agencies to work with the Assistant Secretary for Administration to make the elimination of these institutional barriers their highest priority in support of USDA Service Center Implementation.

Merging Administrative Services - A major goal and legislated mandate for USDA's reorganization is the sharing and merging of administrative activities to eliminate redundancy and reduce costs. Many State Offices and Local Service Centers have demonstrated considerable savings and efficiencies already. The State leaders of the Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS) and Rural Development (RD) in Texas and Minnesota have accepted the challenge, as "Leading Edge" States, to develop plans to merge fully the administrative support functions of the agencies. We support fully leadership efforts to merge administrative services in order to deliver programs more efficiently and improve customer service.

Business Process Reengineering/Improvement - The changes in our business as a result of the FAIR Act and budget constraints will require adjustments in our business process reengineering/improvement initiatives. These efforts must move forward to help us define requirements for enabling technology and the transition to a common computing environment. The Direct Loan Origination and Servicing System (DLOS) of the Rural Housing Service (RHS) is one example of the Department's business process reengineering efforts. DLOS represents the complete reengineering of RHS business and is an integral part of the National Performance Review (NPR). DLOS will begin to be implemented in October and will be deployed fully by the end of FY 1997.

Telecommunication - The reengineering of our telecommunication infrastructure is well underway. The National FAC has approved a unified plan and budget to attain the shared voice and data telecommunication essential to one-stop service. Installation of integrated voice telephone systems in Service Centers with two or more partner agencies present will proceed, as will installation of integrated data communication facilities with priority given to DLOS implementation. Integrated e-mail and internet access for Service Centers will also remain a high priority.

County Office Collocation - Where we have already moved or are in the process of building or acquiring new space we will complete the process and implement the Service Center concept to the greatest degree possible. New long-term commitments for new construction, leases or major renovations should be carefully evaluated by State FACs to ensure that our future business justifies the need for the Service Center at that location as planned. Where long-term commitment is justified we will proceed. However, if additional information is needed to reasonably make a long-term commitment, then interim solutions should be considered. State FACs should report to the National FAC any proposed collocation actions they recommend should be delayed or changed. A quarterly reporting format and deadlines will be sent by the National FAC to the State FACs.

State Office Collocation - Where we have not yet achieved collocation of our State Offices, we need to determine if the efficiencies expected through collocation justify the costs to achieve collocation. In some instances it may be more cost-effective to consolidate administrative functions in one location while management and program specialists remain at locations near customers and partners. The National FAC will provide a reporting format and deadline for State FACs to submit cost-benefit analyses and recommendations on State Office collocation.

Partnership - We must remember that our Service Centers can include more than just USDA agencies. Extension, State Conservation Agencies, Local Conservation Districts, and other State and Local Agencies are often collocated with us. Together we work in partnership to serve our common customers. We need to ensure that the resources and needs of our partners are fully integrated into our plans for one-stop Service Centers.

USDA is undergoing the most profound change in its history. As we reinvent and reengineer USDA, let us lead in meeting the challenge to do more with less, to make the federal government less burdensome and more helpful. I know we are up to that challenge!