

## EXHIBIT 1

### 2017 NASCOE Convention

#### Question and Answer Session

Q: AGI, 941 Form: Are there any plans to simplify this process with IRS?

A: Brad Karmen - Acting DAFP: AGI is required as a condition of eligibility under statute and congress and FSA work closely with IRS on this matter. The largest problem has been the name difference in the different agencies. They have been talking to IRS to determine just what the problem is with keying in the names.

Q: When working on the budgets, there is a projected 8% cut, so what is the starting point for this?

A: Radha Sekar - CFO: the original cut was 10.5% and they looked at the ceiling for 2016 and that was used for 2018 projections. Currently they are looking at keeping the 2016 level with the senate version and the House version is less, but nothing is complete at this point.

Q: Wetland determinations can take up to 3 years to get back. Is there any way to get these done faster?

A: Chris Beyerhelm - Acting Administrator: the reorganization will help with this problem because NRCS will be organized under the same Under Secretary with FSA and that should help with logistics. Brad Karmen - Acting DAFP: With only one mission area, this should help with some of these local problems.

Q: What is the timeline for release of the workload numbers?

A: Radha Sekar - CFO: these reports should be released to the field soon. Chris Beyerhelm: If and when we decide to look at ARS data for staffing decisions we will engage the associations for input.

Q: Hiring Freeze: what criteria is being used for critical positions and do you expect the hiring freeze to be lifted soon?

A: Chris Beyerhelm – Acting Administrator: OMB lifted the freeze and the Secretary put it back on. In the meantime the Secretary is allowing agencies to submit critical hiring requests. DAFO reaches out to the states who compile their requests which are bundled and submitted to the Secretary for consideration. The Secretary has already approved approx. 160 internal hires, 30 external hires, and 30 additional temps. Since the NASCOE convention the Secretary has approved an additional 200 external and 98 internal positions

to be advertised. This should get us close to the 98% level. John Chott – Acting DAFO:  
Internal hires should be good.

Q: Temporary employees hired after 1989 cannot buy back their retirement time. Is this going to be changed?

A: John Chott – Acting DAFO: DAFO has confirmed with HRD that temporary time, GS or CO, cannot be bought back for time after 1989. This affects a good number of FERS field, state and national employees. As noted, CO employees were being denied service credit for temporary time before 1989 because it was not considered Federal service. FSA worked closely with OGC, who, in turn, worked with USDA and the OPM General Counsel to reverse this decision. There are some exceptions for the post-1989 situation but none affects USDA and most apply to Foreign Service positions.

Q: BTO pilot counties received full training and will the rest of the counties receive full training?

A: Glenn Schafer - BTO: right now they are in a holding pattern for training due to budget, but there are plans to do such training in the future, budget allowing.

Q: What were the results of the survey pertaining to BTO?

A: Glenn Schafer - BTO: Receipt for Service is the main use of BTO at this time. The receipt for service of BTO is separate from RFS and those that did not like RFS reflected that in their comments and blamed all of BTO. The software is powerful and they were able to develop it quickly but it is not as user friendly as they hoped and they want to improve many of the components in BTO. They will be using the comments in the survey as a guide.

Q: Where is the President's picture?

A: Mark Rucker - DAM: they have not received it yet.

Q: If there are any changes to a position description, it will delay the announcement, so how does that really work?

A: Chris Beyerhelm - Acting Administrator: As part of the strategy to reduce the time to hire HRD has established "express lane" positions most of which are in the county offices. These positions are already classified which makes the process much quicker. If the hiring official changes the position description it requires a new classification which slows the process down.

Q: Skills for Success training is not mandated and allows the states to hold the training based on budget. The PT's are the ones on the front lines with the producers and are one of our greatest assets and this training would be beneficial to them. Can this training be mandated rather than dependent on state budgets?

A: John Chott – Acting DAFO: Chris Beyerhelm: they had a meeting with a list of items they wanted based on budget and they chose to have more staff as a greater priority but it will be put back on top of the list. DAFO will put in requests for FY 18 an amount which will cover most of the state training for 6000 GS and CO PTs. We hope that this will be approved.

Q: From a state affected by drought, the emergency haying and grazing is appreciated. The 150 mile radius that was added later, was there any discussion to keep the hay in the drought stricken areas?

A: Chris Beyerhelm – Acting FSA Administrator: they did not add that restriction because it would be more burdensome for the county offices to track this.

Q: We have not gone far enough in guidance regarding extra time worked in ARS and there needs to be some training. The county offices will get the jobs done and that is not always reflective in ARS, so how do we navigate this? Do we just let the work sit? We need guidance on this subject.

A: Chris Beyerhelm – Acting Administrator: Recognize that the employees are dedicated but we need to be more judicious about how we are documenting our time. We need to plan to be done by the end of the day if at all possible while looking for ways to do our work more efficiently. The concern is that if we get our work done by working after core, overtime, and comp time allowances it gives Congress and others the impression that the job got done in the reported hours. This gives a false impression because it actually took longer to get the work done. When we tell congress that we need more people they see we are getting the job done with what we have. Acting Administrator Beyerhelm also advised to use the new Web Access availability only when needed so as not to further skew the reported time.

Q: Importance of coding WEBTA correctly, and can there be a line item for processing AGI's?

A: Bob McGrath- OBF: they hear that we need less programs and then some ask for more. If this is sent in, they will run it through the MCA team.

Q: Late filed crop reports cannot be accepted and with the November 15 deadline, it makes it impossible with large workloads. Can they still be accepted as long as evidence of the crop exists?

A: Brad Karmen – Acting DAFP: there was no deadline to accept late-filed crop reports until into the next year and in many cases, there was no evidence, so they felt that 12 months would be adequate for accepting late filed reports. Trying to create data that is very old in order to participate in a program is the problem. Additionally, if you are referring to the deadline for late-filed acreage reports which is 12 months after the ARD, anything filed more than 12 months after the previous year's ARD would be well into the next or subsequent crop reporting year. So any physical evidence would be contemporaneous and not necessarily illustrative of what was present on crop acreage more than a year before. (NASCOE will continue this conversation with DAFP)

Q: Some offices have tried to stick to the regular time schedule, but there will be pressure from the state offices to get the job done.

A: Radha Sekar - CFO: What programs that are impacted by things that cannot be done must be identified. Chris Beyerhelm – Acting Administrator: They have had discussions with state offices regarding expectations in program delivery and will continue to do so.

Q: the crop report comes in timely and reports hay, but then in the spring, reports the hay plowed up and planted to corn, then he is required to pay the \$46 fee. This is wrong since he timely filed.

A: Brad Karmen – Acting DAFP: There is simply not enough information to frame a response on this. Offices need to follow 2-CP and submit specific questions relative to the procedure that is causing concern. But in the question above, the corn would be viewed as subsequent crop acreage. If reported by the corn's ARD, not sure why there is reference to a fee.

Q: Some offices are doing work for other offices that is not credited correctly.

A: Catherine Kuhlmeier - OBF: they are looking into reporting for work done in specific counties. There are many parts in this problem. They don't want to make it more difficult to document the time. Daniels: this was a negotiation item to show that the work is done where it should be but we must be careful that the office where the work is actually done does not hurt the home office that shared employees, in regard to workload. They are trying to figure out how to adjust this.

Q: MIDAS, BTO are both systems we work with, but BTO seems to have a lot of capabilities. Can BTO take over MIDAS functions?

A: Darren Ash - Chief Information Officer: This concept has been discussed internally previously. MIDAS is used by other agencies, such as NRCS, but BTO is not. NRCS does use the same underlying software (Salesforce) as Bridges. Any changes going forward must be able to support FSA and NRCS. In addition, there are license complications that would need to be resolved. The current licensing approach enabled nationwide rollout of BTO, but constrains expansion for other purposes. BTO has potential to unite the two systems, but there is a lot more involved in the process to determine the right course of action.

Q: There was Geo spatial pilot and it was ended when CARS came out and many producers have the capability of using geo special maps. Can FSA use this type of software for our producers?

A: Darren Ash – Chief Information Officer: Yes, eventually. Our overall objectives is to allow producers to submit their data to us by different means, including the use of electronic, geospatial maps. This is one of the proposed system changes, but will depend on additional resources. . Brad Karmen – Acting DAFP: They have heard that the producer makes the

report with FSA and then takes the information to RMA. Less than 10% of crop reports taken are done with RMA first.

Q: In donating leave, it would be nice if it were determined in dollars because a grade 12 donating to a grade 5, gets hour for hour right now and not the true value based on leave.

A: Thomas Mulhern - HRD: He believes this issue has been raised in the past, and OPM does not appear to be flexible on this and USDA does not have the ability to change that statute.  
Chris Beyerhelm – FSA Acting Administrator: This is a budgetary issue when passing leave between grades.

Q: They have an acting CED and is now in a shared management situation, and there is no extra pay for the extra work for the CED.

A: Chris Beyerhelm – FSA Acting Administrator: there is no room to do this at this time, the positions are capped out at certain grades. There is spot cash award money that could be available in this case.

Q: There is an initiative coming for beginning farmers and in many of our current programs, many beginning farmers come in, and many times a late filed crop report was necessary. The fee could be waived in the past and now the fee cannot be waived unless there was a catastrophic event. The answer was that a notice was issued and the farmers should be aware of the crop report requirement. If we are to charge all producers that come in, they will not participate. Can 4-CP be considered common reading? Why are the late filed provisions different for LFP?

A: Brad Karmen – Acting DAFP: the beginning farmer can have some fees waived so give them a break. Late-file acreage reporting fees, however, are not penalties and should not be viewed as such. They are charged to reimburse FSA for the costs incurred in verifying the accuracy of the acreage report. In the new farm bill, this could be discussed. Memos are not official policy but they are working on getting this into the handbook. There are continuous crop reports available and this could help in some cases.

Q: What are the thoughts behind the new FSA/NRCS/RMA together on a long range basis?

A: Bob Stephenson – Acting Chief of Staff of the Farm Production and Conservation Mission Area: the reorganization will not affect field level work, but more on a national basis. The IT perspective can be integrated for the agencies to improve customer service to farmers.

Q: in many cases, NRCS is not in the office very much, but in reality this will increase our workload more to cover NRCS issues. Where does the conservation district fit in the reorganizational concept?

A: Bob Stephenson: Conservation districts (CD's) are part of State government and we are aware there is some bartering done with CD and NRCS for space and share work; however, CD is

not federal. They will probably be a player in this situation, but it is not clear how this will be done in the future. Chris Beyerhelm: it is expected that there will be joint staff meetings done on the local level between FSA and NRCS and there will be program sharing between the agencies. Sharing facilities will also be part of this. The Secretary wants an open concept between agencies. There should be conversational knowledge of programs between agencies.

Q: The postcard that will be coming out to the non-resident land owners regarding the mentoring/sale of land to a beginning farmer will have an impact on current rental situations and what are we supposed to tell them?

A: Chris Beyerhelm: This was discussed when we decided to roll this program out—there is a very close analogy to this policy as there is to CRP –both have the consequence of displacing an existing renter if the landlord decides to put their land in CRP or rent to a beginning farmer – While it is understandable that an existing farmer or rancher would be concerned about the loss of land, in both cases USDA has decided it is equally important to practice conservation practices and/or provide opportunities for beginners.

Q: Some offices have staffing shortages due to illness, etc, so the COF looked for a volunteer and was able to find a very qualified candidate, but they have very limited access to the computer even though they have to clear the background check, so is there a way to get volunteers more access?

A: Thomas Mulhern - HRD: This is a challenge when looking a federal employment. There is a lack of flexibility involved and there are limitations put on volunteers vs a federal employee.  
Darren Ash - CIO: After researching this question (post NASCOE convention), from a security perspective, there are no security policies explicitly preventing a volunteer access.

Q: ARS: what type of quality control is being done to ensure items are entered correctly?

A: Catherine Kuhlmeier - OBF: there will be more ag learn training on validity and consistently for item entries. They are working on this type of improvements in ARS.

Q: Why can't there be a code for doing things on a "national" level, so that it can be recorded for work done outside of the normal county operations in ARS?

A: Catherine Kuhlmeier - OBF: they are working ways to capture the work without adding more of a burden on the office. Radha Sekar - CFO: this is a good option to use the national code to document how the time is being spent without taking away from the county doing the work.

Q: MPP: there are proposed changes to help the dairy farmers and some extension agents have commented that the changes will do no good. Without a floor on the MPP program, it does not good for the farmer.

A: Brad Karmen – Acting DAFP: everyone acknowledges that the program is ineffective and improvements cost money and the question is always: where is the money going to come from.

Q: They have been in shared management since 1999, and now shared management is pretty standard. There is no way to document the work done in the sub office. Is there a way to account for that time?

A: Chris Beyerhelm: there is a task force on shared management and they are trying to establish uniform ways of handling shared management. Should it be treated as one big area or should it be separate? Let Chris Hare know and he will relate that information through the task force. Catherine Kuhlmeier - OBF: there are options that are being worked on in this case.

Q: Can we develop a method to freeze information so it doesn't change information done prior to the date the information is loaded in MIDAS.

A: Brad Karmen – Acting DAFP: This will be looked into

Q: Can it be discussed with the SED's to become aware that the 10 hour spot awards can be approved by the direct supervisor, but in some cases, the SED's are reviewing these and it is backing up the process

A: Chris Beyerhelm – Acting Administrator: This will be looked into

Q: Will supervision be allowed for CO to GS in this new reorganization?

A: Chris Beyerhelm: This has not been discussed in the reorganization efforts so far, however, current regulations do not allow for CO employees to supervise GS employees.

Q: NM restricted COC meetings to quarterly meetings and doing so by conference calls due to budget and do not let the producers know about such. Did the national office approve this?

A: John Chott – Acting DAFO: To the best of our knowledge, DAFO did not specifically approve this. However, meetings should not be held if there is not business at hand. However, DAFO does support monthly meetings when there are business items.

Q: Gov Delivery is a good concept, but is there a way to make this more personal to the county offices?

A: Brenda Carlson – Regional Public Affairs (Gov Delivery): texting: they are adding subscribers at 6,000/month. In the cases of non-opening emails, they can monitor this and the engagement rate is about 58% and the federal government rate is about 38%. For the \$150,000 to \$200,000/year investment in this process provides a good return on the investment for communication. County offices are doing a good job in sending out bulletins

and if there is an overload from COF and STO, then let her know, but keep in mind that not all producers subscribe to both. She is open to suggestions and NASCOE was where the texting idea came from. She is a communications specialist and supports the most effective means of communication. Gov Delivery is very cost effective and effective means to get out information. Texting is becoming a very effective means to communications. Orth: they do use the information in Gov Delivery.

Q: Will you take into consideration that a CRP takes more time than an ARC/PLC contract for workload purposes?

A: Radha Sekar - CFO: There is enough data to show the difference in the signup times between contracts in different programs. The analysis will reveal these types of difference in the metrics of working with programs.

Q: We need someone to fix WebTa because there are many issues with data loading.

A: Thomas Mulhern - HRD: there are a lot of issues with 4.2 and there are changes in the system. There is an ongoing work group that address different issues. If there are issues we are not aware of, please send them in. He cannot give a date on when the changes will be made and it is a continuous process.

Q: Is there any way to lift the CAP on CRP acres?

A: Brad Karmen – Acting DAFP: no, this would require legislation.

Q: is there a way to change the crop reporting deadlines?

A: Brad Karmen – Acting DAFP: there is a big issue with this and it was determined to have common reporting dates with FSA and RMA. Different dates are confusing for producers, so the dates were made the same regardless if producers had insurance or not.

Q: There are many issues with district directors and their disregard to the role of the COC in the county office. Will there be a reminder sent to the state offices regarding this?

A: This was answered first, that DAFO acknowledges and supports the fact that COCs are the supervisor of the CED. Second, it was answered that DD's have 12 or 13 delegated supervisory and oversight responsibilities over the county office but we do not support DD's being heavy handed; Third that DD's are an integral part of our field operations and, finally, we need to know case where DD's may be overstepping their bounds.