

**Remarks by Glen R. Smith
Board Chairman and CEO
Farm Credit Administration
FCA All-Staff Meeting
August 7, 2019**

Thanks to all of you for taking the time out of your busy workday to hear a few words from me about my vision for FCA as I assume my new responsibilities as chairman. It's important to me that I speak to all FCA personnel and in particular to all our field offices. I've had the opportunity to participate in some great introductory and question/answer sessions with our examination staff in Bloomington and Sacramento. I plan to visit Denver early this September and hope to get to Dallas by the end of the year.

This is a priority for me and my message is clear. The examination team comprises over half our organization. You are the eyes and ears of the agency, our "boots on the ground." As poor economic times threaten certain sectors of our ag economy, we are very dependent on you to serve our safety and soundness mission. Through the able leadership of Robert Coleman and Roger Paulsen, I know we can depend on you.

I'd like to take a few moments to thank a few people who have been extremely helpful to me the last 20 months. This agency has benefitted tremendously from the wisdom and steady hand of leadership from my fellow board member, Jeff Hall. Jeff, I want to let you know that I place a high value on your experience and wisdom and couldn't ask for a better fellow board member. Through our executive assistants, Kevin Kramp and Jim Morris, we work well together, and I very much look forward to continuing that relationship for what looks to be quite a long time.

I'd also like to thank Mike Stokke. Mike, you were a tremendous asset in helping me through the confirmation process. You've continued to be a valuable counsel to me as well as to the agency. And then there is my personal team, Jim and Awilda. It took 19 months to whip me into shape — I'm still here — must be hope for me. Thank you for your patience and friendship.

Several months ago, I came across a term that made a lot of sense to me as I undertake this position. I wrote it down and keep it within sight at my desk. The term is "intellectual humility." It means in an agency like this, no matter how hard I try, I will never be an expert in most facets of the organization, whether it be OIT, OAS, OCPA, OGC, ORP, EEO, OE, OSMO, OCFO, or FCSIC. It took me three months just to learn what those stood for! I'm blessed to be surrounded by an incredibly talented team of professionals. More than any time in my life, what I am learning to do is listen to these professionals and ask a lot of questions so that the board can come to a final conclusion or decision that Jeff and I think is best for the agency.

We have some personnel challenges ahead of us with the retirement of some key senior management in the next several months. Bill Hoffman reminds me of this on a daily basis because he's been coming to work singing the country song, "You're gonna miss me when I'm gone." It will be a challenge to replace that experience, but it also offers a great opportunity for individuals within our agency to move up, and Jeff and I believe we have a tremendous pool of talent, here at FCA, to select from. The goal will be continuity and keeping this agency running smoothly for years to come.

Your board team is proud of some accomplishments we've made this past year, accomplishments we have unanimously supported, including our late Chairman Dallas Tonsager. We have a new data analyst team with Jeremy D'Antoni named as chief data officer. The importance of data analytics is consistent with what private business has known for the last decade. And we are consistent with Congress' recent mandate for federal agencies to make decisions based upon facts — facts that are exempt from any personal bias, influence, or politics. We envision this group to be available to all facets of the agency but should have particular application to our financial oversight functions. Jeff, I know you pointed out to me the importance of data analytics over a year and a half ago, and I'm sure it's satisfying to you to see the idea brought to fruition. We're also interested in the synergy created between data analytics and our economics team with Dennis Shields as our new chief economist. I've been needling Dennis a little bit lately. I tell him I don't need a history lesson, I need to know what's going to happen in the future. That's a tall order, I know, especially for an economist. I believe the fusion of data and economics could lead to some exciting results.

We're very proud of the progress we have made in the YBS program, advancing the System's loans to young, beginning, and small farmers (YBS). The newly created YBS workgroup has made good progress with the recent advance notice of proposed rulemaking, which will improve accuracy and transparency of reporting over the next two years of transition. We have made it clear that this is just the start, as we encourage expansion and improvement of each association's YBS program with the final step being examination and evaluation of effectiveness. The YBS initiative is near and dear to me as my wife and I started out as true "beginning farmers," and two of our children are involved in their early years of production agriculture. Our family truly understands those challenges.

Another one of my goals for the next several years is to improve FCA's efficiency of response to System proposals. I've been amazed by the number of proposals we get. We are inundated every year with System proposals, and it sometimes involves a confusing balancing act of priorities. Even if they don't like our answers, the System should expect well thought-out, timely responses to their requests, and I would like to improve in that area.

I have a wood carving plaque displayed in my office that my four children gave me for Father's Day one year. It depicts an early pioneer farmer steering a horse-drawn plow, breaking prairie sod with the words "Whatever you do, work it with all your heart."

Those are words I've tried to live by. Some of you have seen my resume...it's not very impressive, is it? At least by D.C. standards. I have spent the better part of the last four decades working and building the agricultural enterprises our family enjoys today, with little time for anything else. And whatever my work week (from 70 to 80 or even 90 hours during harvest time), that lady in the front row probably worked 10 hours more raising four children while at the same time working full-time. We were true partners, and we were blessed because we believed in what we were working for. As a farmer and as your new chairman, I believe in the mission of the Farm Credit Administration — to ensure safe and sound credit to American agriculture, in good times and bad. As a farmer, I know firsthand that affordable credit is the lifeblood of the American farmer and rancher. It was true in 1916 when the System was first established, it was true in 1933 when FCA was created, and it's just as true today, 103 years later.

When we were planning our move to the Washington, D.C., area 19 months ago, my oldest granddaughter, Emma, who was about 4½ at that time came to me and said, "Grandpa, you're a farmer like my Daddy and uncle Pete, aren't you?" And I told her I was, like my Daddy and Grandpa and many Grandpas before. So she then looked at me funny and asked what I was going to farm in Washington, D.C. I told her that I won't ever stop being a farmer, but for the next five years or so I was going to try to help farmers and then — God willing — come back home. Now her question is, "When can I come visit?"

That was 19 months ago and since that time I've come to appreciate our mission with the same degree of passion for serving agriculture that I had back in Iowa working in agriculture. As employees of the Farm Credit Administration, I hope you share that same passion. It was my wife's and my honor to be asked to come to Washington 19 months ago. It will be my honor and privilege to serve as your chairman.