

## HUMAN CAPITAL MANAGEMENT ACCOUNTABILITY SYSTEMS

1. **REASON FOR ISSUE:** To issue Department of Veterans Affairs (VA) policies for human resources management (HRM) program evaluation in support of overall human capital accountability. It also includes an update resulting from the amendment of [5 Code of Federal Regulations \(C.F.R.\) subpart B - Strategic Human Capital Management](#) published December 12, 2016.
2. **SUMMARY OF CONTENTS/MAJOR CHANGES:** The changes update the policy in its entirety. This handbook is maintained on the [Office of the Chief Human Capital Officer website](#) and the [VA Publications website](#). The following is a general overview of the changes:
  - a. Establishes the Human Capital Framework (HCF), which describes four human capital systems with definitions and standards that replace the Human Capital Assessment and Accountability Framework (HCAAF).
  - b. Institutes the Human Capital Operating Plan (HCOP) which ensures the continued alignment of human capital strategies to support the Department's strategic plan and agency goals in the annual performance plan as required by the [Government Performance and Results Act Modernization Act of 2010 \(GPRAMA\)](#).
  - c. Establishes a quarterly data-driven review process (HRStat) to identify and monitor human capital measures and targets that informs the progress VA is making towards meeting agency specific goals.
  - d. Provides information about required participation in the Human Capital Review (HCR) with the Office of Personnel Management (OPM). The HCR is OPM's annual review of an agency's design and implementation of its HCOP, independent audit and HRStat program to support mission accomplishment and Human Capital outcomes.
3. **RESPONSIBLE OFFICE:** Oversight and Effectiveness Service (054), Office of the Chief Human Capital Officer.
4. **RELATED DIRECTIVE:** VA Directive 5024, Human Capital Management Accountability Systems.
5. **RESCISSION:** VA Handbook 5024, Human Capital Management Accountability Systems, dated January 23, 2012.

Department of Veterans Affairs  
Washington, DC 20420

VA HANDBOOK 5024  
Transmittal Sheet  
January 24, 2022

**CERTIFIED BY:**

**BY DIRECTION OF THE SECRETARY  
OF VETERANS AFFAIRS:**

/s/  
Guy T. Kiyokawa  
Assistant Secretary for  
Enterprise Integration

/s/  
Gina M. Grosso  
Assistant Secretary for  
Human Resources and Administration/  
Operations, Security and Preparedness

**DISTRIBUTION:** Electronic only

## HUMAN CAPITAL MANAGEMENT ACCOUNTABILITY SYSTEMS

### Table of Contents

1. BACKGROUND.....	4
2. PURPOSE.....	4
3. SCOPE.....	5
4. ROLES AND RESPONSIBILITIES.....	5
5. EVALUATION SYSTEM.....	12
6. ACCOUNTABILITY ACTIVITIES.....	13
7. ASSESSMENT PROCESS.....	16
8. CONDUCTING THE ASSESSMENT.....	17
9. ANNUAL HC SELF-EVALUATION.....	18
10. OTHER ACCOUNTABILITY REVIEWS.....	20
11. REPORTING AND CORRECTIVE/IMPROVEMENT ACTION.....	21
12. EVALUATION SYSTEM ASSESSMENT.....	22

## HUMAN CAPITAL MANAGEMENT ACCOUNTABILITY SYSTEMS

### 1. BACKGROUND.

- a. The Human Capital (HC) Accountability System within the Department of Veterans Affairs (VA) supports VA's mission to provide health care, benefits, and memorial services to Veterans and their dependents or survivors. The Veterans Health Administration (VHA), Veterans Benefits Administration (VBA), National Cemetery Administration (NCA), and VA staff offices comprise the Department and accomplish their mission through a wide spectrum of programs and activities requiring the dedicated service of employees.
- b. The VA's foundation and the key to its future success rests with its workforce. The ability to accomplish VA's challenging mission is directly dependent on a workforce that both capitalizes on its strengths and aligns itself with VA's mission and strategic goals. The basis for creating and sustaining such a workforce is HC policies, programs, practices, and operations that produce mission-related results effectively and efficiently, in accordance with merit system principles and other civil service laws, rules, and regulations. It is built upon the fundamental understanding that accountability for HC management extends beyond the human resources (HR) community to include, Secretary, Deputy Secretary, Under Secretaries, managers, employees, employee representatives, and other stakeholders.

### 2. PURPOSE.

- a. The purpose of VA's Accountability System is to assist management in evaluating the management of human capital in VA. This system assesses the VA's human capital management progress and results annually. It also assesses compliance with relevant laws, rules, and regulations. This accountability system is designed to ensure that the intended HC results are being achieved at the Department level and throughout each Administration and Staff Office and are accomplished through proper use of delegated personnel authority in accordance with [5 Code of Federal Regulations \(C.F.R.\), part 250](#) including 5 C.F.R. [Part 5 – Regulations, Investigations and Enforcement \(RULE V\)](#) and Directive 5017, [Employee Recognition and Awards](#).
- b. This handbook also aligns VA's strategic human capital management to the Federal Government's Human Capital Framework (HCF), which contains four Human Capital Systems (i.e., objectives):
  - (1) Strategic Planning and Alignment. A system led by senior management, especially the Chief Human Capital Officer (CHCO), that ensures agency human capital goals are aligned with agency mission, goals, and objectives through analysis, planning, investment, and measurement.

- (2) **Talent Management.** A system that promotes a high-performing workforce, identifies and closes skill gaps, and implements and maintains programs to attract, acquire, develop, promote, and retain highly skilled and diverse talent.
  - (3) **Performance Culture.** A system that engages, develops, and inspires a diverse, high-performing workforce by creating, implementing, and maintaining effective performance management strategies, practices, and activities that support mission objectives.
  - (4) **Evaluation.** A system that contributes to agency performance by monitoring and evaluating outcomes of its human capital management strategies, policies, programs, and activities, by ensuring compliance with merit system principles; and by identifying and monitoring process improvements.
- 3. SCOPE.** The scope of the VA HC Accountability System is Department-wide, covering all United States Code (U.S.C.), title 5, title 38, and any other non-title 5 HC and HR operations. This includes the following: assigning responsibility for developing, and implementing methodologies for measuring, evaluating, and improving HC results to ensure mission alignment, effective HR management (HRM) programs, efficient HR processes, and merit-based decision-making in compliance with law and regulation.

#### **4. ROLES AND RESPONSIBILITIES.**

- a. Key Roles.** The following are specific roles and responsibilities of key personnel and organizations in the planning, direction, execution, reporting, assessment, and oversight of agency accountability activities:
  - (1) **VA Executive Board.** The VA Executive Board (VAEB) is chaired by the VA Secretary and includes the VA Deputy Secretary, the VA Chief of Staff, the VA Under Secretaries for Health, Benefits, and Memorial Affairs, all VA Assistant Secretaries and equivalents, the VA General Counsel, and the VA Chairman of the Board of Veterans' Appeals. The VAEB is the Department's most senior management decision making forum. The VAEB establishes strategic direction for the Department and makes key decisions regarding Department-wide strategy, policy, and major investments.
  - (2) **VA Operations Board.** The VA Operations Board (VAOB) addresses management and operational issues including budget execution, performance management, risk management and the activities of the various Chief Officer Councils (finance, information technology, human capital, acquisitions and logistics, customer experience, performance improvement, risk management, and program management). The VAOB is chaired by the Deputy Secretary and includes all Principal Deputies and equivalents from VA Administrations and Staff Offices.

- (3) **VA Modernization Board.** The VA Modernization Board (VAMB) serves as an oversight and decision-making body to accelerate modernization initiatives and transformation efforts. The VAMB approves new initiatives; conducts oversight of initiative performance, and approval for initiative to continue, change or stop based on the VA's strategic objectives and priorities. The VAMB is chaired by the Deputy Secretary and consists of senior executives designated by the head of their respective organizations.
- (4) **VA Chief of Staff Council.** The VA Chief of Staff Council (VACSC) manages the execution of decisions made from the VAOB and VAMB as appropriate. It serves as the governance body overseeing the implementation of operational and administrative matters that do not require decisions by the VAOB or the VAMB. The VACSC is chaired by the VA Chief of Staff and includes the VA Deputy Chief of Staff and the Chiefs of Staff from all VA Administrations and Staff Offices.
- (5) **Assistant Secretary for Enterprise Integration (AS/OEI).** The AS/OEI serves as VA Governance Secretariat on behalf of the Office of the Secretary for the VAEB, VAOB, VAMB, and VACSC. The Secretariat oversees the day-to-day management and administration of VA's governance process. OEI also manages strategy and strategic planning for the VA Strategic Plan. The Principal Deputy Assistant Secretary, OEI, serves as the Performance Improvement Officer and participates or sends a representative to the HRStat reviews.
- (6) **The Human Resources Information Technology (HRIT) Executive Governance Council and Program Steering Committee (PSC).** The HRIT Executive Governance Council was established to enable the VA Administrations and Staff Offices to make HRIT strategic decisions that benefit the entire VA enterprise. This approach helps to maximize economies of scale, focus on system interoperability, minimize duplicative efforts, and deliver end-to-end enterprise HR technology solutions. The Council provides oversight, guidance, and vision for developing the enterprise strategy for HRIT systems including establishing protocols for data management, funding, integrity, and ownership as well as approving the HRIT Strategic Roadmap. The PSC is responsible for elevating business issues associated with the HR technology solutions that contribute to the delivery of the project outputs and the attainment of project outcomes in accordance with the HRIT Strategic Roadmap. The PSC is responsible for reviewing, defining, and realizing project outcomes as well as monitoring risks to quality, scope and timelines.
- (7) **Assistant Secretary for Management and Chief Financial Officer** shall direct the Department's budgetary, financial, capital asset management, and business oversight functions as well as corporate analysis and evaluation. Office of Management is under the direction of the Assistant Secretary for Management who serves as the Department's Chief Financial

Officer (CFO) and they or their representative participates in the HRStat reviews.

- (8) **Assistant Secretary for Human Resources and Administration/ Operations, Security and Preparedness (ASHRA/OSP).** As an integral part of senior leadership, the ASHRA/OSP advises/assists the Secretary, the Under Secretaries and other Staff Office heads in carrying out VA's responsibilities for selecting, developing, training, and managing a high quality, productive workforce in accordance with merit system principles. As part of this responsibility, the ASHRA/OSP advises the VA Executive Board and VA Operations Board on the strategic alignment of VA's workforce to its mission and serves as principal advisor to the Secretary on VA workforce succession planning and achieving and sustaining a diverse workforce. The ASHRA/OSP has overall responsibility for developing the HC Operating Plan (HCOP); oversees the quarterly HRStat reviews and the operation of VA's Human Capital Accountability System; participates in the Human Capital Review (HCR) with the Office of Personnel Management (OPM); and ensures compliance with merit system principles, other regulations and VA human resources policies. The ASHRA/OSP has overall program responsibility for assessment and evaluation of HRM programs, results, and accountability within VA.
- (9) **Director, Office of Resolution Management, Diversity & Inclusion (ORMDI)** shall advise and support the ASHRA/OSP in workforce diversity issues. The office also supports the Secretary, Deputy Secretary, Under Secretaries, and Assistant Secretaries in their actions to achieve and sustain a diverse and inclusive workforce. ORMDI provides leadership in establishing the VA's diversity and inclusion policy and in designing, maintaining, and evaluating diversity and inclusion strategies. It works to enhance the employment of individuals from diverse groups and Veterans through five main areas: (a) Workforce Analysis and Evaluation, (b) Complaints Prevention and Special Emphasis, (c) Outreach and Special Initiatives, (d) Communications and Awareness, and (e) Customer Experience Strategy.
- (10) **Corporate Senior Executive Management Office (CSEMO).** CSEMO's mission is to recruit, hire, develop, and retain the most highly qualified cadre of people-centric, results-driven, and forward-looking senior executives who are committed to serving Veterans and their families. CSEMO is the human resources (HR) servicing office for all senior leaders in the Department of Veterans Affairs. This includes career, noncareer, and limited term Senior Executive Service (SES), senior level (SL), title 38 SES Equivalents, political appointees, Schedule C employees, consultants/experts, and Veterans Law Judges (VLJ). CSEMO serves as the executive secretary to and provides administrative support for the Department's Executive Resources Board (ERB). The ERB plays an active role in the governance and oversight of the SES cadre and functions in an

advisory capacity to the VA Secretary. The ERB addresses executive personnel planning, executive resources utilization, executive development and evaluation of executive personnel programs.

- (11) **The Office of Accountability and Whistleblower Protection (OAWP).** OAWP serves to improve the performance and accountability of VA senior executives and employees through thorough, timely, and unbiased investigation of all allegations and concerns. Where these actions are found factually true, the Office will provide recommended actions related to the removal, demotion or suspension based on poor performance and/or misconduct. Additionally, OAWP provides protection of VA whistleblowers against retaliation for their disclosures.
- (12) **Chief Human Capital Officer (CHCO).** The VA CHCO provides leadership and guidance in the following areas:
- (a) planning and development of personnel policies and programs that support and enhance VA's mission;
  - (b) formulating VA policies, in coordination with the Administrations and Staff Offices (i.e., workforce planning, employment, compensation and classification, performance management and recognition, work-life and benefits, and oversight);
  - (c) providing technical assistance to the Administrations and Staff Offices in proper application of Federal personnel laws, regulations, and policies.
  - (d) coordinating the development of VA's Workforce and Succession Plan and monitoring overall progress in meeting workforce planning goals;
  - (e) overseeing accountability for VA wide results in overall Talent Management, Performance Culture, and Evaluation.
- (13) **Director, HRA Oversight and Effectiveness Service (OES)** shall plan, coordinate and monitor the effectiveness, efficiency and merit system compliance of HRM. In carrying out these responsibilities, OES ensures effective implementation of VA's HC Accountability System, including the conduct, reporting, and follow-up of VA's accountability activities. In support of HC/HRM assessments, OES oversees establishing matrix assessment teams and tracking the completion of resultant required and/or recommended actions and conducts an annual HC Self-Assessment to help measure VA's performance against the HC standards and to assist field Directors in conducting yearly, systematic, internal facility HC self-reviews. The comprehensive nature of VA's accountability system requires an integrated approach whereby Administrations and Staff Offices work together to ensure that HC goals are met and that those results support



mission accomplishment effectively, efficiently, and within merit system principles and other laws and regulations. The Director of OES serves as the Human Capital Accountability Program Manager for the Department.

- (14) **Director, HRA Recruitment and Placement Policy Service (RPPS)** shall develop recruitment, placement, staffing and employment policies, programs, products, and systems for the Department, covering the title 5 competitive and excepted service and title 38 excepted services systems. RPPS develops policy, guidance, and toolkits; manages the development of related VA-wide reports and requests to external agencies; and provides advice on the interpretation and application of statute, regulation, and policy. RPPS is responsible for subject areas that cover the full human capital life cycle of advertising positions through evaluating and referring candidates, placing and promoting employees to separating employees. In addition, RPPS has Department-wide oversight responsibilities for all employment authorities. In carrying out these responsibilities, RPPS oversees accountability for results in the Talent Management System of the Human Capital Framework.
- (15) **Director, HRA Strategic Human Capital Planning Service (SHCPS)** shall develop an agency workforce strategic plan that allows VA to successfully compete for, develop, and retain outstanding people to address current and future mission critical priorities. This work includes establishing a standard and integrated agency strategic workforce planning capability and serving as the liaison between VA and OMB and OPM regarding workforce planning initiatives. SHCPS also serves as the strategic advisor when assisting the Administrations and Staff Offices in their workforce planning efforts. In carrying out these responsibilities, SHCPS oversees accountability for results in Strategic Planning and Alignment and portions of the Talent Management System.
- (16) **Director, HRA Compensation and Classification Service (CCS)** shall manage the planning and development of compensation and classification policies and programs that support and enhance the Department's mission. CCS provides technical assistance to VA HR staff in the proper application of Federal pay-setting laws, regulations, classification standards and policies. These responsibilities include comprehensive technical reviews of special rate authorizations and nurse locality pay schedules prior to implementation and the adjudication of classification appeals. Additionally, the CCS provides oversight and advisory service to managers on the use of recruitment, relocation, and retention incentives, and the student loan repayment program.
- (17) **Director, HRA Employee Relations and Performance Management Service (ERPMS)**. Serves as the central reference source for policy, guidance, program monitoring, and evaluation of Department-wide performance management and award activities to ensure alignment with

mission, goals and priorities. ERPMS coordinates with VA's Administrations to ensure that employee performance plans link individual performance to organizational goals, and that all employees are held accountable for mission-related results in compliance with merit system principles. In carrying out these responsibilities, ERPMS provides policy and training to help ensure Departmental accountability in Performance Culture.

- (18) **Director, HRA Center for Enterprise Human Resources Information Services (CEHRIS)** shall oversee the planning, implementation, and operation of VA's HRM data and information management systems. HC data and measures are provided to senior leadership and other accountability components as indicators of program efficiency, effectiveness, and program compliance.
- (19) **Under Secretaries, Assistant Secretaries, Other Key Officials, Deputy Assistant Secretaries, Veterans Integrated Service Network (VISN) Directors, District Directors, equivalent officials or designees.** As senior leadership, these officials are responsible for oversight through planning, developing, conducting, reporting, and following-up on VA accountability activities related to VA's Strategic Human Capital Planning, Talent Management, Performance Culture, and Evaluation.
- (20) **Human Resources Officers (HROs).** HROs in each Administration evaluate their own HR management program each fiscal year utilizing the OES evaluation instrument. Each HRO must also approve corrective action plans to address accountability issues that surface during these reviews and other oversight activities.
- (21) **Managers/Supervisors.** Managers/Supervisors are responsible for ensuring workforce planning strategies and other actions are implemented to sustain a competent and productive workforce. They are responsible for selecting competent employees and providing them the necessary support and training to maximize their performance. They manage employee performance by developing employee performance plans, providing feedback and progress reviews, appraising performance, and rewarding top performers or taking action against poor performers. Managers and supervisors ensure HC accountability at all levels of the organization, down to the front line.
- (22) **VA Employees.** Employees have an important role in their own learning and professional development. They share responsibility with their managers/supervisors for identifying training needs in relation to job requirements and for identifying sources for meeting those requirements. Employees also have primary responsibility for self-development activities. Employees provide important checks and balances for agency leadership through feedback on employee morale and organizational effectiveness.

Employees are protected against reprisal for reporting instances of waste, fraud, and abuse of personnel management authorities and practices, including merit system violations and prohibited personnel practices.

**b. Other Accountability Components:**

- (1) **Merit Staffing Executive Resources Boards (ERB) Operational Panels.** VA has transformed the merit staffing ERB process by establishing a standard, deliberate, and predictable process that ensures ERBs are conducted timely. The selecting official in collaboration with the Corporate Senior Executive Management will identify the three ERB Operational Panel members to conduct the merit staffing process for initial SES career appointment. An ERB considers the executive and technical qualifications of each candidate other than those found ineligible because they do not meet the requirements of the vacancy announcement. To refer the “Best Qualified” group of competitive candidates to the selecting official for consideration, the ERB ensures that all candidates compete and are rated and ranked on the same basis and that rating procedures are based on the knowledge, skills, abilities, and other job-related factors.
- (2) **VHA Office of Reporting, Analytics, Performance, Improvement and Deployment (RAPID).** The RAPID Office ensures an integrated and systematic framework for developing, understanding and measuring high reliability organizations by providing the field and leadership with analytics, tools, consultation and training to assess how VHA is performing as an organization. RAPID provides descriptive data on a quarterly basis on the performance measures for each VHA VISN. This information facilitates frequent discussions between VHA senior leadership and the VISN directors on the progress of achieving established performance measures.
- (3) **Healthcare Leadership Talent Institute (HLTI).** The HLTI supports key elements of accountability for VA’s results in training portions of Talent Management.
- (4) **Chief Learning Officer (CLO).** The Chief Learning Officer is the principal advisor to the ASHRA/OSP on linking employee learning and professional development to VA strategic goals.
- (5) **VHA HR Development (HRD).** This team is responsible for VA HR professionals’ competency development. The VHA HRD team creates and implements training and development programs designed to improve human resource competencies in HR professionals and managers. This includes: the HR Specialist and Assistant HR Officer Technical Career Field (TCF) programs, the transition program for new HR Officers and offers consultative services to field and program offices.

- (6) **VHA All Employee Survey (AES) Committee and the VHA National Center for Organization Development (NCOD).** The AES Committee and NCOD ensure that the Annual Employee Survey is administered, and the responses are analyzed by appropriate program officials/entities against baselines and expected improvement measures are identified.
- (7) **Additional Information.** For additional information regarding roles and responsibilities for Workforce Planning, Strategic Planning and Alignment, Talent Management, Performance Culture and Evaluation, see VA's Governance Framework document and VA Directives and Handbooks 5001, 5002, 5003, 5005, 5013, 5017, 5024, and 5027.

## 5. EVALUATION SYSTEM.

- a. **Objectives.** The following objectives describe the intent and desired outcomes of VA's Evaluation System:
  - (1) To ensure Human Capital Management supports strategic goals within the VA Strategic Plan and VA Performance Plan, as required by the Government Performance and Results Act Modernization Act (GPRAMA) of 2010, VA's Human Capital Operating Plan (HCOP) aligns Human Capital strategy with performance strategy, the Federal Workforce Priorities Report, and the President's Management Agenda.
  - (2) To ensure that HC planning is guided by a data driven, results-oriented process, HRStat meetings document a periodic analysis of HC data to assess results or progress toward goal achievement.
  - (3) To ensure that managers/supervisors and HR practitioners are held accountable for their HC capital decisions and actions;
  - (4) To assess the effectiveness and efficiency of human resources management functions VA-wide;
  - (5) To ensure VA's HC programs and policies adhere to merit system principles and other pertinent laws and regulations;
  - (6) To conduct periodic Delegated Examining Unit (DEU) audits and HC/HRM assessments to verify the level of performance and merit system compliance; and
  - (7) To implement a plan for addressing issues or problems identified during accountability audits and other accountability activities.
- b. VA's accountability system, by design, relies on the integration of activities of many different organizations and programs as described in paragraph 6. The CHCO oversees the operation of VA's accountability system, ensures this integration occurs, and that there is accountability throughout the entire

Department. Accountability covers all HC implementation systems including assessments of mission alignment, program effectiveness and efficiency, and merit system compliance. The results of accountability activities document the extent to which HC goals are being met against measures for each of the implementation systems and are used to drive continuous improvement in HC initiatives, HRM programs, and HR processes.

- c. VA's leadership is committed to maintaining HC accountability as a priority which must be sustained through cross-Administration and Staff Office collaboration, and appropriate resources to maintain its viability and promote continuous improvement in HC results in support of mission accomplishment.

**6. ACCOUNTABILITY ACTIVITIES.** The VA's accountability system will use the following activities: data analyses, employee surveys, audits and assessments. (please list the activities) These accountability activities are designed to collect information and assess HC management within each Administration and across the Department. They will be used in the HRStat to monitor and evaluate the efficiency, effectiveness, and compliance of VA's HC systems. They also provide a mechanism for identifying the need for new or revised HC strategies in the HCOP or corrective action.

- a. **Data Analyses.** Data collection and analyses relevant to HC goals, measures and related objectives are used to assess program efficiency and effectiveness. Office of the Chief Human Capital Officer (OCHCO) monitors overall progress in meeting workforce planning goals and provides status reports to VA's CHCO, OPM, and VA's top managers through HRStat, which is a quarterly review of human capital data to measure the impact of VA's human capital management on organizational results.
- b. **Employee Surveys.** In conjunction with OCHCO, NCOD ensures that annual employee survey results (All Employee Survey (AES) and questions used for Best Places to Work) are analyzed by appropriate program officials against baselines and expected improvement goals. The results of employee surveys are shared with top management and the workforce along with any planned local follow-up actions to address negative responses and improve employee engagement.
- c. **Delegated Examining Units (DEU) Audits:**
  - (1) As required by the OPM Delegated Examining Operations Handbook, all delegated examining units must complete annual self-audits. Completed self-audits must be provided to OES, in addition to other requirements in the OPM Delegated Examining Operations Handbook.

- (a) Audits must be conducted objectively by VA employees who possess current delegated examining certification, who are not in the chain of command, and do not report to the same facility manager.
  - (b) DEUs will submit their reports to OCHCO not later than 30 business days after completion.
- (2) OCHCO will conduct annual DEU audits with an appropriate percentage of the total number of units to ensure that all units are audited in no less than 5 years. Audits will be scheduled no later than the beginning of the quarter prior to the quarter in which the audit will be conducted. Audits are generally 3 to 5 business days, adjusted appropriately based on pre-audit analysis. Audits may be conducted on-site or virtually. Audits include the following activities:
- (a) Pre-audit data analysis of DEU and related activities.
  - (b) Entrance briefing with HR Director, HR staff, and Administration representatives.
  - (c) Transactions/records review of DEU selections and non-selections.
  - (d) Interviews of selecting officials and HR staff.
  - (e) Review of DEU policies, standard operating procedures (SOP) and the accountability program.
  - (f) Collection of best practices for Departmental sharing.
  - (g) Exit briefing with HR Director, HR staff, and Administration representatives
  - (h) Report of strengths and weaknesses and required and recommended actions.
  - (i) Closure of required and recommended actions.

**d. HC/Human Resources Management Assessments:**

- (1) OPM, through 5 U.S.C. § 305, Civil Service Rule X, as codified in 5 C.F.R. 10.2, 5 C.F.R. 250, and the Homeland Security Act of 2002 (P.L. 107-296) (CHCO Act) require VA to establish and maintain a system of accountability for merit system principles that (a) sets standards for applying the merit system principles, (b) measures VA's effectiveness in meeting these standards, and (c) corrects any deficiencies in meeting these standards. Therefore, VA, through the OCHCO OES, will conduct periodic human resources management on-site reviews to assess human resources management programs and report on the effectiveness of these

programs and practices, including whether they are consistent with the merit system principles.

- (2) OES's oversight program emphasizes both adherence to the merit system principles and results focused HRM. The program is based on the premise that VA facilities in general, including HRM, need to focus on results, not just obedience to laws and regulations, to work effectively and meet the expectations of our Veterans and their families. Reviews will tend to be more consultative than investigative and will help advance HR's and VA's understanding of how to achieve and to assess HRM accountability for results.
- (3) VA has identified the following outcomes of its accountability program to be considered in these reviews:
  - (a) Managers, supervisors, and HRM officials are aware of and are held accountable for operating in a manner consistent with the merit system principles.
  - (b) Managers and supervisors manage their human resources to support mission accomplishments and VA's Human Capital Operating Plan. HRM measures are identified and key outcome indicators are assessed. Both are consistently maintained, reported, and are used for decision making and continuous improvement.
  - (c) Managers, supervisors, and employees are held accountable for effective and efficient performance. They know what results are desired, are supported in achieving those results, are trained to do their jobs effectively, and have the information they need.
  - (d) The human resources function has a proactive customer service orientation, is responsive to customer needs, develops policies or programs that address human resources needs, and is sensitive to cost.
  - (e) Systematic HC self-assessment leads to constructive change.
- (4) OES will conduct these assessments and it will cover HR Offices in all VISNs, VBA, and NCA components over a cycle commensurate with manpower and budget. Departmental resources are evaluated annually to determine adequate staffing levels and budget to track and evaluate human capital policies, programs and initiatives. Assessments requiring additional resources due to the size of the facility and potentially significant findings will also be evaluated annually. HR indicators and inputs from Administrations and OPM will determine which sites are selected. Sites for the upcoming fiscal year will be selected by June 30th of each year. The assessment schedule lists whether the assessment is virtual or on-site and is posted on the OES website.

## 7. ASSESSMENT PROCESS.

- a. **Consultative Approach.** OES's consultative assessment process will:
  - (1) Involve the human resources management staff.
  - (2) Build on the positives.
  - (3) Show linkages to higher goals, e.g., mission, program outcomes, etc.
  - (4) Use assessment results for potential legislation or policy development.
  - (5) Give as much attention to "what the managers need" as to what the regulation requires.
  - (6) Provide continuous support.
  - (7) Share information on a continuous basis.
  - (8) Facilitate positive change.
- b. **Verification.** During the on-site assessment, OES evaluators will verify the content of the office's self-evaluation, review improvement action plans and documented progress, as well as conduct reviews of the major HR programs.
- c. **On-site Meetings.** When on-site, OES assessors will meet with selected management officials, supervisors, and union representatives to assess the quality of HR programs and adherence to the merit system principles. Most meetings and interviews will be scheduled well in advance of the on-site visit. Others may be scheduled while on-site.
- d. **Peer Reviews.** OES encourages facility directors and HR managers to assist each other in periodically reviewing their respective HR programs before scheduled OES site visits. Assistance of this nature can be an invaluable tool in preparing for OES assessments.
- e. **Consultative Visits.** When requested, ad hoc on-site assistance visits may be made to provide advice and help improve the effectiveness and efficiency of human resources management programs. These visits may be scheduled by OCHCO OES or an Administration.
- f. **Assessment Reports.** Assessment reports (prepared by OES) will clearly show those program strengths and opportunities for improvement which form the basis for an objective appraisal of the status of the human resources management program. Such reports will highlight how well program objectives are being met. Identification of problem areas or functions in need of improvement will be supplemented by suggestions, recommendations or other indications concerning action to be taken to correct inadequacies and strengthen programs. Action to



implement corrective measures will be monitored through the submission of reports or follow-up site visits, to the extent deemed necessary, for completed action or to provide additional assistance.

- g. **Effective Practices.** Based on the OES Effective Practice Guide, various effective practices gleaned by OES assessors may be posted on the OES website based on post-assessment discussion with facility management or VA Administrations.

## 8. CONDUCTING THE ASSESSMENT.

- a. **Analysis of Information and Data.** OES will periodically conduct a review of field station HRM Programs through analysis of:
  - (1) OPM evaluation reports of both DEU and non-DEU Facilities.
  - (2) VA management reviews (department/staff office reviews, etc.).
  - (3) Statistical and narrative human resources management reports.
  - (4) Information resulting from ongoing communication with field stations.
- b. **Advance Information Request.** Approximately 60 business days prior to the scheduled on-site visit, OES will request the facility provide certain information which will be used in developing the individual HR program review. A copy of the advance information request can be found on the OES website. Facility directors are responsible for ensuring that the requested information is forwarded to OES on the due date specified on the advance information request. Facilities will also be required to provide assessors with access to the electronic Official Personnel Folders (eOPF) 40 business days prior to the assessment and 40 business days after the assessment for transaction and records review.
- c. **On-site and Virtual Assessments.** On-site and virtual assessments will be scheduled based on such factors as consultation with each Administration, lapsed time since last visit, and stations' need for assistance. Assessments typically involve a full review of all human resources management activities and the Human Capital Framework (HCF). These surveys may involve a review of human resources management activities and services rendered to separate VA facilities for which a single human resources management office provides support. While on-site, records review, focus groups and interviews are used to further evaluate HRM operations.
- d. **Programs Covered During On-site Assessments.** Most major HR programs will be reviewed as part of the assessment. VA's evaluation system is based on the strategic human capital management systems, standards, and focus areas defined within the HCF in 5 C.F.R. 250.203. The following systems in the HCF are reviewed:

- (1) Strategic Planning and Alignment;
- (2) Talent Management (including regulatory and merit staffing compliance and use of staffing flexibilities);
- (3) Performance Culture; and
- (4) Evaluation.

NOTE: This list of program areas is not all inclusive. As circumstances warrant, the on-site visit may culminate in reviewing additional or differing HR specialty programs. OES's full agenda will be discussed with facility management before going on-site.

**9. ANNUAL HC SELF-EVALUATION.** Each VA HR office completes an annual HC Self-Evaluation (using a web-based self-assessment tool), to help VA measure the Department's performance against the HC standards for success contained in the HCF and to assist HC directors in conducting systematic HC self-evaluations. Directors develop action plans designed to address any deficiencies identified through the annual HC Self-Evaluation.

- a. **Evaluation Goals.** Each HR Director or designee is expected to conduct a frank and realistic HC self-evaluation. The primary goal is to identify areas that are successful and can subsequently be evaluated as an "effective practice," those needing improvement that can be corrected over time, and those that need urgent attention and the establishment of achievable improvement targets. Over time, the typical facility will be able to report and demonstrate progress in several human capital areas. OES-verified "effective practices" will be highlighted on the OES Web site as examples for potential adoption by other VA facilities.
- b. **Evaluation Timing.**

- (1) Each HR office is to complete the HC self-evaluation once a year within an allotted timeframe during the beginning of each new fiscal year. The evaluation posted to the survey SharePoint site captures the status of HRM processes at the HR office and communicates targets for where the office plans to be with respect to these same HRM processes at the end of the next fiscal year. It is advised that offices conduct the status evaluation early enough to ensure that adequate analysis and action plans can be completed on time.
- (2) Each DEU facility must complete the self-assessment form in the first level of the evaluation process. The self-assessment must be accomplished by the end of each fiscal year. The initial self-assessment schedule as well as the exact scope and size of the sample will be determined by the respective partners. The scope and size of the sample must be broad enough to represent a valid indicator of performance. The Program Review

Worksheet, Certificate Review Worksheet, and the Application Review Worksheet templates will be used for the annual self-assessment and maintained by the DEU facilities until the next on-site evaluation. A written report of self-assessment findings will be prepared using the template provided by OCHCO OES. The report and certification of completion of the annual DEU self-assessment shall be provided to OCHCO OES and the servicing local OPM Service Branch.

- c. **Evaluation Process.** The following steps occur during the self-evaluation process:
- (1) The HR Office conducts a review of a sample of personnel actions to ensure that they comply with merit systems principles and other Federal regulations.
  - (2) To respond to some questions, the office may need to designate a lead staff member to confirm factual information.
  - (3) The HR Officer or designee will compile the overall evaluation, which will be completed on-line via a designated website, indicating improvements the office plans to achieve.
  - (4) Action plans that are created by the office should be updated throughout the fiscal year. Offices may want to report if the plan has been started, if significant parts of the survey have been completed, if the action plan itself has been completed, etc.
- d. **Access to the Web Site Submissions.** OES will manage and control access to the designated web site. Executives in the direct chain of command will also have access to the Web site submissions. Each Under Secretary may designate additional officials to access the survey.
- e. **Subsequent HR Office Activity.** HR officials must publicize action plans to ensure that improvement efforts permeate throughout the office. Annual progress reports also should be publicized throughout the office.
- f. **File Maintenance.**
- (1) Each HR Director is to retain a signed hard copy of the postings made to the designated SharePoint site, i.e., the current evaluation instrument and associated action plan(s).
  - (2) Each HR Director is to retain copies of all documents used in compiling the facility's current and future HR self-evaluations. These will be reviewed by OES on-site assessors as part of the systematic assessment process.

## 10. OTHER ACCOUNTABILITY REVIEWS.

- a. **Program Reviews.** Executive/Management Councils and other working groups (e.g., VA Executive Board, VA Operations Board, etc.) along with HRA/OSP and OCHCO program offices complete program reviews and evaluations as directed, scheduled, or ad hoc to acquire information, data, and results for use in assessing goal achievement, program efficiency and effectiveness, customer satisfaction, and program improvement needs. The information generated by these reviews and assessments help support managerial decision-making on HR programs and issues across the Department. One aspect of this planning is to develop policies to hold organizations accountable for improving performance and awards processes.
- b. **Executive Performance Reviews.** VA has established a robust process for reviewing executive performance, which is managed by CSEMO. Throughout the performance review process, organizational performance must be considered, as appropriate, in rating individual executives. In addition to the executive's rating official who assigns the Annual Summary Rating, VA relies on a 2nd level reviewer, usually the rating official's supervisor, to provide an independent rating. For each rating cycle, as required by statute, VA establishes an annual Performance Review Board (PRB) to review the recommended ratings for all executives and make recommendations regarding the ratings to the Secretary. The Executive Resources Board oversees and participates in the merit staffing and other executive level processes to assist the Secretary to ensure fairness, credibility, transparency, and standardization. The Secretary makes a final decision about each executive's rating and any pay adjustment and/or performance award that he determines is appropriate.
- c. **The Joint Commission (TJC) Reviews.** Health care evaluation and accreditation services from TJC promote continuous improvement in the safety and quality of care provided to the public through the provision of health care accreditation and related services that support performance improvement in health care organizations. As the nation's predominant standards-setting and accrediting body in health care, TJC maintains state-of-the-art standards that focus on improving the quality and safety of care provided by health care organizations. TJC's comprehensive accreditation process evaluates VA's compliance with these standards and other accreditation requirements. One of the primary areas covered during TJC reviews is management of human resources. According to the Joint Commission Handbook, the goal of the human resources function is to ensure that the hospital determines the qualifications and competencies for all staff positions (individuals such as employees, contractors, or temporary agency personnel who provide services in the hospital) based on its mission, number of patients, type of care and treatment provided, and other services. TJC accreditation process also ensures that hospitals provide the right number of competent staff members to meet patients' needs.

**11. REPORTING AND CORRECTIVE/IMPROVEMENT ACTION.**

- a. VA's Accountability System is designed to promote continuous improvement, including corrective action to address weaknesses/deficiencies and merit system violations. All accountability activities will be reviewed by the OCHCO and appropriate management entities to determine and implement needed changes to VA's HC Operating Plan goals and objectives, HR programs and processes, and the accountability system itself. Case violations involving potential prohibited personnel practices will be referred to appropriate oversight agents— Office of Inspector General, Office of Special Counsel, OPM, etc. Systemic concerns will be referred to the ASHRA/OSP for consideration of Department-wide action.
- b. As required by 5 C.F.R. 250, OCHCO will incorporate the findings from accountability activities completed throughout the year and the resulting actions taken to improve HC initiatives, HRM programs/processes, and to increase the functionality of the accountability system to produce results that drive continuous improvement.
- c. OCHCO will oversee timely completion of Delegated Examining (DE) reports by the designated teams. Reports will be generated upon the completion of the on-site audit. Specific required and recommended actions resulting from DE audits will be tracked for satisfactory completion by OCHCO, based on the written response produced by the HR organization reviewed, generally within 30 business days of receiving the report. The findings that generate actions will be addressed in subsequent reviews to ensure institutional improvements.
- d. OES oversees the timely completion of corrective action generated by HC/HRM assessments. Assessment reports will be generated upon completion of on-site work. Specific required and recommended actions resulting from HC/HRM reviews will be tracked for satisfactory completion by OES, based on the written response produced by the local facility reviewed, generally within 30 business days of receiving the report. The findings that generated actions will be addressed in subsequent reviews to ensure institutional improvements.
- e. OES will oversee the timely completion of the annual HC Self-Evaluation by HR Officers. OES staff will compile an annual report on the status of VA's HRM program for submission to the Secretary and other top management officials. This information will be incorporated into the HRM Annual Report, as appropriate.
- f. OES will verify "effective practices" and highlight them on the OES Web site as examples for potential adoption by other VA facilities.

**12. EVALUATION SYSTEM ASSESSMENT.**

- a. The CHCO oversees the evaluation of VA's HC systems by reviewing the results of the activities in the aggregate, assessing the state of strategic HCM in VA, and directing any necessary follow-up actions. The Accountability Program Manager, in coordination with key officials/organizations, collects data that will help determine how well VA has performed against specific measures and tracks information on mission alignment, cost and benefits, effectiveness, efficiency, and merit system compliance.
- b. After completing the process for annually evaluating the effectiveness of evaluation activities against the HCOP, HC goals and objectives will be reviewed to ensure the most appropriate measures track human capital mission alignment, effectiveness, efficiency, merit system compliance and that all designated officials are meeting their responsibilities as outlined in this handbook. The purpose of continuously monitoring our evaluation system is to improve HC business processes to support VA's mission more effectively. OPM staff will participate in on-site audits and provide feedback on the overall effectiveness of VA's evaluation system through Evaluation System Assessments and Human Capital Reviews.