STRATEGIC MANAGEMENT OF HUMAN CAPITAL

Agency: • Implemented a comprehensive Human Capital Plan, analyzed the results, and integrated them into decision making processes to drive continuous improvement; • Analyzed and optimized existing organizational structures from service and cost perspectives, using redeployment and delayering as necessary and integrating competitive sourcing and E-Gov solutions; and has a process in place to address future changes in business needs; • Succession strategies, including structured executive development programs, result in a leadership talent pool and are continuously updated to achieve results; • Has performance appraisal plans for all SES and managers, and more than 60% of the workforce, that: link to agency mission, goals and outcomes; hold employees accountable for results appropriate to their level of responsibility; effectively differentiate between various levels of performance; and provide consequences based on performance. The agency is also working to include all agency employees under such systems; • Reduced under-representation, particularly in mission-critical occupations and leadership ranks; established processes to sustain diversity; • Significantly reduced skill gaps in mission critical occupations and competencies, integrated competitive sourcing and E-Gov solutions into gap reduction strategy; and • Outcome measures are used to make human capital decisions, demonstrate results, make key program and budget decisions, and drive continuous improvement in the agency.	Agency: • Developed, documented and communicated throughout the agency a comprehensive Human Capital Plan that: ▪ Clearly aligns with the agency's mission, strategy and goals; ▪ Fully addresses the Human Capital Standards for Success; ▪ Incorporates metrics for each standard, including timelines for implementation; and ▪ Designates accountable officials. • Analyzed and optimizing existing organizational structures from a service delivery perspective, using redeployment and delayering as necessary; • Implemented succession strategies, including structured executive development programs, to assure continuity of leadership; • Implemented performance appraisal plans for SES and managers that link to agency mission, goals and outcomes, effectively differentiate between various levels of performance, and provide consequences based on performance; • Implemented strategies to address under representation, particularly in mission-critical occupations and leadership ranks; • Implemented a workforce planning system to identify and address gaps in mission critical occupations and competencies, and developed short- and long-term strategies and targeted investments in people to create a quality workplace that continues to attract and retain talent; • Developed a planning and accountability system using metrics, including the Federal Human Capital Survey (FHCS) results, to evaluate performance on all of the Human Capital Standards.	Agency: • Lacks a comprehensive Human Capital Strategy; • Has not done analysis or initiated steps to ensure that its organizational structure is optimal for service delivery; • Has not identified leadership gaps and implemented succession strategies to assure continuity of leadership; • Has not implemented a performance appraisal system for SES and managers that is linked to agency mission, goals and outcomes, effectively differentiates between various levels of performance, and provides consequences based on performance; • Has not identified under-representation or implemented strategies to address it; • Has not implemented a workforce planning system to identify and address gaps in mission critical occupations and competencies in people to create a quality workplace that continues to attract and retain talent; • Has not developed a planning and accountability system using metrics, to evaluate human capital management.

COMPETITIVE SOURCING

Agency: • Has an OMB approved "green" competition plan to compete commercial activities available for competition; • Has publicly announced standard competitions in accordance with the schedule outlined in the agency "green" competition plan; • Since January 2001, has completed at least 10 competitions (no minimum number of positions required per competition); • In the past year, completed 90% of all standard competitions in a 12-month timeframe; • In the past year, completed 95% of all streamlined competitions in a 90-day timeframe; • In the past year, canceled fewer than 10% of publicly announced standard and streamlined competitions; and • Has OMB approved justifications for all categories of commercial activities exempt from competition.	Agency • Has an OMB approved "yellow" competition plan to compete commercial activities available for competition; • Has completed one standard competition or has publicly announced standard competitions that exceed the number of positions identified for competition in the agency's "yellow" competition plan; • In the past two quarters, has completed 75% of streamlined competitions in a 90-day timeframe; and • In the past two quarters, has canceled fewer than 10% of publicly announced standard and streamlined competitions.	Agency: • Does not have an OMB approved competition plan; • Has not completed one standard competition or publicly announced standard competitions that exceed the number of positions identified for competition in the agency's "yellow" competition plan; • In the past two quarters, exceeded a 90-day timeframe in more than 25% of streamlined competitions; **or** • In the past two quarters, canceled more than 10% of standard and streamlined competitions.

IMPROVED FINANCIAL PERFORMANCE

Agency: • Receives an unqualified audit opinion on its annual financial statements; • Meets financial statement reporting deadlines; • Reports in its audited annual financial statements that its systems are in compliance with the Federal Financial Management Improvement Act; • Produces accurate financial information on demand; • Routinely assesses performance and financial information which its managers use to make day-to-day decisions; • Has no chronic or significant Anti-Deficiency Act Violations, has no material auditor-reported internal control weaknesses, **AND** • Has no material non-compliance with laws or regulations, agency head provides an unqualified statement of assurance in its annual accountability report.	Agency: • Produces accurate financial information on demand **OR** • Routinely assesses performance and financial information which its managers use to make day-to-day decisions; **AND** • Reports in its audited annual financial statements that its systems are in compliance with the Federal Financial Management Improvement Act; • Has no chronic or significant Anti-Deficiency Act Violations; • Has no repeat material auditor-reported internal control weaknesses; auditor expresses an opinion on the annual financial statements; meets financial reporting deadlines; and has no material non-compliance with laws or regulations; and • Provides an unqualified statement of assurance in its annual accountability report.	Agency: • Cannot report in its audited annual financial statements that its systems are in compliance with the Federal Financial Management Improvement Act; • Commits chronic or significant Anti-Deficiency Act Violations; • Has repeat material auditor-reported internal control weaknesses; • Gets a disclaimer of opinion on its annual financial statements; • Does not meet financial reporting deadlines; • Is in material non-compliance with laws or regulations; **OR** • Provides a qualified statement of assurance in its annual accountability report.

EXPANDED ELECTRONIC GOVERNMENT

Agency:
• Has a Modernization Blueprint that focuses IT investments on important agency functions and defines how those functions will be measurably improved;
• Has acceptable business cases (security, measures of success linked to the Modernization Blueprint, program management, risk management, and cost, schedule, & performance goals) for all major systems;
• Has cost and schedule overruns that average less than 10% and performance shortfalls average less than 10% for all major IT projects;
• Quarterly status report documents sustained progress in remediating IT security weaknesses;
• Inspector General verifies that there is a Department-wide IT Security remediation Process;
• Has 90% of operational IT systems properly secured (certified and accredited, including mission critical systems; and
• Contributes to, and participates in, 3 of the 4 categories of E-Gov initiatives rather than creating redundant, or agency unique, IT projects.
	Agency:
	• Has acceptable business cases for more than 50% of its major systems investments;
	• Submits security reports to OMB that document consistent security improvement and either:
	  • 80% of operational IT systems are properly secured; **OR**
	  • Inspector General verifies that there is a Department-wide IT Security Plan of Action and Milestone remediation Process;
	• Has average cost and schedule overruns of less than 30% and average performance shortfalls of less than 30% for all major IT projects; and
	• Contributes to, and participates in, 2 of the 4 categories of E-Gov initiatives rather than creating redundant, or agency unique, IT projects.
		Agency:
		• Has acceptable business cases for 50% or less of its major systems investments;
		• Has average cost and schedule overruns of 30% or more and average performance shortfalls of 30% or more for all major IT projects;
		• Has not submitted Security Reports to OMB that document consistent security improvement and cannot demonstrate that:
		  • 80% of operational major IT systems are properly secured; **OR**
		  • Inspector General has verified that there is a Department-wide IT Security Plan of Action and Milestone remediation Process; **OR**
		• Contributes to, and participates in, fewer than 2 of the 4 categories of E-Gov initiatives.

BUDGET AND PERFORMANCE INTEGRATION

Agency: • Senior agency managers meet at least quarterly to examine reports that integrate financial and performance information that covers all major responsibilities of the Department. This information is used to make decisions regarding the management of agency programs; • Strategic plans contain a limited number of outcome-oriented goals and objectives. Annual budget and performance documents incorporate all measures identified in the PART and focus on the information used in the senior management report described in the first criterion; • Performance appraisal plans for at least 60% of agency positions link to agency mission, goals and outcomes, effectively differentiate between various levels of performance, and provide consequences based on performance; • Reports the full cost of achieving performance goals accurately (+/- 10%) in budget and performance documents and can accurately estimate the marginal cost (+/- 10%) of changing performance goals; • Has at least one efficiency measure for all programs; and • Uses PART evaluations to direct program improvements and PART ratings are used consistently to justify funding requests, management actions, and legislative proposals. Less than 10% of agency programs receive a Results Not Demonstrated rating for more than two years in a row.	Agency: • Senior agency managers meet at least quarterly to examine reports that integrate financial and performance information that covers some of the major responsibilities of the Department. The reports are used to make decisions regarding the management of Agency programs. • Strategic plans contain a limited number of outcome-oriented goals and objectives. Annual budget and performance documents incorporate all measures identified in the PART process. • Performance appraisal plans for SES and managers link to agency mission, goals and outcomes, effectively differentiate between various levels of performance, and provide consequences based on performance. • The full cost of achieving performance goals is accurately (+/- 10%) reported in budget and performance documents. • At least 50% of agency programs rated by the PART have at least one efficiency measure. • PART ratings are used to justify funding requests, management actions, and legislative proposals. No more than 50% of agency programs receive a Results Not Demonstrated rating for more than two years in a row.	Agency: • Senior agency managers do not have a regular process for considering financial and performance information when making decisions regarding the management of Agency programs; • Strategic plans contain too many goals and objectives to provide a clear and focused statement of Agency priorities. Performance measures included in annual budget and performance documents do not meet the standards of the PART; • Performance appraisal plans do not link to agency mission, goals and outcomes, effectively differentiate between various levels of performance, or provide consequences based on performance; • Does not have a systematic way to estimate the full cost of achieving performance goals reported in budget and performance documents; • Less than 50% of agency programs rated by the PART have at least one efficiency measure; **OR** • Agency does not consistently use PART ratings to justify funding requests, management actions, and legislative proposals. More than 50% of agency programs receive a Results Not Demonstrated rating for more than two years in a row.