

AD116

CLEARANCE AND APPROVAL FOR DEPARTMENTAL ISSUANCES UNITED STATES DEPARTMENT OF AGRICULTURE

1 TYPE OF CLEARANCE / ACTION

Simultaneous
 Sequential
 New
 Revised
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2 CLASSIFICATION NUMBER AND TITLE

DR 4020-250-1 USDA Human Capital Accountability System

3 INDEX TERMS

4 ORIGINATOR

Name	Room Number	Extension	Date	OPI
Allen Hatcher	306W		7/3/2013	OHRM

5 FORMS AND REPORTS CLEARANCE

Forms	Date	Reports	Date
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6 CLEARANCE DEADLINE / DISTRIBUTION

Complete by (date): 7/30/13

Distribution Codes

7 CLEARANCE ORIGINATING ORGANIZATION

Name	Title	Room Number	Date		Initials
			In	Out	
Allen Hatcher	Primary Author/Div Director	306W	6/29/13	7/3/13	AH/pf
Bobbi Jeanquart/William Milton	Director, OHRM	319W	7/1/13	7/10/13	[Signature]

8 OTHER CLEARANCES

See specific instructions on reverse

Organization Abbreviations	Name and Title	Room Number	Date		Concur		Nonconcur comments attached
			In	Out	no comment	comments	
OCIO	Matthew Patrick/Directive Mgr	405W	8/13	8/16	On file		
OBPA	Mike Young	101A	8/16	9/10	Assumed	Concur	
OGC	Ramona Romero	107W	9/11	9/25	Assumed	Concur	
DM	ASA	240W		10/24	[Signature]		
OCIO	Directives Mgr	405W					

9 REMARKS (for additional space attach paper)

10 SIGNATURE AUTHORITY

Signature	Title	Date
Assistant Secretary for Administration		

U.S. DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

DEPARTMENTAL REGULATION	Number: DR 4020-250-1
SUBJECT: USDA Human Capital Accountability System	DATE: DRAFT
	OPI: Office of Human Resources Management

TABLE OF CONTENTS

SECTION	Page
1 Purpose	1
2 Background	2
3 References	2
4 Applicability	3
5 Responsibilities	3
6 Definitions	6
7 Policy	8
8 Human Capital Accountability at USDA	9
9 The Human Capital Accountability System	10
10 Accountability Activities and Methodology	11
11 Reporting Remediation and Improvement Actions	12
12 Evaluation of Agency Accountability System	12
Appendix A Merit System Principles	A-1
Appendix B Prohibited Personnel Practices	B-1

1. PURPOSE

This Departmental Regulation (DR) establishes the Department of Agriculture’s (USDA) policy and assigns responsibility to implement a Department-wide accountability system that contributes to Mission Area, Agency, and Staff Office performance by:

- a. Aligning human capital goals and programs with USDA’s mission and priorities;
- b. Systematically monitoring and evaluating the results of human capital management policies, programs, and activities;
- c. Analyzing compliance with merit system principles; and,
- d. Identifying necessary improvements and promoting best practices.

- g. Title 5 U.S.C. §305, “Systematic agency review of operations;”
- h. Title 31 U.S.C. §1115, “Performance plans;”
- i. Title 5 Code of Federal Regulations (CFR) Part 250, “Personnel management in agencies;”
- j. Title 7 CFR Part 2.92, “Director, Office of Human Resources Management;”
- k. Office of Management and Budget (OMB) Circular A-11 (2006), Sections 51.8, 85.1 and 85.3; and,
- l. Interagency Delegated Examining Agreement, DOA-1, dated March, 2011.

4. APPLICABILITY

This DR is applicable Department-wide throughout USDA and incorporates all Mission Area, Agency, and Staff Office human resources offices, programs, functions wherever located and where ever HR activities are conducted. The scope includes both the Civil Service and the Foreign Service.

The Accountability System contributes to Departmental performance by ensuring each of the Human Capital Framework (HCF) systems is fully operational and effective throughout USDA.

5. RESPONSIBILITIES

- a. Responsibility and authority of the U. S. Secretary of Agriculture, Sub Cabinet Officials, and Agency Administrators:
 - (1) Establish and communicate the Department’s commitment to the merit system principles and human capital accountability; and
 - (2) Provide leadership and direction to implement the Administration’s goals and provide overall direction for transformational activities, especially those activities related to human capital management.
- b. Responsibility of the Chief Human Capital Officer (CHCO)
 - (1) Provides overall direction and guidance in support of the strategic management of human capital for the Department; and
 - (2) Directs the development and implementation of the Department’s human capital strategy.

- (7) Communicates findings from accountability reviews, which include recommendations to strengthen and improve human capital activities; follows up on actions required to correct any discrepancies, and shares lessons learned and innovative ideas;
 - (8) Reviews and makes recommendations regarding Departmental policies and procedures in light of findings from accountability reviews and makes necessary modifications to update or improve such policies and procedures;
 - (9) Monitors all issues or problems resulting from OPM, OHRM, or agency self-audits or when discovered by other investigations; i.e., OIG, OSC, etc.
 - (10) Retains authority to rescind the delegated human resources authority of any Mission Area, Agency, or Staff Office at any location.
- e. Responsibility and authority of Deputy Administrators for Management and Mission Area, Agency, and Staff Office HR Directors:
- (1) Ensure the integrity of human capital programs consistent with the merit system principles.
 - (2) Conduct evaluation of their own HR management programs annually at whatever geographical area that such HR activity is conducted within the agency, whether or not that activity includes merit promotion or delegated examining, and forward findings and corrected actions to OHRM.
 - (3) Cooperate with and support USDA human capital accountability program by participating in on-site and off-site audits; including pre- and post-audit meetings;
 - (a) Ensure reimbursement of funds for of travel for the USDA audit team members whenever USDA- or OPM-led audits are conducted within an HR Director's own organization,
 - (b) Provide properly trained senior staff to participate as members of an accountability audit team when USDA- or OPM-led audits are conducted in other USDA HR offices.
 - (4) Take timely and effective action to remediate deficiencies;
 - (5) Conduct annual DEU self-audits and forward findings to OHRM (if authorized to use USDA's delegated examining authority);
 - (6) Conduct annual DEMO self-audits and forward findings to OHRM (if authorized to used USDA's DEMO authority);

- a. Accountability System. A set of related policies and practices that contributes to USDA's human capital management performance by ensuring that each HCF system is fully operational and effective throughout USDA. This is done through (1) systematic monitoring and evaluating of the results of human capital management policies, programs, and activities; (2) by analyzing compliance with merit system principles; and (3) by identifying, implementing and monitoring necessary improvements.
- b. Audit. A systematic, independent process of reviewing and evaluating documents and processes to determine the extent to which criteria are fulfilled; i.e., the USDA strategic human capital goals and objectives; OPM criteria for achieving HCF standards; merit system principles; veterans' preference rules; and laws, regulations, and policies enacted to prevent prohibited personnel practices.
- c. Chief Human Capital Officers' Act of 2002 (CHCO Act). The Act that established the agency CHCO, strategic human capital management systems, the relationship of strategic human capital management to agency performance plans and reports, and HR flexibilities. The Act clarifies management accountability for managing HR.
- d. Delegated Examining. Authority delegated from OPM to the Department allowing USDA to advertise and examine applicants for positions in the civil service when a) the applicant is applying from outside the Federal workforce, b) the applicant is a Federal employee but does not have competitive status, or, c) the applicant is a Federal employee and does have competitive service. Appointments made through delegated examining authority are subject to civil service laws and regulation in order to ensure fair and open competition, recruitment from all segments of society, and selection on the basis of the applicant's merit (competencies, knowledge, skills, and abilities (5 U.S.C. § 2301)).
- e. Demonstration Project (DEMO). Legislative authority granted to USDA allowing the Agricultural Research Service and the Forest Service to advertise and examine applicants for positions in the civil service when a) the applicant is applying from outside of the Federal workforce, b) the applicant is a Federal employee but does not have competitive status, or c) the applicant is a Federal employee and does have competitive status. Appointments made through DEMO are subject to civil service laws and regulations to ensure fair and open competition, recruitment from all segments of society, and selection based on merit (competencies, knowledge, skills, and abilities.
- f. Human Capital Accountability. The responsibility shared by USDA senior leadership including the CHCO, all levels of management, and HR practitioners to ensure that people are managed efficiently and effectively in support of agency mission accomplishment and in accordance with merit system principles.
- g. Human Capital Framework: The HCF establishes and defines human capital systems,

The Secretary; the Director, OHRM; the Mission Areas, Agencies, and Staff Offices within USDA are committed to the continuous improvement of human capital programs through a robust human capital accountability system that aligns with and supports mission accomplishment. It is, therefore, USDA policy to:

- a. Comply with all applicable laws, rules, Federal-wide regulations, and OPM policies governing accountability, merit system principles, and Departmental regulations;
- b. Provide HR offices with policy and guidance to improve the efficiency and effectiveness of their human capital programs and adhere to merit system principles;
- c. Initiate appropriate corrective action for violations of merit system principles and/or the commission of prohibited personnel practices.
- d. Place HR Offices that receive unsatisfactory audits on an Administrative Improvement Plan and/or rescind certain HR authorities pending remediation.

8. HUMAN CAPITAL ACCOUNTABILITY AT USDA

The foundation of USDA's human capital accountability system is comprised of Civil Service laws, rules, merit system principles, Federal-wide regulations, OPM guidance, third-party decisions, and USDA Departmental Regulations. Upon this foundation, rest three "pillars" of accountability:

- a. The first pillar of accountability is the integrity of each USDA Executive, Manager, and Supervisor as they engage in day-to-day merit-based human capital activities. The Department's leadership establishes human capital goals and objectives, determines measures and resource needs, and modifies initiatives based upon results and changing requirements. USDA leadership accountability is ensured through the Department's Senior Executive Service (SES) Performance Management System which links performance requirements to Departmental strategic management objectives. Performance requirements for human capital management and merit system principles are integrated through all levels of management and supervision.
- b. The second pillar of accountability is comprised of each HR Office and each individual HR practitioner working within that office. It is incumbent upon the HR Office and practitioner to work in close concert with USDA executives, managers, and supervisors to ensure the efficient and effective delivery of the full range of HR programs, policies, and processes are consistent with merit system principles. HR Offices are required to have an internal accountability and oversight function to review and ensure the work of the office meets or exceeds the standards established by statute, Federal-wide regulation, OPM instructions, and USDA Departmental Regulations.
- c. The third pillar of accountability is OHRM's oversight of all HR activities, Department-wide, to ensure human capital strategies are effective and that all human

- e. Workforce profile data, performance goals, measures and risk areas are reflected in workforce planning documents;
- f. Executives, managers, supervisors, and HR practitioners are held accountable for HR decisions and actions;
- g. The effectiveness and efficiency of the HR management function is assessed and that human capital programs and policies adhere to merit system principles and other pertinent laws and regulations; and
- h. Plans to address deficiencies identified during accountability reviews or audits are implemented timely, and in a manner that eliminates a recurrence of the same or substantially similar deficiency.

The Director, OHRM, oversees operation of the USDA Human Capital Accountability System throughout the Department. The Accountability System relies on the integration of multiple accountability activities that together form the basis for a structured and comprehensive review of human capital programs throughout the Department. It serves as the primary source for human capital performance standards, metrics, reporting requirements, and for the monitoring and evaluation process that will ensure that human capital planning and deployment is guided by data-driven results-oriented processes. Accountability activities cover all HCF systems and include a robust, independent, cyclical audit schedule. The results of these accountability activities will document the extent to which human capital goals are met and how they are used to drive continuous human capital improvement throughout the Department.

10. ACCOUNTABILITY ACTIVITIES AND METHODOLOGY

The USDA Human Capital Accountability System consists of two core components that provide an integrated approach to evaluating the results of human capital programs, policies, and processes that are coordinated at the Headquarters level but implemented comprehensively at the agency level:

- a. **Program Assessments:** Program assessments track, on a periodic basis, a comprehensive list of specific measures, methods, and timeframes that are aligned to both the HCF systems and the USDA Strategic Human Capital Plan. Data collection methods include, but are not limited to, record and document reviews, data analysis, survey results, interviews, and focus groups.
- b. **Program Compliance Audits:** Program compliance audits consist of formal, structured, cyclical reviews of HR operations. With a focus on assessing compliance with merit system principles and other applicable laws, rules, and regulations and Department policies, evaluation methods include, but are not limited to, programmatic and transactional reviews and individual and group interviews. Program compliance audits include annual, independent audits of USDA's employment programs (DE, DEMO, Merit Promotion, Excepted Service

Appendix A Merit Systems Principles

Human Resources management is based on and embodies the Merit System Principles (5 U.S.C. 2301). The merit system principles are the public's expectations of a system that is efficient, effective, fair, open to all, free from political interference, and staffed by honest, competent, and dedicated employees. The merit system principles are:

1. Recruitment should be from qualified individuals from appropriate sources in an endeavor to achieve a work force from all segments of society, and selection and advancement should be determined solely on the basis of relative ability, knowledge, and skills, after fair and open competition which assures that all receive equal opportunity.
2. All employees and applicants for employment should receive fair and equitable treatment in all aspects of personnel management without regard to political affiliation, race, color, religion, national origin, sex, marital status, age, or handicapping condition, and with proper regard for their privacy and constitutional rights.
3. Equal pay should be provided for work of equal value, with appropriate consideration of both national and local rates paid by employers in the private sector, and appropriate incentives and recognition should be provided for excellence in performance.
4. All employees should maintain high standards of integrity, conduct, and concern for the public interest.
5. The Federal work force should be used efficiently and effectively.
6. Employees should be retained on the basis of adequacy of their performance, inadequate performance should be corrected, and employees should be separated who cannot or will not improve their performance to meet required standards.
7. Employees should be provided effective education and training in cases in which such education and training would result in better organizational and individual performance.
8. Employees should be—
 - protected against arbitrary action, personal favoritism, or coercion for partisan political purposes, and
 - prohibited from using their official authority or influence for the purpose of interfering with or affecting the result of an election or a nomination for election.
9. Employees should be protected against reprisal for the lawful disclosure of information which the employees reasonably believe evidences—
 - a violation of any law, rule, or regulation, or mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.

8. Take a personnel action against an employee because of whistle-blowing.

Example: Supervisor Joe directs the geographic reassignment of Employee Jack because Jack reported safety violations to the agency's Inspector General; or because employee Jill reported a gross waste of funds to the Office of Internal Affairs.

9. Take a personnel action against any employee because of the exercise of an appeal, complaint, or grievance right.

Example: Supervisor Jane places Employee Jack on an undesirable detail because Employee Jack filed an administrative grievance about his performance rating.

10. Discriminate against an employee on the basis of conduct, which does not adversely affect the performance of the employee.

Example: Jack's employment is terminated because he attended a "Gay Pride" march; or he attended a "Pro-Life" event; or he attended an animal rights rally; or he attended a gun-owners' rights meeting.

11. Take or fail to take a personnel action, if such action would violate a veterans' preference requirement.

Example: Supervisor Jane hired Employee Jack, without considering Veteran Jennifer, who was included on the list of eligible employees. (OSC's jurisdiction is for disciplinary actions only; the Dept. of Labor has jurisdiction to investigate for corrective actions.)

12. Take a personnel action against an employee which violates a law, rule, or regulation which implements a merit system principle.

Example: Supervisor Joe terminates the probationary appointment of Employee Jack because of Jack's letter to the editor criticizing affirmative action - a valid exercise of First Amendment rights, a law implementing a Merit System Principle.

13. Implement or enforce any nondisclosure policy, form, or agreement, if such policy, form, or agreement does not contain the following statement: "These provisions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by existing statute or Executive order relating to (1) classified information, (2) communications to Congress, (3) the reporting to an Inspector General of a violation of any law, rule, or regulation, or mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety, or (4) any other whistleblower protection. The definitions, requirements, obligations, rights, sanctions, and liabilities created by controlling Executive orders and statutory provisions are incorporated into this agreement and are controlling."