



# CPMS EXPRESS

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## Department of Defense (DoD) Hiring Reform – A Recipe for Success

Since mid-2009, the Department of Defense (DoD) has been working to improve civilian hiring practices through hiring reform. Recent successes include the development of an Action Plan, deemed one of the best by both the Office of Management and Budget (OMB) and the Office of Personnel Management (OPM), and the development of products for engaging hiring managers and human resource professionals. Some of these products are featured in OPM's training "boot camps" on Hiring Reform for Managers, and can be found on DoD's Hiring Reform Web site: <http://www.cpms.osd.mil/HiringReform>. Additionally, DoD is engaged in both Enterprise/Component strategies and Field Installation strategies for implementing Hiring Reform. Properly blended, all of these actions provide a recipe for success.

Enterprise/Component Strategies include:	Field Installation Strategies include:
<p>Deploying an <u>Interim Automated Staffing Tool</u> to improve the quality of candidate referrals and decrease the time it takes to issue a candidate referral list.</p>	<p>Using <u>Classification Libraries</u> of existing position descriptions (PDs) from Army, AF, and parent commands before requesting a new PD.</p>
<p>Identifying <u>Common Competencies</u> for like positions across Components that support joint endeavors, interoperability, and emergent mission requirements.</p>	<p>Partnering between the hiring manager and the HR professional responsible for hiring actions; this partnership facilitates quick identification of <u>Assessment Criteria</u> and available <u>Hiring Sources</u>, including expedited, noncompetitive hiring authorities, and OPM shared registers, in order to assemble the best set of candidates for consideration.</p>
<p>Creating <u>New Hiring Authorities</u> in consultation with labor unions through National Consultation Rights that further enhance civilian talent management flexibilities.</p>	<p>Using streamlined, standardized, and user-friendly <u>Job Opportunity Announcements</u> to attract the right applicants, and closing announcements within 10 days of posting.</p>
<p>Revamping the <u>Priority Placement Program</u> with improved matching and automated pre-requisitioning processes.</p>	<p><u>Scheduling interviews</u> well in advance, completing the interview process promptly, and extending a <u>Tentative Job Offer</u> within 2 business days of selection.</p>
<p>Procuring an <u>Automated Entrance on Duty (EOD) Program</u> allowing applicants to input data once to complete all EOD forms.</p>	<p>Holding HR professionals and hiring managers <u>accountable</u> for processing hiring actions and making hiring decisions in a timely manner through performance objective language.</p>
<p>Updating <u>Security and Suitability</u> processes through automation, decreased processing time, and modernized reciprocity for suitability and security determinations.</p>	

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*Knowledge. Solutions. Service.*

## Open Enrollment for DoD Nonappropriated Fund (NAF) Health Benefits Program (HBP)

The DoD NAF HBP will hold Open Enrollment from November 1-30, 2010. During this time, eligible NAF employees will have the opportunity to enroll in the NAF HBP medical or dental plans, or make changes to their current enrollment option. All elections and changes will go into effect on January 1, 2011.

The Department's over 135,000 NAF employees working in military exchanges and morale, wel-

fare, and recreation (MWR) programs are not covered by the Federal Employees Health Benefits Program, but are instead covered by the NAF HBP. The DoD NAF HBP provides medical, dental, and vision coverage to participating NAF employees, retirees, and dependents. The program is self-insured, meaning that the NAF employers pay participant claims and employer premiums with NAF dollars generated by the sale of goods and services to military service members and their families.

NAF HBP Open Enrollment communication packages will be available to eligible NAF employees. These packages will explain the available medical and dental plan options, benefits, and premiums. One important new feature this year is the opportunity to add eligible adult children up to age 26. Details on this opportunity, as well as information on how employees can earn a new Health Incentive Credit of \$100, can be found in the Open Enrollment materials.



**Arbitration: Federal Labor Relations Authority (FLRA) Changes Long-Standing Precedents**

**Fiscal Year (FY) 2010 DoD Civilian Human Capital Accountability System (CHCAS) Evaluations**

The current Federal Labor Relations Authority (FLRA) has decided to revisit their approaches in deciding exceptions to arbitration cases. There are two recent arbitration cases that highlight this new approach, as well as emphasize how important the language in collective bargaining agreements is and how it can impact the agency.

The first case is Federal Deposit Insurance Corporation, Division of Supervision and Consumer Protection, San Francisco Region and National Treasury Employees Union, Chapter 273, (FDIC) 65 FLRA No. 27 (September 29, 2010), which involves the granting of a monetary performance award. In this case, the FLRA decided that arbitrators should have broader discretion in formulating their remedies when it comes to the application of 5 U.S.C. §7106(a) of the Federal Labor Management Relations Statute – otherwise known as management rights. Under previous long-standing case law, the FLRA established a 2-prong approach for resolving arbitration disputes. In U.S. Department of the Treasury, Bureau of Engraving and Printing, Washington, D.C. and National Treasury Employees Union Chapter 201, 53 FLRA No. 21 (June 30, 1997), the FLRA determined that an arbitrator may cancel a performance rating if management violated applicable law or a contract provision concerning a 5 U.S.C. 7106(b) matter. Under prong II, an arbitrator could then fashion his/her award based on what management would have done if it had not violated the law or contract provision. With the recent decision, Prong II will no longer apply in this manner, as arbitrators need only craft a remedy that is reasonably related to the contract provisions at issue. While this change provides greater discretion to Arbitrators, exceptions may still be filed with the FLRA for review of awards that are contrary to law, rule, or regulation; fail to draw their essence from the agreement; exceed the contractual authority; or are based on a non-fact.

The second case is U.S. Environmental Protection Agency and American Federation of Government Employees Council 238, 65 FLRA No. 28 (September 29, 2010) which brings back the “abrogation test” that was established in Department of the Treasury, U.S. Customs Service and National Treasury Employees Union, 37 FLRA 309 (September 14, 1990). In this case, the agency argued that the provision at hand was not an appropriate arrangement. The FLRA disagreed. They stated, and it is worth noting, that when an arbitrator looks at a case he/she tailors the award to adversely affected employees and the FLRA does not conduct a tailoring analysis in resolving arbitration exceptions. They clarified that negotiability and arbitration disputes are to be viewed differently. When determining if a proposal/provision is negotiable as an appropriate arrangement, the FLRA looks at the burden placed upon the agency and how it balances with the benefits provided to the employees. The FLRA noted that in arbitration, the language has already been agreed to and it is assumed that the parties conducted this analysis of balancing the burdens and the benefits while negotiating and ultimately agreeing to the language. Therefore, in arbitration disputes, the “excessive interference standard” will no longer be applied by the FLRA in their review of arbitration exceptions. Instead, the twenty year old “abrogation test” is back, which provides for an assessment of whether management’s rights have been “waived” by the application of an appropriate arrangements provision.

Given these changes in how the FLRA reviews arbitration exceptions and the latitude given to arbitrators, it is critical that language agreed to in your collective bargaining agreements is clear and unambiguous, so as to leave little room for further interpretation beyond that intended by the parties.

The Accountability and Evaluation Division (AED) recently wrapped up its Fiscal Year (FY) 2010 DoD Civilian Human Capital Accountability System (CHCAS) evaluations. Beginning in January of this year and concluding in mid-August, AED evaluated fourteen sites both at the Department of the Air Force (AF) and the Defense Contract Management Agency (DCMA).

The CHCAS evaluations are a two-part process that measures and assesses human capital (HC) management systems for mission alignment, effectiveness, efficiency, and compliance with merit systems principles, laws, and regulations. The first part of the process involves reviewing agency strategic plans, HC plans, workforce plans, succession plans, leadership development plans, accountability systems, affirmative employment plans, and retention plans. In addition, individual and group interviews are held with leadership and employees to assess familiarity with delegated authorities and human resources (HR) program areas.

The second part of the process is an independent audit with participation by OPM, encompassing a periodic review of human resources (HR) transactions to ensure legal and regulatory compliance.

This past year, AED evaluated five sites within the AF Air Mobility Command (AMC) and their servicing HR office, the Air Force Personnel Center (AFPC) at Randolph Air Force Base. AED also evaluated seven sites within DCMA, and their servicing HR office, the Department of Army (DA) Central Personnel Processing Center (CPPC) at Ft. Riley.

This was the fourth year AED has assessed DoD HC programs and policies. AED summarizes the results of all DoD accountability activities (including CHCAS evaluations) in its annual Human Capital Management Report (HCMR) submitted to OPM in December of each year. The requirement to annually assess agency HC management is codified in the 5 Code of Federal Regulations (CFR) 250.

The most significant finding of this year’s review was the improvement in HR services provided by AFPC. In 2008, AED reviewed the Directorate of Civilian Force Integration (DPI) at AFPC and identified areas needing improvement. In 2010, the team again reviewed AFPC in conjunction with their review of AF/AMC and learned that AFPC had made profound and significant changes to their business processes, partially in response to the 2008 audit findings.

In July, 2009, AFPC underwent a major reorganization to realign the staffing teams by base servicing to better serve, support, and reconnect with their customers and to provide premier service to Squadron Commanders in the field. In July 2009, AFPC reconfigured from Career Field Servicing teams to Base Servicing teams to better serve, support, and connect with their customers and to provide premier service to Squadron Commanders in the field. Prior to the reorganization, AFPC was organized by Career Field Servicing Teams. The realigned staff received favorable comments from the Dover AFB hiring officials during the 2010 AMC review. Base servicing teams maintained a High Touch environment, including monthly or bimonthly conference calls, staff assistance visits, and workforce planning off-sites with their Major Commands and Combatant Commands. The previous configuration of Career Field Servicing teams impacted negatively on their customers; thus AFPC’s reorganization has helped to improve communication, efficiency, and effectiveness.



**FEDERAL BENEFITS OPEN SEASON**  
**NOVEMBER 8-DECEMBER 13**





**HR+Alternative Dispute Resolution (ADR)=  
A Winning Combination**

As an HR Specialist, you are on the frontline every day, providing advice and guidance to employees and managers. Whether as a staffer, a classifier, an Employee Relations, or Labor Relations specialist, you face the difficult challenges of listening to disgruntled employees, perplexed supervisors, and wearied managers. But it is that very role that offers you the opportunity to put ADR skills to work. ADR is nothing more than what its name implies, an alternative course of action to dispute resolution. The typical means of dispute resolution or processing is through a complaint system or litigation. Using your ADR skills, you can potentially resolve a problem before it becomes a complaint or grievance. That's a winning solution for everyone!

Are you thinking to yourself that you may not be ADR trained and don't know whether or not you have ADR skills? Sure you do. You use them every day, at home with children and spouses, at work with co-workers and supervisors, at the store, at the car dealership, and so many other places. There are formal techniques, of course, but there are also the natural human interactions and problem solving skills that we all use each day. One such technique involves using good communication starters that put people at ease and let them know you care about their situation. They may be simple things like asking skillful questions and making reflective statements.

Combined with your good listening skills, ask questions that delve into what the person is saying without voicing an opinion. Some examples of these could be: what was that experience like for you? How is that good or bad? If you had choices, what would you do? How does that look to you? What was your reaction to that? When looking back, would you do the same again? Ask questions that clarify what the person is saying, make statements that reflect the person's feelings, summarize what you believe you heard, ask questions that generate some options, and ask if what the person wants seems realistic. In all of these approaches don't pass judgment, simply allow communication to flow between you and the party. If helpful, bring in the other party involved to have a "round table" discussion. More often than not, when communication takes place or improves, the dispute goes away. A winning outcome for all!

**Protecting Our Workers and Ensuring Reemployment  
(POWER) Initiative**

On July 19, 2010, President Obama established a four-year Protecting Our Workers and Ensuring Reemployment (POWER) Initiative. Under the POWER Initiative, the Department will be expected to improve its performance in seven areas of safety and injury compensation management, including increasing the timely filing of workers' compensation claims, reducing lost production days, and speeding up employees' return to work in cases of serious injury or illness. The Department of Labor (DOL) has created a Web site specifically for the POWER Initiative and provides a comprehensive list of baseline performance and minimum annual targets for each goal (<http://www.dol.gov/owcp/dfec/power>). DoD is committed to supporting this Initiative by meeting the President's goals. DoD Components must ensure that workplace injuries are reported to DOL within the established timeframes. We encourage the use of the Electronic Data Interchange (EDI) to input and submit Forms CA-1 (Federal Employee's Notice of Traumatic Injury and Claim for Continuation of Pay/Compensation) and CA-2 (Federal Employee's Notice of Occupational Disease) online. DOL has developed a process by which the CA-3 (Report of Work Status) and the CA-7 (Claim for Compensation) can be electronically submitted to DOL through the Agency Query System (AQS). The utilization of EDI and AQS will improve the timeliness of forms submitted to DOL, and help the Department to achieve the goals of the POWER Initiative. Injury and Unemployment Compensation (ICUC) Division personnel are available to assist DoD Components by providing training, tools, and specialized reports to identify trends in timeliness and lost production days. As a reminder, the DoD Pipeline Program is available to assist Components by providing over-hire authority to reemploy injured workers and funding for salary and benefits for a one-year period. Additional information on the Pipeline Program and ICUC contacts can be found at <http://www.cpms.osd.mil/icuc>.

**Health reform alters FEHBP plan coverage**

Before changing health insurance plans this open season, federal employees should know how new reform provisions affect their benefits.

OPM this fall released regulations detailing the effects of the Affordable Care Act President Obama signed in March on the Federal Employees Health Benefits Program. OPM Director John Berry last month attributed the 7.2 percent increase in employee premiums in part to expanded benefits in 2011, including those required under health reform.

One key change allows children to stay on their parents' health plans until age 26. Previously, coverage expired at age 22 for dependents, except for those unable to support themselves due to a mental or physical disability. According to OPM, adult children will receive benefits regardless of dependency, residency, current coverage, or student status.

Plans now broadly cover kids up to age 26, in-

cluding married children (but not their spouses or dependents); stepchildren and foster children; those who are eligible for or currently have their own employer-provided health insurance; and children incapable of self-support. FEHBP participants must be enrolled in a self-and-family plan to extend coverage to eligible children. Those who have elected self-and-family enrollment must contact their plan provider to supply information on the children to be covered. Those in self-only plans and anyone not currently enrolled in FEHBP must switch to the self-and-family option. Retirees, former spouses and U.S. Postal Service employees also can take advantage of the new rule. Children added to their parents' plan will receive coverage effective Jan. 2, 2011, the first day of the pay period. Children who lose FEHBP coverage when they turn 26 are eligible for temporary continuation of coverage for up to 36 months.

In addition, health reform expands reimburse-

ment for children's expenses through flexible spending accounts. Children are no longer required to live with the FEHBP enrollee, or to be his or her dependent. Expenses are covered until age 27.

Health savings accounts and health reimbursement accounts, along with FSAs, no longer can be used to pay for over-the-counter medicines and drugs unless accompanied by a prescription. The only exception is insulin.

FEHBP participants will see a few additional changes outside of health reform. Plans in 2011 are required to eliminate cost sharing for preventive care, such as immunizations, tobacco cessation and health screenings. Five plans have increased benefits for hearing devices and 16 have expanded coverage for bone marrow and stem cell donor testing. And for the first time, Mail Handlers and Government Employees Health Association will pick up part of enrollees' Medicare Part B premium. Open season for electing 2011 benefits started Nov. 8 and will run through Dec. 13.



### Suitability and Security Reform

The Suitability and Security Clearance Reform Effort requires Federal Agencies to improve the timeliness, efficiency, and quality of personnel security and suitability determination processes. The policy and performance needs of reform are set forth in Executive Order 13467, which calls for greater alignment and improvement of investigations and determinations of suitability, eligibility for access to classified information, and eligibility to hold a sensitive position. The joint reform effort also requires Federal Agencies to exercise reciprocity of investigative and adjudication requirements as well as implement automated systems that support reciprocity and the suitability determination process. All covered positions require an appropriate level of investigation to be performed and the results used to determine suitability and eligibility for logical and physical access regardless of whether the position requires access to classified information or a security clearance (5 CFR 731). In addition, background investigations and adjudications must be mutually and reciprocally accepted by all Agencies except as otherwise authorized by law.

OPM was identified as the Suitability Executive Agent with responsibility for developing and implementing uniform and consistent policies and procedures to ensure the effective, efficient and timely completion of investiga-

tions and adjudications relating to determinations of suitability and eligibility for logical and physical access. In fulfilling this role, OPM has issued several policies in the form of Federal Investigative Notices that DoD will be implementing. Federal Investigative Notice No. 10-03, subject “*Inv Form 79A, Report of Agency Adjudicative Action on OPM Personnel Investigations*” and 10-04, subject “*Enhancements to the Central Verification System (CVS) for Reciprocity*” require Federal Agencies to report their suitability adjudicative decisions to help facilitate reciprocity by ensuring investigations and adjudicative decisions are available in a central repository thereby reducing the cost and time associated with hiring actions.

Proper position designation is required to support many of the Executive Order 13467 Joint Security and Suitability reform initiatives. OPM has developed a new Position Designation System and Automated Tool to guide Federal Agencies in determining the proper level of investigation required based on an assessment of risk and national security sensitivity. Federal Investigative Notice No. 10-06, subject “*Position Designation Requirements*” includes OPM policy related to the use of the tool and DoD will be moving forward with implementing this as well.

TSP RETURN RATES		
End of October 2010		
FUND	OCT	YTD
G	0.18%	2.42%
F	0.36%	8.46%
C	3.80%	7.84%
S	4.48%	16.70%
I	3.63%	4.91%
L 2040	3.16%	8.47%
L 2030	2.78%	7.76%
L 2020	2.29%	6.78%
L 2010	0.92%	4.15%
L Income	0.92%	4.23%

### Age of Separations Report

For the 1<sup>st</sup> quarter of CY 2010, DoD had 92% of retirement and death claim packages received by OPM within thirty-two days of the employee’s separation. For the 2<sup>nd</sup> quarter, 95% were received within thirty-two days of the date the employee separated.

For the 1<sup>st</sup> quarter of CY 2010, the Department of the Air Force had 93% of retirement and death claim packages received within thirty-two days of the employee’s separation. For the 2<sup>nd</sup> quarter, 89% were received within the 32 days of the employee’s separation.

For the 1<sup>st</sup> quarter of CY 2010, the Department of the Army had 89% of retirement and death claim packages received within thirty-two days of the employee’s separation. For the 2<sup>nd</sup> quarter, 89% were received within the 32 days of the employee’s separation.

For the 1<sup>st</sup> quarter of CY 2010, the Department of the Navy had 98% of retirement and death claim packages received within thirty-two days of the employee’s separation date. For the 2<sup>nd</sup> quarter, 95% were received within the 32 days of the employee’s separation date.

### Employment Verification

Employment Verification is now available thru My Biz for non-bargaining employees!

Employment Verification allows employees to securely and conveniently provide proof of their employment and/or salary to an external organization or person. It’s quick and easy! Just have the organization’s or recipients email address on hand, when you log into My Biz. Once logged on, select Employment Verification, and then “Details to Share.” You will then be able to choose the information you like to securely send:

“**Employment Information**”, provides Employee Name, Current Date, Job, Organization, Last Four of your Social Security Number, Employ-

ment Status, Employment Dates, and Rate of Pay.

“**Employment and Salary Information**,” provides the same employment information above, plus total salary.

Employment Verification is the employee’s secure choice for quick verification of employment and/or salary information! Do not delay, log into My Biz @ <https://compo.dcpds.cpms.osd.mil/> to try it out. Send a copy to yourself!

This self-service functionality is available to all employees, however, it is optional for employees covered by a bargaining unit. *The Work Number* is still in place and can continue to be used to provide employment and salary verification.