

# VA MISSION Act of 2018: Section 505 – Personnel Transparency Quarter Ending September 30, 2020

## Executive Summary

October 30, 2020

This report is submitted under Section 505 of the VA Maintaining Internal Systems and Strengthening Integrated Outside Networks Act of 2018 (VA MISSION Act) (Public Law 115- 182), regarding “Personnel Transparency.” Under Section 505(a), the VA Secretary shall make publicly available on a quarterly basis information pertaining to staffing and vacancies, specifically including the number of personnel encumbering positions, the number of accessions and separation actions processed during the prior quarter, the number of vacancies by occupation, and the percentage of new hires hired within the time-to-hire target of the Office of Personnel Management (OPM).

In the fiscal year (FY) 2020 2<sup>nd</sup> quarter report, VA introduced a distinction between funded and unfunded vacant full-time equivalent employees (FTEs). In the FY 2020, 3<sup>rd</sup> quarter report, VA reported funded and unfunded vacancies in separate tables. During FY 2020 4<sup>th</sup> quarter, VA directed Administrations and Staff Offices to validate vacant positions and bring funded positions reported in VA’s authoritative data source for employees and positions (HR•Smart) into balance with funding levels.

As of September 30, 2020, VA had 399,957 employees onboard (includes full-time, part-time, and seasonal employees), representing a total of approximately 390,901 onboard FTEs.<sup>1</sup> With funding for 390,539 FTEs in VA’s FY 2020 appropriation, VA had no funded vacant FTEs at the end of the 4<sup>th</sup> quarter of FY 2020.<sup>2</sup> This FTE level represents a fill rate of 100% for the funded FTEs provided by Congress.<sup>3</sup> Additionally, during the 4<sup>th</sup> quarter of FY 2020, VA had net gains of 6,298 employees, reflecting successful hiring, low turnover rates, and additional funding for FTEs.<sup>4</sup> Note that these figures represent a point in time, and in spite of the successes in attracting new talent, VA continues to aggressively hire to meet expanding demand and to minimize any staffing gaps to ensure the department is providing top-quality health care and services. With a competitive turnover rate at or below 9.4% annually for the past five years, VA has consistently hired between 40 to 50K employees per year and continues to grow at a rate of at least 3.2% per year.<sup>5</sup>

VA employs a wide variety of recruitment and retention tools to achieve full staffing capacity, including direct hiring authorities, recruitment, and retention flexibilities and incentives, hiring initiatives, virtual trainee recruitment events, improved employee engagement, HR modernization, workforce planning, targeted recruitment of military

---

<sup>1</sup> Employees and FTE counts do not include COVID-19 and MISSION Act exclusions.

<sup>2</sup> Funded vacant FTEs are the difference between funded FTEs appropriated by Congress and the onboard FTEs at a point of time, which for this report is the end of the day on September 30, 2020.

<sup>3</sup> Excess hiring at the end of the quarter primarily reflects the anticipation of additional FY 2021 funding and position management planning to avoid lags in filling positions.

<sup>4</sup> Net gains were calculated based upon the difference between 10,566 gains and 4,268 losses.

<sup>5</sup> VA MISSION Act section 505(b) annual report to Congress, June 2020.

spouses and Service members transitioning from the Department of Defense, national recruiter programs for hard-to-fill occupations and specialties, and strategies for filling medical center director positions throughout the Department.

VA facilities have the authority to use recruitment, retention, and relocation incentives to attract and retain high-quality talent for specialized occupations. These incentives can be used to fill title 5, title 38, or hybrid title 38 positions, which are often hard to fill or necessary to retain due to being mission-critical or shortage occupations. VA maximizes the use of many other compensation flexibilities, e.g., superior qualifications appointments, also known as appointments above the minimum rate, special salary rates, student loan repayment, education debt reduction program, and incentives for health care occupations, nurses, and police officers across VA medical centers who have demonstrated recruitment and retention needs.

As noted in the 2<sup>nd</sup> quarter executive summary, in early March, VA announced internal system changes to the HR•Smart system to put controls in place to enhance position management processes with better data integrity and gain fidelity in the reported positions, mainly vacant positions. During the 4<sup>th</sup> quarter of FY 2020, VA began this position validation review resulting in a reduction of 22,385 vacant positions that were in excess of available funding from the totals reported in the FY 2020 3<sup>rd</sup> quarter report.

VA is committed to accurate position management together with efficient staffing to fill vacancies and increase the size of the workforce to meet Veteran demand for health care, benefits, and memorial services. During the 1<sup>st</sup> quarter of FY 2021, VA will continue the validation process and establish a sound foundation for position management to ensure position data accurately reflect VA's budget and requirements. Historical staffing and vacancy data are available on VA's Web site at <https://www.va.gov/employee/va-mission-act-section-505-data/>.

## **How do I interpret the data?**

### Accessions (Hiring) and Separations

Accessions are personnel actions that result in the addition of an employee to VA (i.e., transfers-in from another agency and new hires to the federal government) and contribute to increases in onboards. Separations are personnel actions resulting in the loss of an employee from VA (i.e., transfers-out, quits, retirements, terminations or removals, death, and other separations).

### Full-time equivalents (FTEs)

Full-Time Equivalent refers to the total number of regular straight-time hours worked by employees divided by the number of compensable hours applicable to each fiscal year (regular method); or the total regular hours worked in a fiscal year (2,080 hours in a 260-day work year) divided by 26 biweekly pay periods (pay period method). OMB A-11 Circular § 85.5(c).

## Onboard Employees

Onboards (i.e., the number of personnel encumbering positions) are the number of employees (i.e., headcount) onboard when the data are reported. Note that “onboards” differ from “FTE,” which is a budgetary term based on compensable hours as opposed to headcount; as VA hires some part-time employees (i.e., partial FTEs), onboard figures consistently exceed FTE figures. Onboard does not include intermittent staff, non-pay status, non-salaried health professional trainees, or other volunteers.

## Time-To-Hire

Time-To-Hire represents the percentage of new hires for the Department who were hired within the 80 calendar-day time-to-hire target of the Office of Personnel Management (OPM), disaggregated by Administration. Per OPM’s new Mission Critical Occupation (MCO) Resource Chart guidance, all hires in USA Staffing are now included in the time-to-hire calculation, including New Hires that are simply onboarded in USA Staffing and are not associated with an announcement (i.e., non-competitive hiring actions).

## Vacant FTE

Positions that do not have an employee in the position, measured by the total number of compensable hours associated with that position (e.g. with one FTE equaling 2,080 hours in a 260-day work year). Vacant positions may be funded or unfunded. As referenced earlier in this executive summary, work is ongoing to put controls in place to enhance position management processes with better data integrity and gain fidelity in the reported positions, particularly vacant positions. This work will improve the data quality of manpower and funding data.

## **Applying for a position at VA**

Section 505(b) MISSION Act Annual Report (June 2020) identifies the steps VA is taking to achieve full staffing capacity. VA is continuously recruiting for committed professionals who are dedicated to serving our Nation’s Veterans. Employment at VA provides a competitive salary and benefits package and a strong work/life balance. Above all else, the highest honor in working at VA is the opportunity to serve the brave men and women who have served our Nation. Additional information regarding careers at VA can be found at <https://www.vacareers.va.gov/>.