



March 23, 2016

The Honorable Charlie Dent
Capitol Visitor Center, HVC-227
Washington, DC 20515

The Honorable Sanford Bishop, Jr.
1016 Longworth House Office Building
Washington, DC 20515

Dear Chairman Dent, Ranking Member Bishop, and Members of the Subcommittee:

The Senior Executives Association (SEA) represents the interests of career federal executives in the Senior Executive Service (SES), and those in Senior Level (SL), Scientific and Professional (ST), and equivalent positions. On behalf of SEA's members, including those serving at the Department of Veterans Affairs (VA), I write to express concern over the provision in the FY17 MilConVA appropriations legislation banning all performance awards for VA senior executives.

An across-the-board, one-size-fits-all approach to SES awards unfairly penalizes the dedicated VA Senior Executives who are working hard and well to find solutions to the VA's problems. Furthermore, this provision, if approved by both chambers in a final version of the MilConVA appropriations legislation, would make it more difficult for the VA to attract and retain Senior Executive leaders, as well as to encourage rising GS-14 and -15 employees to consider joining the Senior Executive Service (SES) ranks at the VA.

SEA understands the need for accountability at the VA, and for all government employees, and absolutely support holding individuals accountable for wrong-doing if they are found to have occurred following an impartial investigation that provides for due process. Nonetheless, SEA has strong concerns about the ongoing attacks against the SES corps at the VA, and the deleterious effects it will have on the ability of the agency to attract and retain the leadership it needs to serve veterans in the future.

Indeed, a survey of VA senior executives recently conducted by SEA¹ found an agency already struggling to retain its career senior executive leaders, with nearly three in four respondents saying that unfair media and congressional scrutiny, lack of agency leadership support, and diminished or complete inability to be considered for performance-based awards were causing them to consider leaving the VA. Similarly, those factors are making it incredibly difficult for the VA to attract and retain the best career senior leaders possible, with 97% of respondents saying they were concerned about the ability of the agency to fill those crucial roles. I encourage you and your staff to review the entire survey, and I would be pleased to arrange a briefing for you or your staff on the findings.

¹ https://seniorexecs.org/images/VA_SESSurveyReportTitle5toTitle38.pdf

By way of background, the SES was created by the Civil Service Reform Act of 1978 to be a cadre of highly-qualified employees whose compensation is based on the quality of their performance. That goal was expanded by the Bush Administration in 2004 when it made the SES a total pay for performance system based on private sector models. Unlike the vast majority of the federal workforce, all SES pay adjustments are discretionary – there are no guaranteed annual increases, no cost of living increases, no added locality pay for high cost geographic areas and no overtime compensation (whether in additional pay or leave accumulation). Also, performance awards granted to SES managers are discretionary and based on a rigorous review of executives' achievements against both individual and organizational performance goals by the agency's Performance Review Board. The Secretary has the ultimate authority to raise, lower, or concur with an SES performance award.

Appraisals of an executive's performance are based on both individual and organizational performance, taking into account such factors as: cost efficiency, productivity, and quality of service (5 USC § 4312). The purpose of performance awards is to "encourage excellence in performance by senior executives" (5 USC § 5384). Only top performing Senior Executives receive performance awards and receipt one year is no guarantee of receipt the following year. Performance awards are provided by statute and the Office of Personnel Management (OPM) monitors SES pay and performance awards through the compilation of an annual report that provides transparency and oversight of the system.

By restricting the VA from granting any performance awards at all, the provision effectively undermines the entire pay-for-performance system, which was instituted to incentivize outstanding executive performance and to make the federal pay system more comparable to what is found in the private sector. Ending the pay for performance system entirely—which is what this provision would essentially do at the VA—is shortsighted and we believe that it would have a harmful effect on employee morale and government performance. Indeed, morale among VA executives is already very low, and implementation of this provision will only exacerbate that problem and the difficulty the agency is having staffing and filling key executive roles.

Please let me know if we can be of further assistance as you work toward ensuring a strong VA that meets the needs of our veterans.

Sincerely,

A handwritten signature in cursive script that reads "Jason Briefel".

JASON BRIEFEL
Interim President

CC: Members of the House Military Construction, Veterans Affairs, and Related Agencies
Appropriations Subcommittee