

Goal 6. U.S. Department of Education Capacity:

Improve the organizational capacities of the Department to implement the *Strategic Plan*.

Goal Leader: Andrew Jackson

Objective 6.1: Effective Workforce. Continue to build a skilled, diverse, and engaged workforce within the Department. **Objective Leader: Cassandra Cuffee-Graves**

Metric 6.1.A: Staffing gaps percentage¹⁰⁶

Metric 6.1.B: EVS Employee Engagement Index¹⁰⁷

Metric 6.1.C: Time to hire¹⁰⁸

Metric 6.1.D: Effective Communication Index¹⁰⁹

Objective 6.2: Risk Management. Improve the Department's program efficacy through comprehensive risk management, and grant and contract monitoring. **Objective Leaders: Phil Maestri and Jim Ropelewski**

Metric 6.2.A: Percentage of A-133 Single Audits Overdue for resolution

Metric 6.2.B: Compliance rate of contractor evaluation performance reports¹¹⁰

Objective 6.3: Implementation and Support. Build Department capacity and systems to support states' and other grantees' implementation of reforms that result in improved outcomes, and keep the public informed of promising practices and new reform initiatives. **Objective Leader: Heather Rieman**

Metric 6.3.A: Percentage of states who annually rate the Department's technical assistance as helping build state capacity to implement education reforms

Objective 6.4: Productivity and Performance Management. Improve workforce productivity through information technology enhancements, telework expansion efforts, more effective process performance management systems, and state-of-the-art leadership and knowledge management practices. **Objective Leaders: Danny Harris, Cassandra Cuffee-Graves, and Denise Carter**

¹⁰⁶ Percent resulting from dividing number of all agency positions into unfilled agency vacancies. Metric is being removed at the end of the FY 2015 reporting period. Please refer to appendix B for details pertaining to the removal and addition of metrics.

¹⁰⁷ Based on positive Federal Employee Viewpoint Survey (FEVS, also referred to as "EVS") responses.

¹⁰⁸ The Department's target for completing hiring actions is 90 days (as measured from Request to Recruit date to Tentative Offer date). This metric measures the percentage of hiring actions completed within 90 days. An increase in the time to hire rate means more hiring actions are completed within the target timeframe, the hiring process is more efficient, and vacancies are filled on a more timely basis.

¹⁰⁹ Based on positive FEVS responses.

¹¹⁰ As reported in the Past Performance Information Retrieval System (PPIRS) reporting tool at www.ppirs.gov. Government use of PPIRS is required by Federal Acquisition Regulation Subpart 42.15, and government wide annual reporting performance targets are set by the Office of Management and Budget in the March 6, 2013, memorandum titled, "[Improving the Collection and Use of Information about Contractor Performance and Integrity](#)." The PPIRS compliance metric "calculates the number of completed evaluations against the contract actions that should have had an evaluation completed. This number is displayed as a percentage" (https://www.cpars.gov/pdfs/Improving_Compliance.pdf).

Metric 6.4.A: Number of Department information technology (IT) security incidents

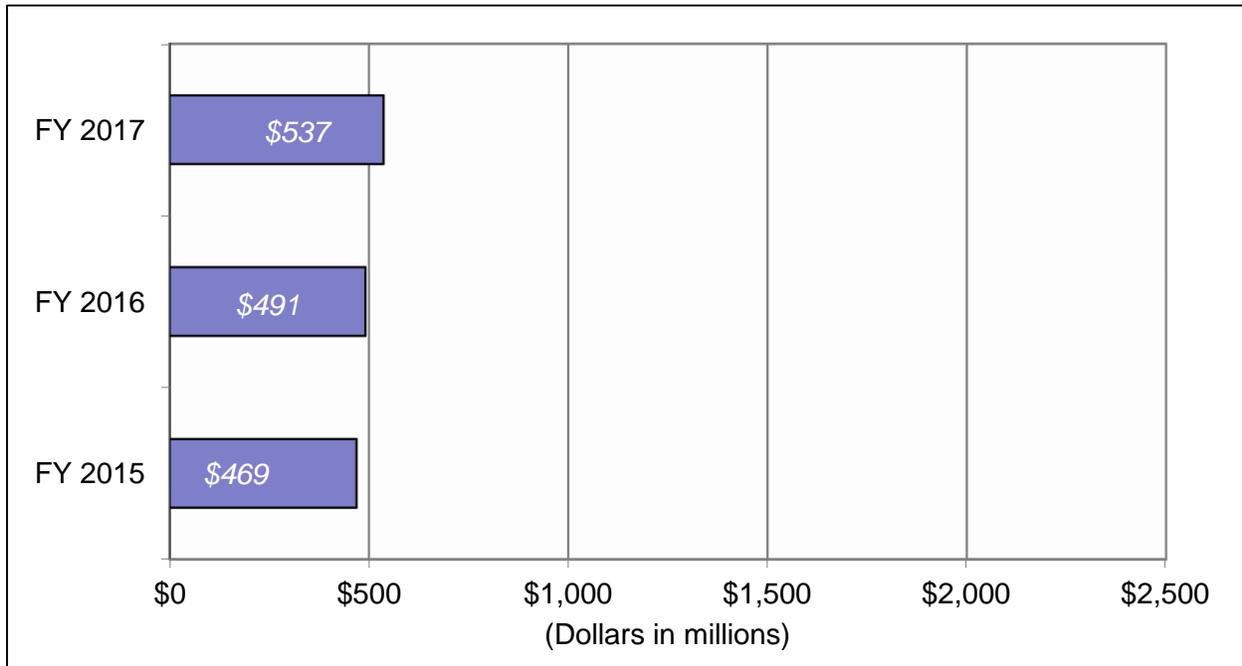
Metric 6.4.B: EVS Results-Oriented Performance Culture Index¹¹¹

Metric 6.4.C: EVS Leadership and Knowledge Management Index¹¹²

Metric 6.4.D: Total usable square footage

Metric 6.4.E: Rent cost

Goal 6 Discretionary Resources



Major Discretionary Programs and Activities¹¹³ Supporting Goal 6 Performance Metrics [Dollars in Millions]

POC	Account	Obj.	Program	FY 2015 Appropriation	FY 2016 Appropriation	FY 2017 President's Budget
OIG	OIG		Office of Inspector General	58	59	62
PA	PA		Program Administration: Building modernization	0	1	24
PA	PA		Program Administration: Salaries and expenses	411	431	450
TOTAL, GOAL 6				469	491	537

POC = Principal Office Component

NOTES: Many programs may have sub-activities that relate to other goals. Detail may not add to total due to rounding.

¹¹¹ Based on positive FEVS responses.

¹¹² Based on positive FEVS responses.

¹¹³ All the programs listed are discretionary programs, as distinct from mandatory programs. These include both competitive and noncompetitive programs.

Public Benefit

To ensure the achievement of the Department's mission critical objectives, grants and contract management remain a strategic focus for improvement in long- and short-term initiatives. Additionally, fortifying human capital strategies, competencies and resources, along with the continuous improvement of IT security and technologically enhanced work environments, continue to be priorities. These activities support grantees, schools, students, families, and communities in achieving their educational and economic goals, while also continuing to hold recipients of the Department's funding accountable to clear financial requirements and legal obligations.

The Department continues to focus on human capital management to acquire and develop its workforce; increase diversity and inclusion and improve employee engagement; rethink how it monitors and intervenes with high-risk grantees and contractors; enhance workforce productivity through information technology; safeguard its assets and stakeholders from cybersecurity threats; continue to improve and integrate effective performance management; and transform the way the Department interacts with states, districts, IHEs, and other grantees and stakeholders. These efforts will improve performance results, increase stakeholder collaboration, and lead to greater employee engagement.

In FY 2015, the Department was a leader in the broader grant community to implement successfully the new [Uniform Guidance](#) regulations prescribed and updated by the President's Office of Management and Budget. The Department created an online repository of resources and conducted frequent outreach to help grantees follow the new rules, which reduce burden while strengthening controls against waste, fraud, and abuse.

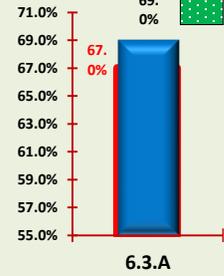
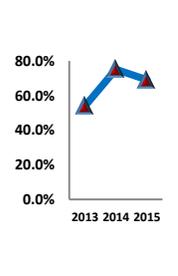
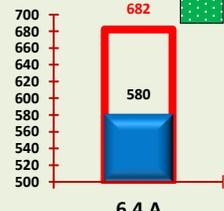
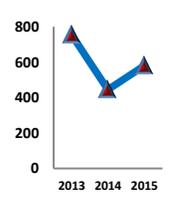
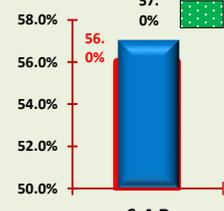
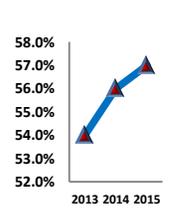
Using a strategic approach in FY 2015, the Department strengthened Human Resources (HR) operations by reducing hiring lead times, improving executive recruitment strategies, revising outdated HR policies, expanding training opportunities, and improving management practices.

Goal 6: Details

U.S. Department of Education Indicators of Success	Baseline	Actuals			Current Year Target 2015	Current Year Results	Actual-to-Target 2015		Out-Year Targets		Trend Line (Actuals)
		2013	2014	2015			Missed	Exceeded	2016	2017	
6.1.A. Staffing gaps percentage ¹¹⁴	FY: 2013 15%	15%	4%	4.3%	15%	MET			NA	NA	
New Metric Percent of selections made per job opportunity announcement (JOA)	FY: 2015 46.4%	NA	NA	46.4%	NA	NA			48.7%	51.2%	
6.1.B. EVS Employee Engagement Index	FY: 2012 64.7%	66%	67%	68%	69%	NOT MET			71%	72%	
6.1.C. Time to hire	FY: 2013 65%	65%	85%	67.6%	68%	NOT MET			69%	70%	

¹¹⁴ Metric being removed at the end of the FY 2015 reporting period and being replaced with the metric identified as “New Metric” directly below it. If there is no corresponding “New Metric” identified, new metric TBD. Please refer to appendix B for details pertaining to the removal and addition of metrics. The proposed FY 2016 and 2017 targets for the metric being removed were both NA.

U.S. Department of Education Indicators of Success	Baseline	Actuals			Current Year Target 2015	Current Year Results	Actual-to-Target 2015		Out-Year Targets		Trend Line (Actuals)
		2013	2014	2015			Missed	Exceeded	2016	2017	
6.1.D. Effective Communication Index	FY: 2012 48%	49.6%	50%	51%	50%	MET	<p>51.0% Exceeded 50.0% Missed</p>		51%	52%	<p>2013 2014 2015</p>
6.2.A. Percentage of A-133 Single Audits Overdue for resolution	FY: 2012 57%	52%	37%	20%	43%	MET	<p>43.0% Exceeded 20.0% Missed</p>		37%	31%	<p>2013 2014 2015</p>
6.2.B. Compliance rate of contractor evaluation performance reports	FY: 2013 85%	85%	97%	98%	100%	NOT MET	<p>100.0% Missed 98.0% Exceeded</p>		100%	100%	<p>2013 2014 2015</p>

U.S. Department of Education Indicators of Success	Baseline	Actuals			Current Year Target 2015	Current Year Results	Actual-to-Target 2015		Out-Year Targets		Trend Line (Actuals)
		2013	2014	2015			2015	Missed	Exceeded	2016	
6.3.A. Percentage of states who annually rate the Department's technical assistance as helping build state capacity to implement education reforms ¹¹⁵	FY: 2013 54%	54%	75%	69%	67%	MET		77%	85%		
6.4.A. Number of Department IT security incidents	FY: 2012 756	755	445	580	682	MET		551 ¹¹⁶	523 ¹¹⁷		
6.4.B. EVS Results-Oriented Performance Culture Index	FY: 2012 53%	54%	56%	57%	56%	MET		57%	58%		

¹¹⁵ In FY 2016, the metric's data source will be changed to the 2015 Grantee Satisfaction Survey. Thus, in FY 2016, the baseline and targets will be updated to reflect the change. There is also variability with this metric due to ESEA reauthorization and the impact on the programs included.

¹¹⁶ FY 2016 target was reduced based on actual incidents reported in FY 2015 and then reducing that actual by 5%.

¹¹⁷ FY 2017 target was reduced by 5% from the FY 2016 target.

U.S. Department of Education Indicators of Success	Baseline	Actuals			Current Year Target	Current Year Results	Actual-to-Target 2015		Out-Year Targets		Trend Line (Actuals)
		2013	2014	2015	2015		Missed	Exceeded	2016	2017	
6.4.C. EVS Leadership and Knowledge Management Index	FY: 2012 60%	61%	61%	62%	62%	MET			63%	64%	
6.4.D. Total usable square footage	FY: 2012 1,563,641	1,573,317	1,533,239	1,530,864	1,525,937	NOT MET			1,459,937	TBD	
6.4.E. Rent cost	FY: 2014 \$74.3M	\$71.7M	\$74.1M	\$72.7M	\$80.3M	MET			\$80,300,000	TBD	

NA = Not applicable.

TBD = To be determined.

Academic Year (AY) is a collegiate year spanning August–May; School Year (SY) spans August–July and is aligned with a P–12 school year; Fiscal Year (FY) corresponds to a federal fiscal year; Calendar Year (CY) spans January–December.

Data Sources and Frequency of Collection:

- 6.1.A. Mission Critical Occupation (MCO) Staffing Gap Report; quarterly
- 6.1.B. Office of Personnel Management (OPM) Federal Employee Viewpoint Survey (FEVS); annually
- 6.1.C. Federal Personnel/Payroll System (FPPS) Datamart; quarterly

- 6.1.D. OPM FEVS; annually
- 6.2.A. Office of the Chief Financial Officer's (OCFO) Audit Accountability & Resolution Tracking System (AARTS); annually
- 6.2.B. Past Performance Information Retrieval System (PPIRS) www.ppirs.gov "PPIRS Compliance Report"; annually
- 6.3.A. Baseline is from the Race to the Top State Lead Survey, n=19. Future data will come from the Annual Grantee Satisfaction Survey; annually
- 6.4.A. Operational Vulnerability Management Solution (OVMS) System; quarterly
- 6.4.B. OPM FEVS; annually
- 6.4.C. OPM FEVS; annually
- 6.4.D. Department's Master Space Management Plan; annually
- 6.4.E. Department's Master Space Management Plan; annually

Note on performance metrics and targets: These metrics were established as a part of the *FY 2014–18 Strategic Plan*. Metrics may be updated or revised to reflect awareness of more accurate data or clarifications. Such updates or revisions are identified in footnotes.

Analysis and Next Steps by Objective

Objective 6.1: Effective Workforce

Explanation and Analysis of Progress:

The Department's staffing gaps have been successfully reduced and continue to maintain a stable, minimum level of 4–5 percent, which is well below the FY 2015 target level of 15 percent. The Department also continues to reduce hiring lead times and completed approximately 68 percent of hiring actions within 90 days from the date the action was received to the tentative job offer. In FY 2015, the Department opened a new career center to assist employees in reaching their career development goals and successfully developed, marketed and deployed a boot-camp style supervisory training course for supervisors and managers. This mandatory three-day *Supervisor Essentials* course is facilitated by Department subject matter experts and provides new and existing supervisors with the essential tools in a participatory environment that encourages students to develop cross-component networks to share best practices. Additionally, the Department received full OPM certification for its Senior Executive Service performance management program for the first time in eight years.

The Department's strategic goals are vast: supporting postsecondary education, CTE, adult education, elementary and secondary education, early learning, equity, and continuous improvement of the education system. To achieve its objectives, the Department's workforce must have the right skills and be led by skilled and engaging supervisors and managers. The Department is enhancing employee productivity by aligning priorities and goals at every level in the organization with the Department's strategic objectives. The Department has achieved consistent, incremental progress in Federal Employee Viewpoint Survey (FEVS) results. Since 2010, the Department has improved scores in the Employee Engagement Index of the FEVS from 62.6 percent to 68 percent in 2015. In FY 2015, the Department implemented a successful engagement strategy that resulted in 50 percent of subcomponents increasing their employee engagement scores between 1 and 12 percent, and 72 percent of subcomponents achieving employee engagement scores above the governmentwide average.

The Office of Human Resources (OHR) worked with all Departmental offices to prioritize the revision and updating of key human capital policies, conducted extensive outreach efforts to hiring managers, and expanded supervisory and managerial training and development opportunities.

Human capital management plays a critical role in the Department's ability to fulfill its mission. By effectively planning for workforce changes, addressing skill gaps, and providing timely guidance and hands-on options for recruitment, staffing, and retention, the Department can provide consistent oversight, execution, and support for its programs.

Challenges and Next Steps:

The Department has improved managers' awareness of key hiring activities and timelines. Classification and hiring activities have been automated for real-time tracking, which allows HR staff to focus on more complex questions. In FY 2016, the Department will continue outreach efforts to hiring managers on personnel flexibilities and improve HR tracking tools to support managers in hiring the best employees for their positions.

Objective 6.2: Risk Management

Explanation and Analysis of Progress:

Risk management focuses on creating an environment where grant and loan funds are used for the right purpose and achieve program success. The Department has worked to increase its ability to provide the right technical assistance and oversight to help grantees achieve program goals. Some of that work is accomplished through improving the quality and thoroughness of risk assessments conducted by the Department assuring that grantees are ready to manage the funds awarded. During FY 2015 the Department conducted preaward risk reviews for 100 percent of competitive grant programs. Other work has included improving the program staffs' skills in the area of fiscal monitoring through training and technical assistance. In FY 2015, the Department far exceeded its goal of timely audit resolution—the target was set at no more than 43 percent resolved overdue, and the actual percentage achieved was 20 percent. This was achieved by focusing on timeliness and fostering close working relationships with programs and support offices. In addition, a comprehensive training program to support the implementation of the new Uniform Guidance was developed and implemented for both grantees and Department staff, which included a strand on audit-related requirements.

Risk management is also an essential aspect of contract monitoring, which is achieved by actively assessing program and performance risks inherent in contracts through oversight and support and issuance of policy and guidance to program and contract officials. The Department has sustained high performance in compliance with contractor performance reporting requirements, leading the government with a 98 percent compliance rate for FY 2015. Only four agencies reached a compliance rate of 90 percent in FY 2015, and the average compliance rate of all 64 agencies reported was only 30 percent.¹¹⁸

Challenges and Next Steps:

The Department will continue to monitor contractor performance reporting requirements and work to attain the 100 percent compliance goal set by OMB.

The Department will continue collaborating with offices to reduce the number of overdue audits and leverage audit follow-up data to manage grantee risk by providing additional technical assistance and training on audit requirements related to the Uniform Guidance. The Department will focus its work with program offices to increase understanding and application of the results of Entity Risk Reviews related to audit data, with an emphasis on strategies to mitigate risk through effective and timely corrective action and follow-up.

Collecting quantitative data on the risk posed by grant recipients, and the extent to which the Department makes progress building capacity to address this risk, remains a challenge. Building the capacity of the Department to conduct more sophisticated analysis of data, both structured and unstructured, will be critical to addressing that challenge. The Department will work toward building quality, accessible sources of data on grant and grantee performance, sharing information about risks and mitigation across program offices, and building the grant staff capacity—in both knowledge and numbers—to monitor the financial and administrative components of grant performance.

These efforts will ultimately improve the capacity of our grantees to provide quality programs and services.

¹¹⁸ Past Performance Information Retrieval System (PPIRS) (www.ppirs.gov) "PPIRS Compliance Report."

Objective 6.3: Implementation and Support

Explanation and Analysis of Progress:

2015 was the first year of implementation for OESE's new Office of State Support (OSS). The reorganization was approved in the fourth quarter of FY 2014 and OSS was created in early October. OSS is designed to provide improved state-centered support across related Department programs and offer more transparent, higher quality, and better differentiated support to meet the varied needs among states. The matrix organization model adopted by OSS ensures that a state has a primary contact within the Department and this individual serves as the liaison across key state-administered grant programs and major federal funding streams that flow to each state and district. By consolidating processes and technical assistance, the Department will be able to more effectively customize its outreach to individual states and model the critical partnerships that states should have with their respective districts.

The office is working to deepen staff knowledge and build or pilot systems and routines that allow OSS to support states with implementation through a systemic approach to technical assistance and the design and implementation of key processes, such as performance management and knowledge management, in order to ensure sustainability.

Educator equity is one area of increased attention and support during the past year. In July 2014, the Department announced the Excellent Educators for All initiative designed to move America toward the day when every student in every public school is taught by excellent educators. An Equitable Access Support Network (EASN) was set up to provide support and technical assistance to states to ensure that they had strong plans and targeted strategies so that students in poverty and minority children are not taught at higher rates than other children by inexperienced, unqualified, or out-of-field teachers.

Challenges and Next Steps:

Transitioning to the new OSS is a significant change that will take time to implement fully. OESE and OSS leadership are still establishing new processes and procedures, and the transition will take place gradually. Compounded by budget constraints, continuing challenges include staffing, appropriate professional development, and support for staff.

Building new and stronger relationships with states and stakeholders requires significant outreach and effort. The Department continues to communicate with stakeholders and grantees—through printed publications, the PROGRESS blog, OSS technical assistance, YouTube videos, and speeches—and broadly share lessons learned across grantees and nongrantees and with the general public about the reforms being implemented at the state and local levels. Next steps also include launching an updated state performance review, implementing against a new strategic technical assistance plan, and adjusting plans to prepare for ESSA implementation.

Objective 6.4: Productivity and Performance Management

Explanation and Analysis of Progress:

The Department takes pride in fostering a culture where managers and employees have the information and technology to perform their jobs well even when they are not physically onsite. The Department instituted tools and techniques for managers and employees to make performance goal setting, tracking, and feedback a regular work practice throughout the year.

Additionally, some supervisors used a best practice performance feedback worksheet with questions tied to FEVS results which enhanced proactive communication and built trust within work teams. The Department also developed a revised telework training course, *How to Make Telework Really Work*. Training sessions incorporated discussion on changes to the Department's updated telework policy and provided a forum for managers and employees to ask questions about telework and any concerns regarding space reduction and modernization plans. The Department saw an increase in the use of telework as a viable and effective tool that enabled employees to meet professional responsibilities while also offering a mechanism to reduce work/life stress.

To improve efficiencies and reduce costs associated with the Grant Award Notification process, the Department issued a Grant Bulletin establishing policy and guidance to support e-signature for formula grants.

In FY 2015, the Department implemented the second year of the ED Space Modernization Initiative, finalized space designs for two major subcomponents, and worked with the General Services Administration (GSA) to develop an aggressive construction schedule for the first major phase of the initiative in the Department's headquarters building. The Department identified business requirements, conducted market research with a broad group of stakeholders, and completed procurement for an automated hoteling and conference room reservation system. Department staff in San Francisco and Chicago were engaged in the process of redefining requirements for new space when current leases expire and worked with GSA to find federally owned space in San Francisco to avoid a large rent increase in 2014; the resulting solution will save the Department \$15 million in avoided rent and construction costs in 2017–18. The Department worked closely with its labor union partners to address space challenges in Washington, DC and regional office locations.

Challenges and Next Steps:

The Department adopted a creative and dramatic response to reduce overall administrative expenses through emergency space consolidation in the Washington, DC area. As a result, the Department will achieve substantial cost avoidance in FY 2016 and FY 2017. Though the strategy was developed with full collaboration and commitment of Department leadership, the affected principal offices, OCIO, and GSA, potential challenges include maintaining morale and productivity and sustaining recent gains in employee engagement.

Selected Strategies to Achieve Goal 6

The Department will build on the success of HR improvements of FY 2015 by continuing to strengthen HR operations, improving executive recruitment strategies, revising outdated HR policies, expanding training opportunities in critical areas, and improving labor relations management practices.

While continued focus on the IT automated response capabilities has led to reductions in the number of security incidents in FY 2016 and FY 2017, additional training for the Department's third-party partners will reduce the potential for personally identifiable information disclosures and ensure the proper protection of our customers' information. The Department's cybersecurity focus will remain on data protection and control. The Department will continue implementing various capabilities to control the flow of sensitive information, and prevent access to related systems, data, or other critical information and infrastructure by unauthorized individuals. These new capabilities with existing protective measures will ensure the protection of employee and customer data.

Finally, the Department must continue its work in developing customized change management strategies necessary to successful space redesign and reduce the Department's physical footprint. By consolidating units, renegotiating leases, and making reductions in the needed space, the Department will save rent costs.