

**STATEMENT OF
GINA FARRISEE, ASSISTANT SECRETARY FOR HUMAN RESOURCES AND
ADMINISTRATION,
UNITED STATES DEPARTMENT OF VETERANS AFFAIRS
BEFORE THE
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
OCTOBER 30, 2013**

INTRODUCTION

Chairman Issa, Ranking Member Cummings, and Distinguished Members of the Committee on Oversight and Government Reform: thank you for the opportunity to be with you today to discuss the Department of Veterans Affairs' (VA) commitment to transparency, oversight, and the training of its employees to deliver the highest quality service to our Nation's Veterans, family members, and survivors, while ensuring accountability.

I know that many of you are especially interested in talking about VA training conferences – about the issues identified by the VA Office of Inspector General (OIG), and about what our Department has done to ensure that such issues do not occur again.

The IG report on the 2011 Human Resources and Administration (HRA) conferences in Orlando, Florida identified several examples of wasteful expenditures. As Secretary Shinseki said immediately upon the public release of the report, the failures outlined in the report represent abdications of responsibility, failures of judgment, and serious lapses of stewardship. Over the past several years, VA has taken specific actions to increase oversight and controls over training conference, the specifics of which are detailed further in my statement. After learning of the IG investigation, the Secretary directed an internal working group to examine and strengthen VA's policies and procedures for conference oversight.

As a result of VA's internal review, directed by Secretary Shinseki, the department issued policy on September 26, 2012 that reflects the commitment to strengthen oversight, improve accountability and safeguard taxpayer dollars. VA's mission – to serve our Veterans – must be at the core of our work all the time, including when we are planning, attending, and managing training conferences.

VALUE OF TRAINING FOR VA'S MISSION

This is a time of rapidly growing challenges for VA. To meet those challenges across the vast network of VA hospitals, clinics, benefits offices, and national cemeteries, it is necessary that our personnel train and consult with VA colleagues and outside authorities on new and best practices across an enormous spectrum of subjects, ranging from electronic-records administration to suicide prevention. The progress we have made in the last few years to transform the Department into a 21st century organization would not have been possible without a highly trained workforce. Our employees need to be trained to ensure they stay current to deliver on our mission. We will make maximum use of technology to most efficiently meet those training needs, however conferences will remain essential to VA's efforts to meet the rapidly evolving needs of our Veteran population.

One of VA's four strategic goals requires us to invest in our employees, over 30 percent of whom are Veterans themselves, so that they can improve service and customer satisfaction for Veterans and their families. Consequently, the Department identified transformation of our human-capital management as a main element in our Strategic

Plan. We have been working for the past 4 years on providing our employees with the training they need.

Training requirements are based on identified competencies for each employee. We have worked to define management and technical competencies for all our key service areas. At the forefront of these efforts is the policy requiring that there be “line-of-sight” from the Department’s strategic goals and capabilities, through organizational missions and functions, to the individual employee’s personal performance and development plans. Through this “line-of-sight” approach, we can identify the employee-level competencies needed to achieve the Department’s strategic goals. We can then identify gaps in these competencies, and develop training programs to fill them.

VA’s training programs – including, but not limited to, our training conferences – follow a cyclical model. The cycle begins by identifying the critical knowledge, skills, and behaviors an employee requires to better serve our Veterans. These defined competencies and our organizational values are linked to training. Training needs are then compared to available resources and a final plan developed to correct gaps across the entire organization on a priority basis. Through this process the course offerings in our training programs, including training conferences, are identified. As training courses are developed, we give strong consideration to ensuring that courses are available to the largest population of employees, and are carried out in a cost-effective manner – with a preference for using available technology to provide virtual training where feasible.

Once conducted, courses are rigorously evaluated to assess participant satisfaction, on-the-job behavior change, and organizational impact. Training conducted through VA's Learning University (VALU) undergoes a comprehensive evaluation process using the four-level Kirkpatrick model. The feedback from this evaluation is used to inform future course-development and to continually improve our training methods.

To facilitate high quality, cost-effective continuous learning, VA established VALU in 2003. Further, VA created centralized training centers for specific fields, such as the VA Acquisition Academy and the Veterans Benefits Academy.

Advances in technology have made distance learning a more feasible option for many kinds of training. VA has already made extensive use of technology to provide training nationwide, and we are aggressively looking into new ways in which we leverage it even further. However, as a result of the Department's diverse and complex missions, there are occasions when travel to conduct face-to-face meetings for training is most effective and efficient.

Our Administrations and Staff Offices have adapted their training programs to better improve employees' ability to provide high quality service for Veterans. For example, VA's VALU office delivers over 80 percent of training via Internet based methods. VALU is aggressively pursues e-training through use of Webinars, blended learning, and other adult learning modalities not requiring the use of travel dollars.

As just a few examples of the importance of our training programs:

Personnel training plays a significant role in the Veterans Health Administration (VHA), which must not only contend with the complex health care challenges facing the Veteran community, but must also do so while competing with private-sector health care market for clinical and administrative talent. Providing opportunities for the sustainment and advancement of clinical skills is essential to recruitment and retention as we work daily to address the emerging issues unique to the large and diverse Veteran population, including: polytrauma from multiple war related injuries; disease associated with exposure to various chemicals during conflict; traumatic brain injury and posttraumatic stress disorder; suicide prevention and other mental health diagnoses; women's health and military sexual trauma; cancer and other age-related diseases of Korean-era and Vietnam-era Veterans; and elimination of Veteran homelessness.

One of the most significant areas in which VA's commitment to training has shown results is the Challenge Training program utilized by VBA to train its Veterans Service Representatives (VSR) and Rating Veterans Service Representatives (RVSR). Under its comprehensive Transformation Campaign Plan, VBA redesigned and enhanced the Challenge Training program in July 2011. Redesign of the centralized Challenge Training program grew out of VBA's need to make new claims processors more proficient and productive at the start of their careers, while minimizing the impact on experienced staff called on to provide follow-on training at the local regional offices.

It is vital that IT staff at all VA facilities are aware of policy changes and how to implement and communicate changes to the customer base of over 300,000 VA employees. Accordingly, OIT has used the Project Management Training Summit to convene IT project managers to ensure they are all aligned on the profound changes in the way OIT delivers its services to VA's workforce. Summit facilitators were able to evaluate the training summit and capture significant metrics regarding the validity and usefulness of the training: 76 percent of participants felt better informed about system processes; 72 percent reported a better understanding of budget execution; and 81 percent had a better understanding of operations and maintenance planning.

IMPROVEMENTS IN OVERSIGHT

It is VA policy to determine whether the Department will see a quantifiable improvement in operations for investments in training. As part of that approval process, offices must prepare a detailed business case analysis. They must also ensure that the conference or training event is part of a rational strategy to develop VA employees' skill sets. The requirement to measure outcomes for training events has enabled us to capture and evaluate performance data that will lead to more relevant and focused training.

After issues at the 2011 HR National Training Conferences came to light, it was clear that more needed to be done to ensure the highest standards of accountability. In early August 2012, after being briefed by the VA IG's office on its investigation of the Orlando, Florida conferences, the Secretary immediately ordered a range of strict measures to ensure tougher oversight:

- full Departmental cooperation with the IG investigation;
- the removal of purchasing authority from employees in the unit under investigation;
- an outside, independent review of all training policies and procedures and the execution of all training conferences;
- an outside, independent review of conference planning and execution, and oversight policies and practice;
- ethics training for all VA personnel involved with the planning or execution of conferences; and
- an internal examination of existing VA policies as they relate to Administration policy, Departmental policy, and Federal law and regulation on conferences.

As a result of this internal examination, on September 16, 2012, VA issued a revised conference planning and oversight policy. The new policy regarding the approval and planning of conferences was further developed and communicated in revised memoranda on September 26, 2012 and August 12, 2013. VA's conference process now has four phases: concept, development, execution, and reporting. Each phase has objectives, metrics, and standards of execution.

Conferences estimated to cost between \$20,000 and \$100,000 require approval by an Under Secretary, Assistant Secretary, or equivalent senior official in the proponent organization. Conferences estimated to cost over \$100,000 but less than \$500,000 require approval by the Deputy Secretary. Conferences over \$500,000 are generally

not permitted under OMB M-12-12 and may only proceed if the Secretary approves a waiver. To help implement these reforms, VA established a corporate Training Support Office, which provides clear and consistent guidance regarding needed steps for adherence with all appropriate regulations and requirements for training conferences..

Conferences that receive conceptual approval proceed to the development stage. To provide better oversight and single points of accountability from the event's planning through its execution, the Department now requires each Administration and Staff Office to designate a Conference Certifying Official (CCO), who must be a Senior Executive or SES-equivalent. The CCO, who must be familiar with all VA and Executive Branch training conference policies and procedures, will certify that the proposed event complies with all regulations and policies. The CCO also certifies that the proposal, which includes all anticipated costs, provides a detailed business analysis for the planned conference and travel investment.

If a conference is approved, and planning commences, each conference estimated to cost VA over \$20,000 will require the appointment of a second official, the Responsible Conference Executive (RCE). The RCE, also a Senior Executive or SES-equivalent, ensures the conference is executed according to the plan approved by the CCO and adheres to all applicable regulations and policies. The RCE's responsibilities continue through and after the event. The RCE must certify, within 15 days of the completion the conference, that due diligence was exercised in the execution of the training conference.

“Due diligence” includes: prior approvals of any conference-related spending; bans on entertainment and promotional item spending; and restrictions on spending in accordance with OMB M-12-12 and VA’s financial policies and procedures. To further assist in executing future conferences in a more efficient manner, the RCE must also submit an After-Action Review Report. The designation of a CCO and a RCE for every large conference will clearly identify the specific individuals responsible for ensuring appropriate conference planning and overseeing conference management and execution.

Additionally, the Department currently has a conference tracking and reporting prototype that will be used as the basis to develop an automated conference tracking and reporting application for the Department. The application will assist the Department in meeting the approval and reporting requirements of OMB M-12-12 and Public Law 112-154, the “Honoring America’s Veterans and Caring for Camp Lejeune Families Act of 2012.” OMB M-12-12 requires that VA track and report sponsored or co-sponsored conferences to Congress exceeding \$100,000 annually. Public Law 112-154 requires VA to track and report to Congress quarterly conferences that are sponsored or co-sponsored by VA and attended by 50 or more individuals, including one or more VA employees, or estimated to cost VA at least \$20,000 – and to provide estimates for the next quarter. In addition to OMB M-12-12 and Public Law 112-154, Public Law 113-6, “Continuing Appropriations Act” enacted March 2013, requires VA to report to the

Inspector General within 15 days that a conference exceeding \$20,000 was being held and also requires an annual report on conferences exceeding \$100,000.

In accordance with improving policies and guidance, the Department has instituted additional policy and training in response to specific recommendations in the HRA OIG report. In May 2013, revised policy, Volume XIV, Chapter 1, "Travel Administration" was issued. The Travel Administration policy chapter contains the requirement that all travelers and officials who approve travel are required to complete travel training. Appendix H of Volume XIV, Chapter 3, "Transportation Expenses", was issued in February 2013. This appendix provides the detailed worksheet for doing the required cost analysis when choosing to use a privately-owned vehicle instead of a Government contracted mode of transportation.

The Department also strengthened oversight of the purchase card program in response to the OIG recommendations. VA policy requires training for both purchase card holders and approvers. As part of purchase card program oversight, VA's Financial Services Center (FSC) uses recurring reports to monitor purchase cardholders and approvers' training status. Additionally, on a monthly basis, FSC staff extract purchase card holder account data from bank records to match against VA's account information. They then submit updates on individuals requiring purchase card training. The VA training system uses the FSC-provided data to update their training records to ensure the purchase card training course is correctly assigned to individual accounts. This process enables FSC staff to use training status reports to monitor purchase card

holder training compliance. FSC staff contact the appropriate Agency/Organization Program Coordinator for individuals delinquent in completing their purchase card training to obtain a completed purchase card training certificate or they reduce the card holder's purchase limit to \$1 until they receive proof of training completion.

As of December 2012, the FSC enacted a program change which limits the ability to change the single purchase limit (SPL) for purchase cards to the FSC. Warrants are required to be registered in the Office of Acquisition and Logistics' (OAL) Electronic Contract Management System (eCMS), which FSC uses to verify warrant validity and authorized limits prior to raising the SPL of any purchase cards. FSC also performs weekly reviews of new purchase card accounts to verify that none have been established in excess of warrant limits. On October 4, 2012, there were 2,022 unwarranted purchase cards with SPL over \$3,000. On December 7, 2012, unwarranted purchase cards with SPL over \$3,000 fell to 1,810 as a direct result of FSC efforts to ensure SPL were set at the micro-purchase threshold for unwarranted purchase card holders. An additional 665 warranted accounts were lowered on February 6, 2013. As of October 2, 2013, only warranted purchase card holders have SPL above the micro-purchase threshold.

In an effort to strengthen VA's conference and event support services contracts, provide greater visibility, and ensure consistency of execution and adherence to the Department's conference policies, the Office of Acquisition, Logistics, and Construction (OALC) awarded five blanket purchase agreements (BPA) for event planning and

support services. The Chief of Staff issued a memorandum advising upper management that the use of the BPAs are mandatory use contracting vehicles for all event planning and support services.

The Department has instituted sound policies and has provided clear guidance to individuals within VA responsible for the approval, planning, and execution of conferences. We recognize that, before these reforms, insufficient oversight resulted in the misuse of some taxpayer dollars prior to the institution of these reforms. This was unacceptable. We will continuously review our policies and procedures to ensure we are using our resources effectively and appropriately while providing the training that is so critically necessary for VA employees.

CONCLUSION

Our Department's mission is to honor and serve the Nation's Veterans; this is a sacred obligation for both the Department and the Nation. Incumbent in serving Veterans, their dependents, and survivors is the need for us to manage our resources carefully and ensure there is appropriate oversight of and accountability for our acts. We look forward to working with our partners in Congress to help ensure that our new policies on training conference planning, approval, and execution effectively address the issues identified by the IG and our internal and external reviews while preserving the ability to train our personnel to deliver high quality benefits and services in a rapidly changing environment. Mr. Chairman, I will be glad to answer any questions you or the other Members of the Committee have.



Department of Veterans Affairs

Executive Biography

Gina S. Farrisee
Assistant Secretary
Human Resources & Administration

The Honorable Gina S. Farrisee assumed the duties of the Assistant Secretary, Office of Human Resources and Administration (HR&A) at the Department of Veterans Affairs (VA) on September 10, 2013. Prior to that, she served as VA's Deputy Assistant Secretary for Human Resources Management. Ms. Farrisee directs and oversees an HR&A team of over 750 employees who support more than 300,000 VA employees and 4,000 human resources professionals across the country. To meet the needs of the VA workforce, the HR&A team provides professional assistance in the areas of Administration, Human Resources Management, Diversity and Inclusion, Resolution Management, Labor-Management Relations, Human Capital Investment Plan Strategic Management, Veterans Employment Service, and Corporate Senior Executive Management. In addition, HR&A provides training through the VA Learning University.



Ms. Farrisee has a distinguished career as a leader in human resources management. Previously, Ms. Farrisee served as the Commanding General of the United States Army Human Resources Command (HRC), Fort Knox, Kentucky. In this capacity, she provided leadership, operational and managerial oversight of more than 4,000 HRC employees (military, civilian, contractors) with a \$3 billion annual budget, which provided worldwide Human Resource services to a customer base of over 1 million people composed of Active and Reserve Soldiers, Veterans and family members including but not limited to human capital management, professional development, Casualty and Mortuary Affairs, promotion boards, freedom of information requests, Department of Army awards and personnel systems. She led the Command in managing a complex, high-volume customer service and geographically dispersed service delivery network.

Ms. Farrisee has been awarded numerous military decorations to include: The Distinguished Service Medal with two oak leaf clusters, The Defense Superior Service Medal and The Legion of Merit with two oak leaf clusters.

Ms. Farrisee is married to Colonel (retired) David G. Farrisee.

CAREER CHRONOLOGY:

2013 – Present	Assistant Secretary, Human Resources and Administration (HR&A)
2010 – 2012	Commanding General of the United States Army Human Resources Command (HRC), Fort Knox, Kentucky
2006 -2010	Director, Military Personnel Management, Pentagon, Washington, DC.
2004 – 2006	Commanding General, Soldier Support Institute, Training and Doctrine Command, Department of the Army, Fort Jackson, South Carolina
2002 – 2004	Adjutant General of the Army; Commanding General, Physical Disability Agency; and Executive Director, Military Postal Service Agency, Alexandria, VA

EDUCATION:

Master of Science, National Resource Strategy, National Defense University, Washington, D.C
Bachelor of Arts in Sociology, University of Richmond, Richmond, Virginia